

DEED OF IRREVOCABLE UNDERTAKING
(Director Shareholder)

To: Navigator Paper UK Limited (the "**Offeror**")
5 The Courtyard
London Road
Newbury
Berkshire
RG14 1AX

From: Christopher Welsh

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

22 March 2024

Dear Sir/Madam,

Offer for Accrol Group Holdings plc (the "Company")

I, the undersigned, understand that the Offeror is considering the Transaction (as defined below) substantially on the terms and conditions set out or referred to in a draft of the announcement, a copy of which is at Annex 2 (the "**Announcement**"), to be made pursuant to Rule 2.7 of the City Code on Takeovers and Mergers (the "**Code**").

All references in this deed to the "**Transaction**" shall:

- (i) mean the proposed acquisition by the Offeror of the entire issued and to be issued share capital of the Company, which acquisition may be by way of takeover offer (within the meaning of section 974 of the Companies Act 2006) (referred to in this deed as the "**Takeover Offer**") or a scheme of arrangement (under Part 26 of the Companies Act 2006) (referred to in this deed as the "**Scheme**"); and
- (ii) include any extended, increased or revised offer by the Offeror for any acquisition as referred to in paragraph (i) above, the terms of which are at least as favourable to shareholders of the Company as the terms set out in the Announcement or the Scheme (as the case may be).

1. Warranties and undertakings

Subject to and conditional on the Offeror announcing the Transaction by 5.00 p.m. on 22 March 2024 (or such later date as the Company and the Offeror may agree), I irrevocably undertake, represent and warrant to the Offeror that:

- (i) I am the beneficial owner and/or the registered holder of (or I am otherwise able to control the exercise of all rights, including voting rights, attaching to), the number of ordinary shares of £0.001 each in the capital of the Company set out in Part 1 of Annex 1 (the "**Shares**", which expression shall include any other shares in the Company issued after the date hereof and attributable to or derived from such shares);
- (ii) I am the holder of the number of options and awards over the share capital of the Company as set out in Part 2 of Annex 1 (the "**Awards**");
- (iii) I am not interested in, or otherwise able to control the exercise of rights attributable to, any shares or other securities (as defined in the Code) of the Company, other than those of which details are set out in Annex 1;
- (iv) I am able to transfer, or procure the transfer of, the Shares free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third-party rights and interests of any nature;
- (v) I shall not prior to the earlier of the Transaction becoming Effective (as defined in the Announcement) or this undertaking lapsing in accordance with paragraph 5 of this deed:
 - (a) sell, transfer, charge, encumber, grant any option over or otherwise dispose of or permit the sale, transfer, charging or other disposition or creation or grant of any other encumbrance or option of or over all or any of such Shares or interest in such Shares except under the Transaction; or
 - (b) exercise any voting rights attaching to the Shares to vote in favour of any resolution to approve an acquisition of the Company or any other transaction which is proposed by any person other than the Offeror or which would compete with, frustrate or otherwise impede the Transaction;
 - (c) without the consent of the Offeror, in relation to the Shares, requisition, or join in requisitioning, any general, class or other meeting of the Company for the purposes of voting on any resolution to approve an acquisition or any other transaction or corporate action which is proposed in competition with or which otherwise would, or could reasonably be expected to frustrate or otherwise impede the Transaction;
 - (d) accept, or give any undertaking (whether conditional or unconditional) to accept any offer (whether implemented by way of a takeover offer or scheme of arrangement) in respect of the Shares by any person other than the Offeror; or
 - (e) enter into any agreement or arrangement or incur any obligation:
 - (I) in relation, or operating by reference, to the Shares which could or might reasonably restrict or impede my ability to comply with this deed; or

(II) to do all or any of the acts referred to in paragraphs (a), (b), (c) or (d) above,

and references to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not legally binding or subject to any condition;

- (vi) prior to the earlier of the Transaction becoming Effective (as defined in the Announcement) or this undertaking lapsing in accordance with paragraph 5 of this deed, and save for the Shares and the exercise of options under any of the Company's share option schemes, I will not acquire any shares or other securities of the Company (or any interest therein) and, if any such shares, securities or interest are acquired by me (including for these purposes pursuant to the exercise or vesting of the Awards), such shares, securities or interest (as the case may be) shall be deemed to be included in the expression "**Shares**" for the purposes of this deed and will be subject to the terms of this deed, and I shall notify the Offeror of any such acquisition and of any other dealing, disposal or change in the number of Shares;
- (vii) I have full power and authority to enter into and perform my obligations under this deed in accordance with its terms; and
- (viii) I shall promptly notify the Offeror in writing of any change to or inaccuracy in any information supplied, or representation or warranty given, by me under this deed.

2. Scheme

Subject to and conditional on the Offeror announcing the Transaction by 5.00 p.m. on 22 March 2024 (or such later date as the Company and the Offeror may agree), I irrevocably undertake and warrant, if the Transaction is implemented by way of the Scheme, to the Offeror that unless the Offeror otherwise requests in writing:

- (i) I shall exercise, or, where applicable, procure the exercise of, all voting rights attaching to the Shares to vote in favour of all the resolutions to approve and implement the Scheme (whether or not amended and whether put on a show of hands or a poll) which is proposed at any general meeting of the Company (including any adjournment thereof) ("**General Meeting**") or at any meeting of holders of shares in the Company convened by a Court (including any adjournment thereof) ("**Court Meeting**");
- (ii) I shall exercise, or, where applicable, procure the exercise of, all rights attaching to the Shares to requisition or join in the requisitioning of any General Meeting of the Company for the purposes of voting on any resolution referred to under paragraph 2(i) above, or to require the Company to give notice of any such meeting, only in accordance with the Offeror's instructions;
- (iii) I shall exercise or, where applicable, procure the exercise of, all voting rights attaching to the Shares to vote against any resolution or proposal to adjourn the General Meeting;

- (iv) I shall exercise, or, where applicable, procure the exercise of, all voting rights attaching to the Shares against any resolution (whether or not amended and whether put to a show of hands or a poll) which is proposed at any general or class meeting of the Company (including any adjournment thereof) or at any meeting of holders of shares in the Company convened by a court (including any adjournment thereof) which might reasonably be expected to:
 - (a) delay, impede or frustrate the Scheme in any way (which shall include any resolution to approve a scheme of arrangement or acquisition of any shares in the Company by a third party); or
 - (b) have an impact on the fulfilment of any condition to the Scheme; and
- (v) I shall after the posting of the circular to be sent to shareholders of the Company containing an explanatory statement in respect of the Scheme (the "**Scheme Document**") (and without prejudice to any right I have to attend and vote in person at the Court Meeting and the General Meeting to approve and implement the Scheme), return, or procure the return of, if applicable, the signed forms of proxy enclosed with the Scheme Document (completed and signed and voting in favour of all the resolutions to approve and implement the Scheme) in accordance with the instructions printed on those forms of proxy and, if applicable, in respect of any Shares held in uncertificated form, instruct (or instruct my nominee, broker or custodian to instruct) the CREST sponsor to complete and transmit CREST proxy instructions (voting in favour of all the resolutions to approve and implement the Scheme), in each case, as soon as possible and in any event no fewer than three business days in advance of the relevant proxy cut-off deadline for the relevant vote; and
- (vi) I shall not, and shall procure that any registered shareholder of the Shares from time to time shall not amend, revoke or withdraw any such proxy once it has been returned in accordance with paragraph 2(v) above, either in writing or by attendance at any General Meeting or Court Meeting or otherwise.

3. Takeover Offer

I acknowledge that the Offeror may elect at any time (with the consent of the Panel on Takeovers and Mergers (the "**Panel**")) to implement the Transaction by way of a Takeover Offer and, subject to and conditional on the Offeror announcing the Transaction by 5.00 p.m. on 22 March 2024 (or such later date as the Company and the Offeror may agree), I irrevocably undertake and warrant, if the Transaction is implemented by way of a Takeover Offer, to the Offeror that my obligations under this deed shall apply *mutatis mutandis* and, in particular, that:

- (i) the Shares shall be acquired by the Offeror (and upon the Takeover Offer being made, I will be able to accept or, where applicable, procure the acceptance of the Takeover Offer in respect of the Shares and to transfer, or procure the transfer of, the Shares) free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and (save as otherwise

provided in accordance with the terms of the Transaction) the right to receive and retain in full all dividends of any nature and other distributions (if any) hereafter declared, made or paid;

- (ii) I shall as soon as possible and in any event within ten business days after the posting of the formal document containing the Takeover Offer (the "**Offer Document**") (or, in respect of any shares allotted to me after the posting of the Offer Document, as soon as possible and in any event within ten business days of such allotment or acquisition) duly accept or procure acceptance of the Takeover Offer in accordance with its terms in respect of the Shares (and, in respect of any Shares held in certificated form, shall forward, or procure the forwarding of, the relevant share certificate(s) to the Offeror or its nominated representative (or a form of indemnity acceptable to the directors of the Company in respect of any lost certificate(s)) at the time of acceptance and, in respect of any Shares held in uncertificated form, instruct (or procure that my nominee, broker or custodian instructs) the CREST sponsor to complete and transmit the relevant instructions through CREST, and otherwise take or procure to be taken all such action as may be specified in the Offer Document as may be reasonably necessary to transfer the Shares to the appropriate escrow balance; and
- (iii) notwithstanding any of the terms of the Offer Document which confer rights of withdrawal on accepting shareholders, I shall not withdraw any acceptance of the Takeover Offer in respect of the Shares or any of them and shall procure that no rights to withdraw any acceptance in respect of such Shares are exercised.

4. Power of attorney

Subject to paragraph 5 of this deed, I irrevocably and by way of security for my obligations hereunder appoint each of the Offeror and any director of the Offeror to be my attorney to execute on my behalf any proxy forms for any Court Meeting or General Meeting or forms of acceptance to be issued with the Offer Document in respect of the Shares (as applicable) and to sign, execute and deliver any documents and to do all acts and things as may be necessary for or incidental to facilitate the completion of the Transaction, the acceptance of the Takeover Offer (as the case may be) and/or performance of my obligations under this deed, in circumstances where the performance of such actions or obligations by me have not otherwise been fulfilled before the deadlines set out in this deed. I undertake to ratify and confirm whatsoever my attorney shall lawfully do or cause to be done by virtue of this power of attorney.

5. Lapse of undertaking

5.1 This deed shall, notwithstanding any other provision hereof, terminate and cease to have any effect on the earlier of the following occurrences:

- (i) the Announcement not being published by 5.00 p.m. on 22 March 2024 or such later date as the Offeror and the Company may agree; or
- (ii) the Scheme Document or the Offer Document (as the case may be) not being published within 28 days of the issue of the Announcement (or such longer period as the Company

and Offeror agree, and the Panel permits), provided that if the Transaction was initially being implemented by way of a Scheme, and the Offeror elects to exercise its right to implement the Transaction by way of a Takeover Offer (with the consent of the Panel) or vice versa, the time period in this paragraph 5.1(ii) shall be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require); or

- (iii) the Transaction has not become effective by 11.59 p.m. on the Long Stop Date (as defined in the Announcement): or
- (iv) the date on which the Transaction (whether implemented by way of Scheme or Takeover Offer) is withdrawn or lapses in accordance with its terms provided that this paragraph shall not apply where:
 - (a) a new, revised or replacement Scheme or Takeover Offer is announced by the Offeror in accordance with Rule 2.7 of the Code at the same time; or
 - (b) the Transaction is withdrawn or lapses as a result of the Offeror exercising its right, in accordance with the Code, to implement the Transaction by way of a Takeover Offer rather than by way of a Scheme or vice versa: or
- (v) the Offeror announces that it does not intend to proceed with the Transaction and no new, revised or replacement Scheme or Takeover Offer is announced by the Offeror in accordance with Rule 2.7 of the Code at the same time; or
- (vi) any competing offer for the shares of the Company by a third party other than the Offeror becomes wholly unconditional (if made by way of a takeover offer) or effective (if made by way of a scheme of arrangement).

5.2 If this deed lapses, I shall have no claim against the Offeror and the Offeror shall have no claim against me under the terms of this deed save in respect of any prior breach.

6. Disclosure

6.1 Subject to and conditional on the Offeror announcing the Transaction by 5.00 p.m. on 22 March 2024 (or such later date as the Company and the Offeror may agree), I acknowledge and consent to:

- (i) a copy of this deed being disclosed to the Panel;
- (ii) the inclusion of references to me and the registered holder(s) of any of the Shares in which I have (or will have as the case may be) a beneficial interest and to this deed (or particulars thereof) being set out in the Announcement, the Scheme Document and any Offer Document (if applicable) and any other announcement made, or document issued, by or on behalf of the Offeror or the Company in connection with the Transaction, in each case to the extent required by the Code; and

(iii) this deed being made publicly available as required by Rule 26 of the Code, including being made publicly available on the Offeror's and the Company's websites and particulars of it being contained in the Scheme Document of the Offer Document (as the case may be).

6.2 I further acknowledge that I am obliged to make appropriate disclosure under Rule 2.10(c) of the Code promptly after becoming aware that I will not be able to comply with the terms of this deed or no longer intend to do so.

7. Miscellaneous

7.1 I understand that the information provided to me in relation to the Transaction is given in confidence and must be kept confidential, save as required by law or any rule of any relevant regulatory body or stock exchange, until the Announcement is released or the information has otherwise become generally or publicly available, provided that I may disclose relevant information to my professional advisers who need to know such information for the purposes of advising me in relation to the contents of this deed. Before this time, I understand that I need to comply with the applicable restrictions on dealing in securities and disclosing inside information of the Criminal Justice Act 1993 and the Market Abuse Regulation (as it applies in the UK by virtue of the European Union (Withdrawal) Act 2018).

7.2 The obligations and provisions set out in this deed apply equally to the persons from whom I am to procure votes in favour of the resolutions to approve and implement the Scheme pursuant to paragraph 2(i) above or acceptance of the Takeover Offer pursuant to the terms of paragraph 3(i) above (as the case may be), and I shall procure the observance by such persons of the terms hereof as if they were each specifically a party hereto.

7.3 Nothing in this deed shall constitute an obligation for me, in my capacity as a director of the Company, to take any action which is not permitted by Practice Statement No. 29 issued by the Panel with respect to Rule 21.2 of the Code, nor should anything in this undertaking impose any obligations on me in my capacity as a director of the Company which would in any way impede or prejudice my obligations and duties, or fetter my discretion, as a director of the Company.

7.4 I acknowledge that damages may not be an adequate remedy for breach of this deed and that an order for specific performance or injunctive relief may be the only adequate remedy for any such breach.

7.5 I agree that any delay by the Offeror in exercising, or failing to exercise, any right or remedy under this deed shall not constitute a waiver of such right or remedy. I agree that the Offeror's rights and remedies under this deed are cumulative and not exclusive of any rights or remedies provided by law.

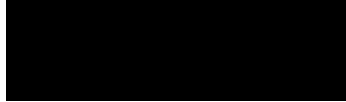
7.6 If any provision of this deed is held to be invalid or unenforceable, then such provision shall (so far as it is invalid or unenforceable) be given no effect and shall be deemed not to be included in this deed, but without invalidating any of the remaining provisions.

7.7 No amendment or variation will be made to this deed unless signed in writing by me and Offeror.

- 7.8 This deed shall bind my estate and personal representatives.
- 7.9 I acknowledge that the release of the Announcement is at the Offeror's absolute discretion. Nothing in this deed shall oblige the Offeror to announce or proceed with the Scheme or the Takeover Offer.
- 7.10 This deed shall be governed by and construed in accordance with English law. Any matter, claim or dispute, whether contractual or non-contractual, arising out of or in connection with this deed is to be governed by and determined in accordance with English law and shall be subject to the exclusive jurisdiction of the English courts.
- 7.11 References to time in this deed are to London time. I acknowledge and agree that time will be of the essence in respect of all dates, periods and timescales set out in this undertaking and any dates, periods and timescales which may be substituted for them by mutual agreement in writing.

I intend this document to be a deed and execute and deliver it as a deed.

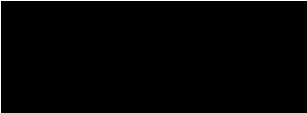
Executed as a deed by
Christopher Welsh



Signature of Director

in the presence of:

Signature of witness



Name of witness



Address of witness



ANNEX 1**Shares to which this undertaking relates****Part 1: Shares**

Number of Shares	Registered holder(s)	Beneficial owner(s)
Nil	N/A	N/A

Part 2: Awards

Number of Shares under option	Share plan	Date of grant	Vesting date	Exercise price
650,407	Accrol Group Holdings Long-Term Incentive Plan 2021	18/11/2022	30/04/2025	£0.001
765,217	Accrol Group Holdings Long-Term Incentive Plan 2021	04/04/2023	30/04/2024	£0.001
401,700	Accrol Group Holdings Long-Term Incentive Plan 2021	05/02/2024	30/04/2026	£0.001

ANNEX 2
ANNOUNCEMENT

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

FOR IMMEDIATE RELEASE

22 March 2024

RECOMMENDED CASH OFFER

for

ACCROL GROUP HOLDINGS PLC

by

NAVIGATOR PAPER UK LIMITED

(an indirect wholly owned subsidiary of The Navigator Company, S.A.)

**(to be implemented by way of a scheme of arrangement
under Part 26 of the Companies Act 2006)**

Summary

- The boards of directors of Navigator Paper UK Limited (“**Bidco**”) and Accrol Group Holdings plc (“**Accrol**”) are pleased to announce that they have reached agreement on the terms of a recommended all-cash offer by Bidco for the entire issued and to be issued share capital of Accrol (the “**Offer**”).
- It is intended that the Offer will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Bidco reserves the right to implement the Offer by way of a Takeover Offer, with the consent of the Panel).
- Under the terms of the Offer, Accrol Shareholders will be entitled to receive:
for each Accrol Share: 38 pence in cash (the “Cash Consideration”)
- The Offer values Accrol’s entire issued and to be issued share capital at approximately £127.5 million.
- The Cash Consideration represents a premium of approximately:
 - 11.8 per cent. to the Closing Price per Accrol Share of 34.0 pence on 21 March 2024 (being the latest practicable date prior to this Announcement (the “**Latest Practicable Date**”));
 - 28.7 per cent. to the volume weighted average price per Accrol Share of 29.5 pence for the 6-month period ended on the Latest Practicable Date; and

- 23.2 per cent. to the volume weighted average price per Accrol Share of 30.8 pence for the 12-month period ended on the Latest Practicable Date.

Dividends

- If any dividend, distribution or other return of value is announced, authorised, declared, made or paid in respect of Accrol Shares on or after the date of this Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each Accrol Share under the terms of the Offer by the amount per Accrol Share of such dividend, distribution or other return of value. In such circumstances, Accrol Shareholders shall be entitled to retain any such dividend, distribution or other return of value announced, declared, made or paid.

Background to, and reasons for, the Offer

The Navigator Company, S.A. (“**Navigator**”) is a large Portuguese integrated pulp, paper, tissue, packaging and biomass-based energy company, listed on the Euronext Lisbon Stock Exchange (“**Euronext Lisbon**”), with a market capitalisation of approximately €2.73 billion, as at the Latest Practicable Date. In the financial year ended 31 December 2023 Navigator reported consolidated revenues of €1,953 million and consolidated EBITDA of €502 million.

Navigator is the European leader (excluding Russia) and is ranked 7th worldwide for its capacity in the production of fine printing and writing paper (Uncoated Woodfree Paper “**UWF**”), processing more than 1.6 million tonnes of paper per year. Furthermore, Navigator is Europe’s largest producer of Bleached Eucalyptus Kraft Pulp (“**BEKP**”) producing circa 1.6 million tonnes per year, and is the largest eucalyptus forest producer and manager in Portugal, with circa 100,000 hectares of forest under management.

In 2014 Navigator made the strategic decision to enter the tissue market, based on a business model comprising: (i) the production of tissue paper parent reels on a large industrial scale with direct integration of pulp into tissue production; (ii) converting facilities located in Navigator's core consumer markets of Western Europe and the UK; and (iii) serving both "At Home" and "Away from Home" client segments.

- In 2015, it acquired AMS Star Paper, which currently has the capacity to produce around 60,000 tons per annum of high-quality tissue paper and corresponding converting capacity.
- In 2018, it invested in a large-scale, greenfield tissue paper production plant at its industrial complex located in the Aveiro district, Portugal, which it integrated with its pulp mill and which now has tissue paper capacity of 70,000 tons per year and 55,000 tons of converting capacity.
- In 2023, it acquired the tissue consumer business of Spanish Gomà-Camps group as well as its industrial site located in the region of Zaragoza, which has a tissue paper production capacity of 35,000 tons and 55,000 tons of tissue converting capacity.

Navigator now has a total production capacity of 165,000 tons of tissue paper and 180,000 tonnes of tissue converting capacity per year generating approximately €293 million of annual revenue in 2023.

Navigator sees Accrol as a key pillar in its strategy of sustained expansion of its tissue business in the Western European market:

- Navigator believes the Offer presents a compelling opportunity to enter the UK market through the acquisition of a leading UK independent tissue paper converter, with competitive advantages, complementary values and strong alignment to Navigator.
- Accrol has a leading position in the UK consumer private label market segment, holding valuable commercial relationships with relevant tissue clients.

- Accrol has a professional and knowledgeable workforce, which Navigator values highly, and well invested manufacturing facilities which Navigator plans to retain as fully operational going forward.

Navigator's strategy is one of long-term value creation:

- It will focus on building on Accrol's market position as a trusted reference player in the UK tissue private label market, and supporting its growth across all its core product segments.
- It expects Accrol to benefit from Navigator's expertise and experience in operating similar tissue operations, helping to drive efficiency and productivity, as well as benefitting from Navigator's additional balance sheet capacity and access to capital, which provide the ability to support future growth.
- Combining Accrol's industrial sites, personnel, and client commercial relationships into the Navigator Group has the potential to enhance its performance for the benefit of customers, employees and stakeholders.

The acquisition of Accrol will reinforce Navigator's market position in the Western European tissue market. Navigator anticipates this would result in a consolidated turnover of approximately £500 million, with the UK market expected to contribute around 50 per cent. of Navigator's total tissue turnover.

Background to and reasons for the Accrol Directors' recommendation

Since its initial public offering in 2016, Accrol has undergone substantial transformation across its operations, and, has grown organically and through acquisitions, completing three acquisitions since 2020. Accrol is a leading tissue converter and supplier of toilet tissues, kitchen rolls, facial tissues, and wet wipes to many of the UK's leading discounters and grocery retailers across the UK.

In 2016, Accrol had revenue of circa £118 million and EBITDA of circa £15 million. The Accrol Board is proud of the incremental revenue and profit growth that has followed, driven by the successful turnaround of the business led by current CEO Gareth Jenkins, following the turmoil experienced in 2017 due to challenging trading conditions. Accrol is on track to report revenue of circa £205 million and EBITDA of at least £21 million in 2024, driven by increasing demand, strength of retail relationships, robust supply model and successful strategic integration of three complementary businesses.

Whilst the Accrol Directors are confident in the long-term prospects of the business as an independent listed company, the Accrol Board notes:

Larger scale as part of the Wider Navigator Group

Accrol is a manufacturer of scale with a business model of converting tissue for the private label market without being vertically integrated into the manufacturing of tissue paper in the UK. Accrol's largest competitors, including Kimberly Clark, Essity, Wepa and Sofidel are all vertically integrated into the manufacturing of tissue paper production. Whilst Accrol is able to source jumbo paper reels on the open market, price fluctuations in raw materials can expose the business to significant cost increases and margin volatility. As part of a larger integrated group, with paper and pulp making capacity, it would allow Accrol to continue to improve and maintain margins and win larger wallet share from the largest UK retailers by being an integrated supplier, benefitting from the capabilities, scale, network and resources of Navigator.

Market performance

Accrol's share price has generally been weak since late 2018, with the significant turnaround in the business not resulting in a sustained recovery. As previously announced, Accrol has experienced strong financial and operational performance throughout the recent past, delivering profit upgrades and improving margins but when coupled with broader economic and political uncertainty, the wider AIM market has suffered significant challenges and has as yet not resulted in a strong upward trend of the share price.

A key outcome of the previously announced 'Accrol Strategic Review' was the development of a paper mill to partially vertically integrate the Accrol Group. The debt profile for the Accrol Group through this period will naturally expand and the current share price is likely to result in significant challenges of raising equity to fund any other significant expansion project with alternative funding options potentially competing with shareholder strategic preferences. The acquisition into the Navigator Group offers potential to improve margins and benefit from a more stable, integrated supply chain.

In considering the Offer, the Accrol Directors have taken into account Navigator's stated intentions for the business and its employees and Navigator's integrated business model. The Accrol Directors believe that the Offer represents an opportunity which will result in a positive outcome for all its stakeholders, including customers, employees and shareholders.

Accordingly, the Accrol Directors intend to unanimously recommend that Accrol Shareholders vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolutions at the General Meeting.

Recommendation

- The Accrol Directors, who have been so advised by Stifel as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing their advice to the Accrol Directors, Stifel has taken into account the commercial assessments of the Accrol Directors. Stifel is providing independent financial advice to the Accrol Directors for the purposes of Rule 3 of the Code.
- **Accordingly, the Accrol Directors intend to recommend unanimously that Accrol Shareholders vote (or procure votes) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting, as the Accrol Directors have irrevocably undertaken to do (or procure to be done) in respect of their interests and those of their connected persons in 17,124,230 Accrol Shares, in aggregate, representing approximately 5.4 per cent. of the issued share capital of Accrol as at the Latest Practicable Date.**

Irrevocable undertakings

- In addition to the irrevocable undertakings given by the Accrol Directors referred to immediately above, Bidco has also received an irrevocable undertaking to vote (or procure the voting) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting from Lombard Odier Asset Management (Europe) Limited, in respect of 91,403,124 Accrol Shares, in aggregate, representing approximately 28.7 per cent. of Accrol's issued share capital as at the Latest Practicable Date.
- In aggregate therefore, Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting from the holders of 108,527,354 Accrol Shares in total representing approximately 34 per cent. of Accrol's issued share capital as at the Latest Practicable Date.
- Further details of these irrevocable undertakings, including the terms on which they cease to be binding, are set out in Appendix III to this Announcement.

Information on Bidco

- Bidco is an English private limited company which is indirectly wholly owned by Navigator.
- Navigator is a publicly traded company with its head office in Mitrena, 2901-861 Setúbal, and it is listed on the Euronext Lisbon. Navigator is an integrated producer of forest, pulp, paper, tissue, sustainable packaging solutions, and bioenergy.

Timetable and conditions

- It is intended that the Offer will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (or, if Bidco so elects, a Takeover Offer).
- The Offer is subject to the Conditions and certain further terms set out in Appendix I to this Announcement and to the full terms and conditions which will be set out in the Scheme Document. The Conditions include:
 - the approval by a majority in number of Accrol Shareholders present, entitled to vote and voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Accrol Shares voted;
 - the approval of the Resolutions by the requisite majority or majorities of Accrol Shareholders at the General Meeting;
 - the sanction of the Scheme by the Court; and
 - the Scheme becoming Effective by no later than the Long Stop Date.
- The Offer is expected to become Effective in Q2 2024 subject to the satisfaction (or, where applicable, waiver) of the Conditions set out in Appendix I to this Announcement.

Further details of the Offer will be contained in the Scheme Document which is intended to be published, along with notices of the Court Meeting and General Meeting and the Forms of Proxy, within 28 days of the date of this Announcement, unless Accrol and Bidco otherwise agree, and the Panel consents, to a later date. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Bidco's website at <https://www.thenavigatorcompany.com/Investidores/Recommended-cash-offer-for-accrol-group-holdings-plc> and Accrol's website at <https://www.accrol.co.uk/investors/recommended-offer-for-accrol-group-holdings-plc>.

- Commenting on the Offer, António Redondo, Chief Executive Officer of Navigator, said:

“The prospective acquisition of Accrol, a renowned tissue manufacturer based in the UK, marks a pivotal moment for Navigator, as we expand our commercial footprint to the UK tissue market.

The proposed acquisition is perfectly aligned with our long-term growth strategy for the tissue business and underscores our unwavering commitment to driving innovation, sustainable growth, and operational excellence at Navigator.

Accrol brings an outstanding business franchise, including an exceptional customer base, highly skilled employees, and a solid track record of producing quality tissue products. We are excited to integrate Accrol assets, competences, and talented team into our organization, aiming at solidifying our position as a reference player in the UK tissue industry and establishing our presence in the UK market over the long term.”

- Commenting on the Offer, Gareth Jenkins, Chief Executive Officer of Accrol, said:

“Accrol has undergone a period of significant transformation and growth over the last four years, investing in fully automating its tissue converting operations to enhance manufacturing capabilities. I am proud and grateful to the efforts and commitment of our people. We have grown to become a leading manufacturer of private label, own branded and licensed tissue products to the UK market and have developed broad retail relationships and a robust supply model that enables us to produce great quality and value products.

Combining with the Navigator Group brings together a highly complementary product offering. It will enable Accrol to benefit from the capabilities, scale, network and resources of Navigator, building on the strategic progress we have made to date.”

This summary should be read in conjunction with, and is subject to, the full text of this Announcement (including its Appendices).

The Offer is subject to the Conditions and further terms that are set out in Appendix I to this Announcement, and to the full terms and conditions which will be set out in the Scheme Document. Appendix II to this Announcement contains the bases and sources of certain information used in this Announcement. Appendix III to this Announcement contains details relating to the irrevocable undertakings referred to in this Announcement. Appendix IV to this Announcement contains definitions of terms used in this Announcement.

The person responsible for arranging the release of this Announcement on behalf of Bidco is Fernando Araújo.

The person responsible for arranging the release of this Announcement on behalf of Accrol is Gareth Jenkins.

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Cat Valentine

Keeley Clarke

Eversheds Sutherland (International) LLP is retained as legal adviser to the Wider Navigator Group.

Addleshaw Goddard LLP is retained as legal adviser to Accrol.

Important Notices Relating to Financial Advisers

N.M. Rothschild & Sons Limited ("Rothschild & Co"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Wider Navigator Group and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than Wider Navigator Group for providing the protections afforded to clients of Rothschild & Co nor for providing advice in relation to any matter referred to in this Announcement or any transaction or arrangement referred to herein. Neither Rothschild & Co nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with this Announcement, any statement contained herein, any transaction or arrangement referred to herein, or otherwise.

Stifel Nicolaus Europe Limited ("Stifel"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as Rule 3 adviser and lead financial adviser for Accrol and for no one else in connection with the matters set out or referred to in this Announcement and will not be responsible to anyone other than Accrol for providing the protections offered to clients of Stifel nor for providing advice in relation to the matters set out or referred to in this Announcement. Neither Stifel nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Stifel in connection with this Announcement, any matter or statement set out or referred to herein or otherwise.

Zeus Capital Limited ("Zeus"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as joint financial adviser and nominated adviser for Accrol and for no one else in connection with the Offer and/or any other matter referred to in this Announcement and will not be responsible to anyone other than Accrol for providing the protections afforded to its clients or for providing advice in relation to the Offer, the contents of this Announcement, or any other matters referred to in this Announcement. Neither Zeus nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Zeus in connection with this Announcement, any statement or other matter or arrangement referred to herein or otherwise.

Further Information

This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer or invitation to purchase, otherwise acquire, subscribe for, exchange, sell or

otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise.

The Offer will be subject to English law and to the applicable requirements of the Code, the Panel, the AIM Rules, the London Stock Exchange and the FCA.

The Offer will be made solely by the Scheme Document (or, in the event that the Offer is to be implemented by means of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Offer, including details of how to vote in respect of the Scheme. Any voting decision or response in relation to the Offer should be made solely on the basis of the Scheme Document. Accrol Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been published. Each Accrol Shareholder is urged to consult their independent professional adviser regarding the tax consequences of the Offer.

This Announcement does not constitute a prospectus or a prospectus equivalent document.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an independent financial adviser duly authorised under the FSMA.

Overseas Shareholders

The release, publication or distribution of this Announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are not resident in the United Kingdom or who are subject to the laws of any jurisdiction other than the United Kingdom (including Restricted Jurisdictions) should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom or who are subject to the laws of another jurisdiction to vote their Accrol Shares in respect of the Scheme at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. Any failure to comply with applicable legal or regulatory requirements of any jurisdiction may constitute a violation of securities laws or regulations in that jurisdiction. To the fullest extent permitted by applicable law or regulations, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

This Announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside England.

Unless otherwise determined by Bidco or required by the Code, and permitted by applicable law and regulation, the Offer will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction if to do so would constitute a violation of the laws in that jurisdiction. Accordingly, copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of acceptance of the Offer.

Further details in relation to Accrol Shareholders in overseas jurisdictions will be contained in the Scheme Document.

Notice to U.S. Investors in Accrol

The Offer relates to the shares of a company registered under the laws of England and Wales and is being made by way of a scheme of arrangement provided for under Part 26 of the Companies Act. The Offer, implemented by way of a scheme of arrangement, is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Offer is subject to the disclosure requirements and practices applicable to a scheme of arrangement involving a target company in England with its securities admitted to trading on the London Stock Exchange, which differ from the disclosure requirements of U.S. tender offer and proxy solicitation rules. If, in the future, Bidco exercises its right to implement the Offer by way of a Takeover Offer and determines to extend the Takeover Offer into the United States, the Offer will be made in compliance with applicable U.S. laws and regulations including Sections 14(d) and 14(e) of the U.S. Exchange Act and Regulations 14D and 14E thereunder. Such a Takeover Offer would be made in the United States by Bidco and no one else.

The financial information included in this Announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles. None of the financial information in this Announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

It may be difficult for U.S. Accrol Shareholders to enforce their rights and any claim arising out of the U.S. federal securities laws or the laws of any state or other jurisdiction in the United States in connection with the Offer, because Accrol is located in a non-U.S. country, and some or all of its officers and directors may be residents of a non-U.S. country. U.S. Accrol Shareholders may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. federal securities laws or the laws of any state or other jurisdictions in the United States. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's jurisdiction or judgment.

U.S. Accrol Shareholders also should be aware that the Offer may have tax consequences in the United States and that such consequences, if any, are not described herein. U.S. Accrol Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Offer.

Forward-looking Statements

This Announcement (including any information incorporated by reference in this Announcement), oral statements made regarding the Offer, and other information published by Navigator, Bidco or Accrol contain statements which are, or may be deemed to be, "forward-looking statements" with respect to Navigator, Bidco, Accrol and the Enlarged Navigator Group. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "aim", "will", "may", "would", "could" or "should" or other words of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, synergies, financial conditions, market growth, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the operations of the Navigator Group or the Accrol Group; and (iii) the effects of government regulation on the business of the Navigator Group or the Accrol Group. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are the satisfaction (or, where permitted, waiver) of the Conditions as well as additional factors, such as domestic and global

business and economic conditions; the impact of pandemics, asset prices; market-related risks such as fluctuations in interest rates and exchange rates, industry trends, competition, changes in government and regulation, changes in the policies and actions of governments and/or regulatory authorities (including changes related to capital and tax), changes in political and economic stability (including exposures to terrorist activities, the UK's exit from the European Union, Eurozone instability, the Russia-Ukraine conflict), disruption in business operations due to reorganisation activities, interest rate, inflation, deflation and currency fluctuations, the timing impact and other uncertainties of future or planned acquisitions or disposals or offers, the inability of the Enlarged Navigator Group to realise successfully any anticipated synergy benefits when the Offer is implemented (including changes to the board and/or employee composition of the Enlarged Navigator Group), the inability of the Navigator Group to integrate successfully the Accrol Group's operations and programmes when the Offer is implemented, the Enlarged Navigator Group incurring and/or experiencing unanticipated costs and/or delays (including IT system failures, cyber-crime, fraud and pension scheme liabilities), or difficulties relating to the Offer when the Offer is implemented. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. By their nature, these forward-looking statements involve known and unknown risks and uncertainties (and other factors that are in many cases beyond the control of Accrol, Navigator and/or Bidco) because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this Announcement may cause the actual results, performance or achievements of any such person, or industry results and developments, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that such expectations will prove to have been correct and persons reading this Announcement are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this Announcement. None of the Navigator Group nor Accrol Group, nor any of their respective associates or directors, officers or advisers, provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. All subsequent oral or written forward-looking statements attributable to Navigator, Bidco or Accrol or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Other than in accordance with their legal or regulatory obligations (including under the Code, MAR and the AIM Rules), neither of Navigator, Bidco nor Accrol is under or undertakes any obligation, and each of the foregoing expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No Profit Forecasts, Estimates or Quantified Financial Benefits Statements

Except where indicated in Section 8 of this Announcement, no statement in this Announcement is intended, or is to be construed, as a profit forecast or estimate for any period or a quantified financial benefits statement and no statement in this Announcement should be interpreted to mean that earnings or earnings per ordinary share, for Navigator, Bidco or Accrol, respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share for Navigator, Bidco or Accrol, respectively.

Right to Switch to a Takeover Offer

Bidco reserves the right to elect, with the consent of the Panel, to implement the Offer by way of a Takeover Offer for the entire issued and to be issued share capital of Accrol as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as

applicable, as those which would apply to the Scheme and subject to the amendment referred to in Part C of Appendix I to this Announcement.

Electronic Communication – Information Relating to Accrol Shareholders

Addresses, electronic addresses and certain other information provided by Accrol Shareholders, persons with information rights and other relevant persons for the receipt of communications from Accrol may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Publication on Website

A copy of this Announcement and the documents required to be published pursuant to Rule 26.1 and Rule 26.2 of the Code will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, at <https://www.thenavigatorcompany.com/Investidores/Recommended-cash-offer-for-accrol-group-holdings-plc> and Accrol's website at <https://www.accrol.co.uk/investors/recommended-offer-for-accrol-group-holdings-plc> by no later than 12 noon on the Business Day following the date of this Announcement.

Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.

Hard Copy Documents

In accordance with Rule 30.3 of the Code, Accrol Shareholders, persons with information rights and participants in the Accrol Share Schemes may request a hard copy of this Announcement by contacting Accrol's registrar, Link Group, on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.30 p.m. (London time), Monday to Friday excluding for public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may, subject to applicable securities laws, also request that all future documents, announcements and information be sent to them in relation to the Offer in hard copy form.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Market Abuse Regulation

This Announcement contains inside information for the purposes of Article 7 of MAR. Market soundings (as defined in MAR) were taken in respect of a potential offer with the result that certain persons became aware of inside information (as defined in MAR) as permitted by MAR. This inside information is set out in this Announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to Accrol and its securities.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, Accrol confirms that, as at the Latest Practicable Date, it had in issue 318,878,097 ordinary shares of £0.001 each. The International Securities Identification Number (ISIN) for Accrol Shares is GB00BZ6VT592.

Disclosure Requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Code applies must be made by no later than 3.30 p.m. (London time) on the 10th business day (as defined in the Code) following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day (as defined in the Code) following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 p.m. (London time) on the business day (as defined in the Code) following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION. UPON THE PUBLICATION OF THIS ANNOUNCEMENT VIA A REGULATORY INFORMATION SERVICE, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION.

FOR IMMEDIATE RELEASE

22 March 2024

RECOMMENDED CASH OFFER

for

ACCROL GROUP HOLDINGS PLC

by

NAVIGATOR PAPER UK LIMITED

(an indirect wholly owned subsidiary of The Navigator Company, S.A.)

(to be implemented by way of a scheme of arrangement under Part 26 of the Companies Act 2006)

1. Introduction

The boards of directors of Navigator Paper UK Limited (“**Bidco**”) and Accrol Group Holdings plc (“**Accrol**”) are pleased to announce that they have reached agreement on the terms of a recommended all-cash offer by Bidco for the entire issued and to be issued share capital of Accrol (the “**Offer**”).

It is intended that the Offer will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Bidco reserves the right to implement the Offer by way of a Takeover Offer, with the consent of the Panel).

2. The Offer

Under the terms of the Offer, Accrol Shareholders will be entitled to receive:

for each Accrol Share: 38 pence in cash (the “Cash Consideration”)

The Offer values Accrol’s entire issued and to be issued share capital at approximately £127.5 million.

The Cash Consideration represents a premium of approximately:

- 11.8 per cent. to the Closing Price per Accrol Share of 34.0 pence on 21 March 2024 (being the latest practicable date prior to this Announcement (the “**Latest Practicable Date**”));
- 28.7 per cent. to the volume weighted average price per Accrol Share of 29.5 pence for the 6-month period ended on the Latest Practicable Date; and
- 23.2 per cent. to the volume weighted average price per Accrol Share of 30.8 pence for the 12-month period ended on the Latest Practicable Date.

The Accrol Shares will be acquired by Bidco fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third-party rights or interests whatsoever and together with all rights existing at the date of this Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Accrol Shares.

If any dividend, distribution or other return of value is announced, authorised, declared, made or paid in respect of Accrol Shares on or after the date of this Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each Accrol Share under the terms of the Offer by the amount per Accrol Share of such dividend, distribution or other return of value. In such circumstances, Accrol Shareholders shall be entitled to retain any such dividend, distribution or other return of value announced, declared, made or paid.

3. Background to, and Reasons for, the Offer

The Navigator Company, S.A. (“**Navigator**”) is a large Portuguese integrated pulp, paper, tissue, packaging and biomass-based energy company, listed on the Euronext Lisbon, with a market capitalisation of approximately €2.73 billion, as at the Latest Practicable Date. In the financial year ended 31 December 2023 Navigator reported consolidated revenues of €1,953 million and consolidated EBITDA of €502 million.

Navigator is the European leader (excluding Russia) and is ranked 7th worldwide for its capacity in the production of fine printing and writing paper (Uncoated Woodfree Paper “**UWF**”), processing more than 1.6 million tonnes of paper per year. Furthermore, Navigator is Europe’s largest producer of Bleached Eucalyptus Kraft Pulp (“**BEKP**”) producing circa 1.6 million tonnes per year, and is the largest eucalyptus forest producer and manager in Portugal, with circa 100,000 hectares of forest under management.

In 2014 Navigator made the strategic decision to enter the tissue market, based on a business model comprising: (i) the production of tissue paper parent reels on a large industrial scale with direct integration of pulp into tissue production; (ii) converting facilities located in Navigator’s core consumer markets of Western Europe and the UK; and (iii) serving both “At Home” and “Away from Home” client segments.

- In 2015, it acquired AMS Star Paper, which currently has the capacity to produce around 60,000 tons per annum of high-quality tissue paper and corresponding converting capacity.
- In 2018, it invested in a large-scale, greenfield tissue paper production plant at its industrial complex located in the Aveiro district, Portugal, which it integrated with its pulp mill and which now has tissue paper capacity of 70,000 tons per year and 55,000 tons of converting capacity.
- In 2023, it acquired the tissue consumer business of Spanish Gomà-Camps group as well as its industrial site located in the region of Zaragoza, which has a tissue paper production capacity of 35,000 tons and 55,000 tons of tissue converting capacity.

Navigator now has a total production capacity of 165,000 tons of tissue paper and 180,000 tonnes of tissue converting capacity per year generating approximately €293 million of annual revenue in 2023.

Navigator sees Accrol as a key pillar in its strategy of sustained expansion of its tissue business in the Western European market:

- Navigator believes the Offer presents a compelling opportunity to enter the UK market through the acquisition of a leading UK independent tissue converter, with competitive advantages, complementary values and strong alignment to Navigator.

- Accrol has a leading position in the UK consumer private label market segment, holding valuable commercial relationships with relevant tissue clients.
- Accrol has a professional and knowledgeable workforce, which Navigator values highly, and well invested manufacturing facilities which Navigator plans to retain as fully operational going forward.

Navigator's strategy is one of long-term value creation:

- It will focus on building on Accrol's market position as a trusted reference player in the UK tissue private label market and supporting its growth across all its core product segments.
- It expects Accrol to benefit from Navigator's expertise and experience in operating similar tissue operations, helping to drive efficiency and productivity, as well as benefitting from Navigator's additional balance sheet capacity and access to capital, which provide the ability to support future growth.
- Combining Accrol's industrial sites, personnel, and client commercial relationships into the Navigator Group has the potential to enhance its performance for the benefit of customers, employees and stakeholders.

The acquisition of Accrol will reinforce Navigator's market position in the Western European tissue market. Navigator anticipates this would result in a consolidated turnover of approximately £500 million, with the UK market expected to contribute around 50 per cent. of Navigator's total tissue turnover.

4. Recommendation

The Accrol Directors, who have been so advised by Stifel as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing their advice to the Accrol Directors, Stifel has taken into account the commercial assessments of the Accrol Directors. Stifel is providing independent financial advice to the Accrol Directors for the purposes of Rule 3 of the Code.

Accordingly, the Accrol Directors intend to recommend unanimously that Accrol Shareholders vote (or procure votes) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting, as the Accrol Directors have irrevocably undertaken to do (or procure to be done) in respect of their interests and those of their connected persons in 17,124,230 Accrol Shares, in aggregate, representing approximately 5.4 per cent. of the issued share capital of Accrol as at the Latest Practicable Date.

5. Background to and Reasons for the Recommendation

Since its initial public offering in 2016, Accrol has undergone substantial transformation across its operations, and, has grown organically and through acquisitions, completing three acquisitions since 2020. Accrol is a leading tissue converter and supplier of toilet tissues, kitchen rolls, facial tissues, and wet wipes to many of the UK's leading discounters and grocery retailers across the UK.

In 2016, Accrol had revenue of circa £118 million and EBITDA of circa £15 million. The Accrol Board is proud of the incremental revenue and profit growth that has followed, driven by the successful turnaround of the business led by current CEO Gareth Jenkins, following the turmoil experienced in 2017 due to challenging trading conditions. Accrol is on track to report revenue of circa £205 million and EBITDA of at least £21 million in 2024, driven by increasing demand, strength of retail relationships, robust supply model and successful strategic integration of three complementary businesses.

Whilst the Accrol Directors are confident in the long-term prospects of the business as an independent listed company, the Accrol Board notes:

Larger scale as part of the Wider Navigator Group

Accrol is a manufacturer of scale with a business model of converting tissue for the private label market without being vertically integrated into the manufacturing of tissue paper in the UK. Accrol's largest competitors, including Kimberly Clark, Essity, Wepa and Sofidel are all vertically integrated into the manufacturing of tissue paper production. Whilst Accrol is able to source jumbo paper reels on the open market, price fluctuations in raw materials can expose the business to significant cost increases and margin volatility. As part of a larger integrated group, with paper and pulp making capacity, it would allow Accrol to continue to improve and maintain margins and win larger wallet share from the largest UK retailers by being an integrated supplier, benefitting from the capabilities, scale, network and resources of Navigator.

Market performance

Accrol's share price has generally been weak since late 2018, with the significant turnaround in the business not resulting in a sustained recovery. As previously announced, Accrol has experienced strong financial and operational performance throughout the recent past, delivering profit upgrades and improving margins but when coupled with broader economic and political uncertainty, the wider AIM market has suffered significant challenges and has as yet not resulted in a strong upward trend of the share price.

A key outcome of the previously announced 'Accrol Strategic Review' was the development of a paper mill to partially vertically integrate the Accrol Group. The debt profile for the Accrol Group through this period will naturally expand and the current share price is likely to result in significant challenges of raising equity to fund any other significant expansion project with alternative funding options potentially competing with shareholder strategic preferences. The acquisition into the Navigator Group offers potential to improve margins and benefit from a more stable, integrated supply chain.

In considering the Offer, the Accrol Directors have taken into account Navigator's stated intentions for the business and its employees and Navigator's integrated business model. The Accrol Directors believe that the Offer represents an opportunity which will result in a positive outcome for all its stakeholders, including customers, employees and shareholders.

Accordingly, the Accrol Directors intend to unanimously recommend that Accrol Shareholders vote in favour of the Scheme at the Court Meeting and vote in favour of the Resolutions at the General Meeting.

6. Irrevocable undertakings

In addition to the irrevocable undertakings given by the Accrol Directors, as set out in Section 4 above, Bidco has also received an irrevocable undertaking to vote (or procure the voting) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting from Lombard Odier Asset Management (Europe) Limited in respect of 91,403,124 Accrol Shares, in aggregate, representing approximately 28.7 per cent. of Accrol's issued share capital as at the Latest Practicable Date.

In aggregate therefore, Bidco has received irrevocable undertakings to vote in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting from the holders of 108,527,354 Accrol Shares in total representing approximately 34 per cent. of Accrol's issued share capital as at the Latest Practicable Date.

Further details of these irrevocable undertakings, including the terms on which they cease to be binding, are set out in Appendix III to this Announcement.

7. Information on Bidco and Navigator

Bidco

Bidco is an English private limited company which is indirectly wholly owned by Navigator.

Navigator

Navigator is a publicly traded company with its head office in Mitrena, 2901-861 Setúbal, and it is listed on Euronext Lisbon. Navigator is an integrated producer of forest, pulp, paper, tissue, sustainable packaging solutions, and bioenergy. In the financial year ended 31 December 2023 Navigator reported consolidated revenues of €1,953 million and consolidated EBITDA of €502 million.

Navigator is the European leader (excluding Russia) and is ranked 7th worldwide for its capacity in the production of fine printing and writing paper (UWF), processing more than 1.6 million tonnes of paper per year. Furthermore, Navigator is Europe's largest producer of Bleached Eucalyptus Kraft Pulp (BEKP) producing circa 1.6 million tonnes per year, and is the largest eucalyptus forest producer and manager in Portugal, with circa 100,000 hectares of forest under management.

Navigator has an investor free float of circa 30 per cent. of equity. The remaining circa 70 per cent. of the Company's issued share capital is held by Sociedade de Investimento e Gestão S.G.P.S., S.A ("SEMAPA") which is also listed on Euronext Lisbon with a market capitalisation of approximately €1.15 billion, as at the Latest Practicable Date. SEMAPA is a leading Portuguese investment holding company with presence in four continents and approximately 6,440 employees across its group (as at 30 June 2023). Its portfolio includes companies with a long history and international projection (such as Navigator and The Secil Group), as well as growth companies (such as ETSA – Investimentos SGPS S.A., Ultimate Technology to Industrial Savings, S.A., and Triangle's Cycling Equipments). In the financial year ended 31 December 2022, SEMAPA reported consolidated revenues of €3,122 million and consolidated EBITDA of €894.2 million.

SEMAPA has an investor free float of circa, 16.8 per cent. and is jointly controlled by Filipa Queiroz Pereira, Mafalda Queiroz Pereira and Lua Queiroz Pereira through their direct and indirect holdings in, Target One Capital, SA, Keytarget Investment Consultoria e investimentos S.A., Premium Caeli S.A., Sodim SGPS S.A. and Cimo – Gestão de Participacoes S.A..

8. Information on Accrol

Accrol is admitted to trading on AIM and its registered head office is located in Blackburn, UK.

Accrol is a leading tissue converter and supplier of toilet tissues, kitchen rolls, facial tissues, and wet wipes to many of the UK leading discounters and grocery retailers. Accrol now operates from five manufacturing sites supplying the UK tissue and wet wipes market valued at circa £3.0 billion (in retail sales value).

Accrol's mission is to deliver the best possible value to the UK consumer on essential everyday tissue, household and personal hygiene products, shaking up traditional brands by delivering the quality the consumer wants for the price they want to pay.

Accrol employs approximately 420 people and has net debt of circa £25.5 million as at 31 October 2023.

As announced on 30 January 2024, Accrol is on track to deliver FY24 revenue circa £205 million and adjusted EBITDA in line with Accrol Board's expectations of at least £21 million. This statement is an ordinary course profit forecast for the purposes of Rule 28.1 of the Code. The Scheme Document will repeat this statement, and include the assumptions and basis of preparation on which it is based and the Accrol Directors' confirmation, as required by Rule 28.1(c)(i) of the Code.

9. Financing

The cash consideration payable by Bidco pursuant to the acquisition will be funded from existing cash resources available to Navigator and transferred to Bidco pursuant to an inter-company loan.

Further information regarding these arrangements will be included in the Scheme Document.

Rothschild & Co, as financial adviser to the Wider Navigator Group, is satisfied that sufficient resources are available to Bidco to enable it to satisfy in full the cash consideration payable to Accrol Shareholders under the terms of the Offer.

Further information on the financing of the Offer will be set out in the Scheme Document.

10. Strategic Plans with regards to the Business, Directors, Management, Employees, Pensions, Research and Development, Locations

Strategic plans for Accrol

Navigator has a high regard for Accrol's business and intends to support and nurture the business under its proposed ownership, with Accrol benefiting from the capabilities, scale, network and resources of Navigator.

Navigator's intention is for Accrol to operate as part of the Wider Navigator Group. The acquisition will enable Navigator to enhance its proposition as Europe's leading tissue business.

Prior to the date of this Announcement, Navigator was granted access to certain due diligence information and Accrol's senior management in order to undertake confirmatory due diligence. Consequently, Navigator has not yet had access to sufficiently granular information to allow it to formulate a detailed operational plan regarding the integration of Accrol into the Navigator Group. Following the Effective Date and in the first six months of ownership, Navigator intends to work closely and collaboratively with Accrol's management to undertake an in-depth evaluation of the business and operations of Accrol. While the parameters of the review have not yet been finalised, Navigator expects that it will involve an evaluation of business expansion opportunities, development of ideas for enhancing the Enlarged Navigator Group's proposition and identification of potential areas of overlap in the Enlarged Navigator Group's portfolio of business (the "**Review**").

Directors, management and employees

Navigator values the skills and experience of Accrol's management and employees and believes that they will benefit from enhanced opportunities under the ownership of Navigator, given its broader activities and capabilities.

Navigator confirms that, following the Effective Date, the existing contractual and statutory employment rights of all of Accrol Group's management and employees will be fully safeguarded in accordance with applicable law. Navigator has not yet begun to carry out the Review and accordingly has, other than as set out below, not reached any conclusions or formulated any specific intentions as to its likely outcome or made any decisions in relation to any detailed actions that may be taken as a result of the Review. Navigator therefore cannot be certain what impact there will be on the employment of, and the balance of skills and functions of, or terms and conditions of employment of, the management and employees of the Enlarged Navigator Group. However, Navigator has no intention to make any material change to the conditions of employment of Accrol's employees or in the balance of the skills and functions of the employees and management of Accrol.

There may be certain overlapping functions associated with Accrol's status as a publicly traded company which may no longer be required following the Effective Date

Any reduction in headcount is not expected to be material in the context of the Accrol Group, and will be focused on the above areas. Any such reductions would also be subject to appropriate consultation with employees and employee representative bodies in accordance with applicable law.

It is intended that, with effect from the Offer becoming Effective, each member of the Accrol Board will resign from his office as a director of Accrol. In addition, each of the executive directors has entered into a settlement agreement, setting out the terms upon which his employment with the Accrol Group will terminate, such termination to take effect from the Effective Date. Further details of these settlement agreements and the non-executive directors resignation letters will be set out in the Scheme Document to be sent to Accrol Shareholders in due course.

Pension Schemes

Accrol does not operate or contribute to any defined benefit pension schemes in respect of its employees. It does, however, operate certain defined contribution pension schemes. Navigator does not intend to make any changes to the eligibility rules or contribution rates that currently apply under Accrol's defined contribution pension plans. Navigator confirms that it will comply with all applicable laws in connection with the provision of retirement benefits.

Management incentivisation arrangements

Navigator has not entered into and has not discussed any form of incentivisation arrangements with members of Accrol's management and will not have any such discussions prior to the Effective Date. Upon the Effective Date Navigator intends to review Accrol's incentivisation arrangements and consider putting in place in due course appropriate arrangements for Accrol's management consistent with Navigator's existing incentive schemes.

Locations of business, fixed assets, headquarters and research and development

Following the Effective Date, Navigator intends that Accrol will operate within the Wider Navigator Group. Navigator does not intend to change the location of Accrol's core tissue manufacturing facilities in Leicester, Blackburn and Leyland or its headquarters. Save as described above in relation to the removal of overlapping functions relating to Accrol's status as a publicly traded company, the headquarters functions will remain unchanged. Navigator has no intention to redeploy the fixed assets of Accrol or to make any changes to the R&D functions of Accrol.

Trading facilities

The Accrol Shares are currently admitted to trading on AIM. Subject to the Offer becoming Effective, an application will be made to the London Stock Exchange to cancel the admission of the Accrol Shares to trading on AIM, following which Accrol will be re-registered as a private limited company.

No statements in this Section 10 are "post-offer undertakings" for the purposes of Rule 19.5 of the Code.

11. Accrol Share Schemes and Warrants

Accrol Share Schemes

Participants in the Accrol Share Schemes will be contacted regarding the effect of the Offer on their rights under the Accrol Share Schemes, and appropriate proposals will be made to such participants in accordance with Rule 15 of the Code. Further details of such proposals will be set out in the Scheme Document and in separate letters to be sent to the participants in the Accrol Share Schemes in due course.

Warrants

Pursuant to the Warrant Instrument, the Warrant Holder has a right to subscribe for 2,790,361 Accrol Shares at the subscription price of £1.00 per Accrol Share (“**Warrants**”). Since all outstanding Warrants have an exercise price which is greater than the Cash Consideration per Accrol Share, no formal proposals will be made to the Warrant Holder in respect of its Warrants under Rule 15 of the Code. Furthermore, the Warrant Holder has, pursuant to a deed of waiver dated 20 March 2024, irrevocably agreed to waive its right in full to exercise the Warrants upon the Offer becoming Effective (“**Warrant Waiver**”).

12. Offer-related Arrangements

Confidentiality Agreement

Navigator and Accrol entered into a confidentiality agreement on 12 January 2024 (the “**Confidentiality Agreement**”), pursuant to which Navigator has undertaken (in respect of itself, the Wider Navigator Group and its Related Persons (as such term is defined in the Confidentiality Agreement)) to keep confidential information relating to, among other things, Accrol and not to disclose it to third parties (with certain exceptions) unless required by law or regulation or permitted pursuant to limited carve-outs to the obligations of confidentiality. The Confidentiality Agreement also includes customary standstill and non-solicitation obligations applicable to Bidco.

The confidentiality obligations will remain in force until the Scheme becomes Effective or, in the event the Scheme does not become Effective, until the date falling 18 months from the date of the Confidentiality Agreement.

13. Structure of the Offer

Scheme

It is intended that the Offer will be implemented by way of a Court-sanctioned scheme of arrangement between Accrol and the Accrol Shareholders under Part 26 of the Companies Act.

The purpose of the Scheme is to provide for Bidco to become the holder of the entire issued and to be issued share capital of Accrol. This is to be achieved by the transfer of the Accrol Shares to Bidco (or a nominee of Bidco) in consideration for which the Accrol Shareholders who are on the Accrol register of members at the Scheme Record Time will receive the Cash Consideration on the basis set out in Section 2 of this Announcement.

Approval by Court Meeting and General Meeting

To become Effective, the Scheme requires, among other things, the:

- (a) approval of a majority in number of the Accrol Shareholders who are present and vote, either in person or by proxy, at the Court Meeting and who represent not less than 75 per cent. in value of the Accrol Shares voted by those Accrol Shareholders; and
- (b) approval of the requisite majorities of the votes cast, either in person or by proxy, of the Resolutions at the General Meeting.

Application to Court to Sanction the Scheme

Once the approvals of the Accrol Shareholders have been obtained at the Court Meeting and the General Meeting, and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court at the Court Hearing.

The Scheme will become effective in accordance with its terms on delivery of a copy of the Court Order to the Registrar of Companies. Upon the Scheme becoming Effective, it will be binding on all Accrol

Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or General Meeting, or whether they voted in favour of or against the Scheme.

Full Details of the Scheme to be set out in the Scheme Document

The Scheme Document will include full details of the Scheme, including the expected timetable and the action to be taken by Accrol Shareholders.

The Scheme will be governed by English law. The Scheme will be subject to the jurisdiction of the English courts and the applicable requirements of the Code, the Panel, the London Stock Exchange, the FCA and the AIM Rules.

It is expected that the Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be published and sent to Accrol Shareholders and, for information only, to participants in the Accrol Share Schemes within 28 days of this Announcement, unless Bidco and Accrol otherwise agree, and the Panel consents, to a later date.

At this stage, subject to the approval and availability of the Court (which is subject to change), and subject to the satisfaction (or, where applicable, waiver) of the Conditions, Bidco expects the Offer will become Effective in Q2 2024.

Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Bidco's website at <https://www.thenavigatorcompany.com/Investidores/Recommended-cash-offer-for-accrol-group-holdings-plc> and Accrol's website at <https://www.accrol.co.uk/investors/recommended-offer-for-accrol-group-holdings-plc>.

Conditions to the Offer

The Offer will be subject to the Conditions and further terms set out in full in Appendix I to this Announcement and to be set out in the Scheme Document.

The Conditions set out in paragraphs 1 and 2 of Appendix I to this Announcement provide that the Scheme will lapse if:

- (a) it does not become Effective by 11.59 p.m. on the Long Stop Date;
- (b) the Court Meeting is not held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as (a) may be agreed between Bidco and Accrol; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel and, in either case, if required, as the Court may allow);
- (c) the General Meeting is not held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date as (a) may be agreed between Bidco and Accrol; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel and, in either case, if required, as the Court may allow); or
- (d) the Scheme is not sanctioned on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document in due course (or such later date as (a) may be agreed between Bidco and Accrol; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel and, in either case, if required, as the Court may allow) and a copy of the Court Order is not delivered to the Registrar of Companies.

Right to Switch to a Takeover Offer

Bidco reserves the right to elect, with the consent of the Panel, to implement the Offer by way of a Takeover Offer for the entire issued and to be issued share capital of Accrol as an alternative to the

Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Part C of Appendix I to this Announcement.

14. Cancellation of admission to trading on AIM of the Accrol Shares and Re-registration

It is intended that dealings in Accrol Shares will be suspended on or shortly before the Effective Date at a time to be set out in the Scheme Document or as separately announced following the date of this Announcement. It is further intended that an application will be made to the London Stock Exchange for the cancellation of the admission to trading of the Accrol Shares on AIM with effect on, or shortly after, the Effective Date. It is currently expected that the last day of dealings in Accrol Shares on AIM will be the Business Day immediately prior to the Effective Date, and that no transfers will be registered after 6.00 p.m. on that date.

Upon the Scheme becoming Effective, share certificates in respect of the Accrol Shares will cease to be valid. In addition, entitlements to Accrol Shares held within the CREST system will be cancelled on the Effective Date.

As soon as practicable after the Effective Date, it is intended that Accrol will be re-registered as a private limited company under the relevant provisions of the Companies Act.

15. Disclosure of Interests in Accrol

As at the close of business on the Latest Practicable Date, save for: (i) the disclosures in this Section 15 of this Announcement; and (ii) the irrevocable undertakings referred to in Section 6 of this Announcement, none of Bidco or any of its directors or, so far as Bidco is aware, any person acting, or deemed to be acting, in concert with Bidco had:

- any interest in, or right to subscribe for, any relevant securities of Accrol;
- any short position in (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, relevant securities of Accrol;
- procured an irrevocable commitment or letter of intent to accept the terms of the Offer in respect of relevant securities of Accrol; or
- borrowed or lent, or entered into any financial collateral arrangements or dealing arrangements in respect of, any relevant securities of Accrol.

Furthermore, no indemnity or dealing arrangement (of the kind referred to in Note 11 of the definition of “acting in concert” in the Code) exists between Bidco or Accrol or, so far as Bidco is aware, any person acting in concert with Bidco or Accrol in relation to Accrol Shares.

It has not been practicable for Bidco to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, all relevant details in respect of Bidco’s concert parties will be included in the Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Takeover Code.

16. Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, Accrol confirms that, as at the Latest Practicable Date, it had in issue 318,878,097 ordinary shares of £0.001 each admitted to trading on AIM. The International Securities Identification Number (ISIN) for Accrol Shares is GB00BZ6VT592.

17. General

The Offer will be subject to the Conditions and other terms set out in Appendix I to this Announcement and to be set out in the Scheme Document.

Each of Rothschild & Co, Stifel and Zeus has given and not withdrawn their consent to the inclusion in this Announcement of the references to their names in the form and context in which they appear.

Appendix II to this Announcement contains the bases and sources of certain information used in this Announcement. Appendix III to this Announcement contains details of the irrevocable undertakings referred to in this Announcement. Appendix IV to this Announcement contains definitions of terms used in this Announcement.

18. Documents Available on a Website

Subject to certain restrictions relating to persons in Restricted Jurisdictions, copies of the following documents will, by no later than 12 noon on the Business Day following the date of this Announcement, be made available on Bidco's website at <https://www.thenavigatorcompany.com/Investidores/Recommended-cash-offer-for-accrol-group-holdings-plc> and Accrol's website at <https://www.accrol.co.uk/investors/recommended-offer-for-accrol-group-holdings-plc> (as applicable) until the end of the Offer Period:

- (a) this Announcement;
- (b) the Confidentiality Agreement;
- (c) the inter-company loan agreement between Navigator and Bidco dated 20 March 2024 relating to the financing of the Offer referred to in Section 9 of this Announcement;
- (d) the irrevocable undertakings referred to in Section 6 of this Announcement and summarised in Appendix III to this Announcement; and
- (e) consent letters from each of Rothschild & Co, Stifel and Zeus.

Neither the contents of Bidco's website or the contents of Accrol's website, nor the content of any other website accessible from hyperlinks on either such website, is incorporated into, or forms part of, this Announcement.

The person responsible for arranging the release of this Announcement on behalf of Bidco is Fernando Araújo.

The person responsible for arranging the release of this Announcement on behalf of Accrol is Gareth Jenkins.

Enquiries:

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Accrol

Daniel Wright, Executive Chairman

Gareth Jenkins, Chief Executive Officer

Christopher Welsh, Chief Financial Officer

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Celedonio Moncayo / Henry Newbould

Nick Harland / Richard Short

Zeus (Joint financial adviser and nominated adviser to Accrol) +44 (0) 161 831 1512

Dan Bate / Jordan Warburton

Belvedere Communications Limited (Financial PR adviser to Accrol) +44 (0) 7715 769 078

Cat Valentine

Keeley Clarke

Eversheds Sutherland (International) LLP is retained as legal adviser to the Wider Navigator Group.

Addleshaw Goddard LLP is retained as legal adviser to Accrol.

Important Notices Relating to Financial Advisers

N.M. Rothschild & Sons Limited ("Rothschild & Co"), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for the Wider Navigator Group and no one else in connection with the matters set out in this Announcement and will not regard any other person as its client in relation to the matters in this Announcement and will not be responsible to anyone other than Wider Navigator Group for providing the protections afforded to clients of Rothschild & Co nor for providing advice in relation to any matter referred to in this Announcement or any transaction or arrangement referred to herein. Neither Rothschild & Co nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Rothschild & Co in connection with this Announcement, any statement contained herein, any transaction or arrangement referred to herein, or otherwise.

Stifel Nicolaus Europe Limited ("Stifel"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as Rule 3 adviser and lead financial adviser for Accrol and for no one else in connection with the matters set out or referred to in this Announcement and will not be responsible to anyone other than Accrol for providing the protections offered to clients of Stifel nor for providing advice in relation to the matters set out or referred to in this Announcement. Neither Stifel nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Stifel in connection with this Announcement, any matter or statement set out or referred to herein or otherwise.

Zeus Capital Limited ("Zeus"), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as joint financial adviser and nominated adviser for Accrol and for no one else in

connection with the Offer and/or any other matter referred to in this Announcement and will not be responsible to anyone other than Accrol for providing the protections afforded to its clients or for providing advice in relation to the Offer, the contents of this Announcement, or any other matters referred to in this Announcement. Neither Zeus nor any of its subsidiaries, affiliates or branches owes or accepts any duty, liability or responsibility whatsoever (whether direct, indirect, consequential, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Zeus in connection with this Announcement, any statement or other matter or arrangement referred to herein or otherwise.

Further Information

This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer or invitation to purchase, otherwise acquire, subscribe for, exchange, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise.

The Offer will be subject to English law and to the applicable requirements of the Code, the Panel, the AIM Rules, the London Stock Exchange and the FCA.

The Offer will be made solely by the Scheme Document (or, in the event that the Offer is to be implemented by means of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Offer, including details of how to vote in respect of the Scheme. Any voting decision or response in relation to the Offer should be made solely on the basis of the Scheme Document. Accrol Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been published. Each Accrol Shareholder is urged to consult their independent professional adviser regarding the tax consequences of the Offer.

This Announcement does not constitute a prospectus or a prospectus equivalent document.

If you are in any doubt about the contents of this Announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or from an independent financial adviser duly authorised under the FSMA.

Overseas Shareholders

The release, publication or distribution of this Announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are not resident in the United Kingdom or who are subject to the laws of any jurisdiction other than the United Kingdom (including Restricted Jurisdictions) should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom or who are subject to the laws of another jurisdiction to vote their Accrol Shares in respect of the Scheme at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. Any failure to comply with applicable legal or regulatory requirements of any jurisdiction may constitute a violation of securities laws or regulations in that jurisdiction. To the fullest extent permitted by applicable law or regulations, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

This Announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside England.

Unless otherwise determined by Bidco or required by the Code, and permitted by applicable law and regulation, the Offer will not be made, directly or indirectly, in or into or by use of the mails or any

other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction if to do so would constitute a violation of the laws in that jurisdiction. Accordingly, copies of this Announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of acceptance of the Offer.

Further details in relation to Accrol Shareholders in overseas jurisdictions will be contained in the Scheme Document.

Notice to U.S. Investors in Accrol

The Offer relates to the shares of a company registered under the laws of England and Wales and is being made by way of a scheme of arrangement provided for under Part 26 of the Companies Act. The Offer, implemented by way of a scheme of arrangement, is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Exchange Act. Accordingly, the Offer is subject to the disclosure requirements and practices applicable to a scheme of arrangement involving a target company in England with its securities admitted to trading on the London Stock Exchange, which differ from the disclosure requirements of U.S. tender offer and proxy solicitation rules. If, in the future, Bidco exercises its right to implement the Offer by way of a Takeover Offer and determines to extend the Takeover Offer into the United States, the Offer will be made in compliance with applicable U.S. laws and regulations including Sections 14(d) and 14(e) of the U.S. Exchange Act and Regulations 14D and 14E thereunder. Such a Takeover Offer would be made in the United States by Bidco and no one else.

The financial information included in this Announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles. None of the financial information in this Announcement has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

It may be difficult for U.S. Accrol Shareholders to enforce their rights and any claim arising out of the U.S. federal securities laws or the laws of any state or other jurisdiction in the United States in connection with the Offer, because Accrol is located in a non-U.S. country, and some or all of its officers and directors may be residents of a non-U.S. country. U.S. Accrol Shareholders may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. federal securities laws or the laws of any state or other jurisdictions in the United States. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's jurisdiction or judgment.

U.S. Accrol Shareholders also should be aware that the Offer may have tax consequences in the United States and that such consequences, if any, are not described herein. U.S. Accrol Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Offer.

Forward-looking Statements

This Announcement (including any information incorporated by reference in this Announcement), oral statements made regarding the Offer, and other information published by Navigator, Bidco or Accrol

contain statements which are, or may be deemed to be, “forward-looking statements” with respect to Navigator, Bidco, Accrol and the Enlarged Navigator Group. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “aim”, “will”, “may”, “would”, “could” or “should” or other words of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, synergies, financial conditions, market growth, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the operations of the Navigator Group or the Accrol Group; and (iii) the effects of government regulation on the business of the Navigator Group or the Accrol Group. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are the satisfaction (or, where permitted, waiver) of the Conditions as well as additional factors, such as domestic and global business and economic conditions; the impact of pandemics, asset prices; market-related risks such as fluctuations in interest rates and exchange rates, industry trends, competition, changes in government and regulation, changes in the policies and actions of governments and/or regulatory authorities (including changes related to capital and tax), changes in political and economic stability (including exposures to terrorist activities, the UK’s exit from the European Union, Eurozone instability, the Russia-Ukraine conflict, disruption in business operations due to reorganisation activities, interest rate, inflation, deflation and currency fluctuations), the timing impact and other uncertainties of future or planned acquisitions or disposals or offers, the inability of the Enlarged Navigator Group to realise successfully any anticipated synergy benefits when the Offer is implemented (including changes to the board and/or employee composition of the Enlarged Navigator Group), the inability of the Navigator Group to integrate successfully the Accrol Group’s operations and programmes when the Offer is implemented, the Enlarged Navigator Group incurring and/or experiencing unanticipated costs and/or delays (including IT system failures, cyber-crime, fraud and pension scheme liabilities), or difficulties relating to the Offer when the Offer is implemented. Other unknown or unpredictable factors could affect future operations and/or cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of such persons and the environment in which each will operate in the future. By their nature, these forward-looking statements involve known and unknown risks and uncertainties (and other factors that are in many cases beyond the control of Accrol, Navigator and/or Bidco) because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this Announcement may cause the actual results, performance or achievements of any such person, or industry results and developments, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that such expectations will prove to have been correct and persons reading this Announcement are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this Announcement. None of the Navigator Group nor Accrol Group, nor any of their respective associates or directors, officers or advisers, provide any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. All subsequent oral or written forward-looking statements attributable to Navigator, Bidco or Accrol or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Other than in accordance with their legal or regulatory obligations (including under the Code, MAR and the AIM Rules), neither of Navigator, Bidco nor Accrol is under or undertakes any obligation, and each of the foregoing expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No Profit Forecasts, Estimates or Quantified Financial Benefits Statements

Except where indicated in Section 8 of this Announcement, no statement in this Announcement is intended, or is to be construed, as a profit forecast or estimate for any period or a quantified financial benefits statement and no statement in this Announcement should be interpreted to mean that earnings or earnings per ordinary share, for Navigator, Bidco or Accrol, respectively for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per ordinary share for Navigator, Bidco or Accrol, respectively.

Right to Switch to a Takeover Offer

Bidco reserves the right to elect, with the consent of the Panel, to implement the Offer by way of a Takeover Offer for the entire issued and to be issued share capital of Accrol as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Part C of Appendix I to this Announcement.

Electronic Communication – Information Relating to Accrol Shareholders

Addresses, electronic addresses and certain other information provided by Accrol Shareholders, persons with information rights and other relevant persons for the receipt of communications from Accrol may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) of the Code.

Publication on Website

A copy of this Announcement and the documents required to be published pursuant to Rule 26.1 and Rule 26.2 of the Code will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, at <https://www.thenavigatorcompany.com/Investidores/Recommended-cash-offer-for-accrol-group-holdings-plc> and at <https://www.accrol.co.uk/investors/recommended-offer-for-accrol-group-holdings-plc> by no later than 12 noon on the Business Day following the date of this Announcement.

Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.

Hard Copy Documents

In accordance with Rule 30.3 of the Code, Accrol Shareholders, persons with information rights and participants in the Accrol Share Schemes may request a hard copy of this Announcement by contacting Accrol's registrar, Link Group, on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.30 p.m. (London time), Monday to Friday excluding for public holidays in England and Wales. Please note that Link Group cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may, subject to applicable securities laws, also request that all future documents, announcements and information be sent to them in relation to the Offer in hard copy form.

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and

figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Market Abuse Regulation

This Announcement contains inside information for the purposes of Article 7 of MAR. Market soundings (as defined in MAR) were taken in respect of a potential offer with the result that certain persons became aware of inside information (as defined in MAR) as permitted by MAR. This inside information is set out in this Announcement. Therefore, those persons that received inside information in a market sounding are no longer in possession of such inside information relating to Accrol and its securities.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, Accrol confirms that, as at the Latest Practicable Date, it had in issue 318,878,097 ordinary shares of £0.001 each. The International Securities Identification Number (ISIN) for Accrol Shares is GB00BZ6VT592.

Disclosure Requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Code applies must be made by no later than 3.30 p.m. (London time) on the 10th business day (as defined in the Code) following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day (as defined in the Code) following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 p.m. (London time) on the business day (as defined in the Code) following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue,

when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

APPENDIX I

CONDITIONS AND FURTHER TERMS OF THE OFFER

Part A

Conditions to the Offer

1. The Offer will be conditional upon the Scheme becoming unconditional and Effective, subject to the Code, by no later than 11.59 p.m. on the Long Stop Date.

Scheme Approval

2. The Scheme will be conditional upon:
 - (a)
 - (i) its approval by a majority in number representing not less than 75 per cent. in value of the Accrol Shareholders (or the relevant class or classes thereof, if applicable) in each case present, entitled to vote and voting, either in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court or at any adjournment of any such meeting; and
 - (ii) the Court Meeting and any separate class meeting which may be required by the Court or any adjournment of any such meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date, if any, as (a) Bidco and Accrol may agree; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel and, in either case, if required, as the Court may allow);
 - (b)
 - (i) all Resolutions being duly passed by the requisite majority or majorities at the General Meeting or at any adjournment of that meeting; and
 - (ii) the General Meeting or any adjournment of that meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date, if any, as (a) Bidco and Accrol may agree; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel and, in either case, if required, as the Court may allow); and
 - (c)
 - (i) the sanction of the Scheme by the Court (with or without modification (but subject to any such modification being on terms acceptable to Bidco and Accrol)) and the delivery of a copy of the Court Order to the Registrar of Companies; and
 - (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document in due course (or such later date, if any, as (a) Bidco and Accrol may agree; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel and, in either case, if required, as the Court may allow).

Other Conditions

3. The Offer will also be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where capable of waiver, waived:

General Third-party Clearances

- (a) the waiver (or non-exercise within any applicable time limits) by any Third Party of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Accrol Group taken as a whole) arising as a result of or in connection with the Offer including, without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control or management of, Accrol by any member of the Navigator Group;
- (b) no Third Party having given notice in writing of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or enacted, made or proposed any statute, regulation, decision or order, or having taken any other steps which in each case would or might reasonably be expected to:
 - (i) require, prevent or materially delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Navigator Group or any member of the Wider Accrol Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which in any such case would be material in the context of the Wider Accrol Group or the Wider Navigator Group taken as a whole;
 - (ii) require, prevent or materially delay, or materially alter the terms envisaged for, any proposed divestiture by any member of the Wider Navigator Group of any shares or other securities in Accrol;
 - (iii) impose any material limitation on, or result in a delay in, the ability of any member of the Wider Navigator Group directly or indirectly to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Accrol Group or the Wider Navigator Group or to exercise management control over any such member, in each case, to an extent which is material in the context of the Wider Accrol Group or the Wider Navigator Group;
 - (iv) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Navigator Group or of any member of the Wider Accrol Group to an extent which is material in the context of the Wider Navigator Group or the Wider Accrol Group, in either case taken as a whole;
 - (v) make the Offer or its implementation or the acquisition or proposed acquisition by Bidco or any member of the Wider Navigator Group of any shares or other securities in, or control of Accrol void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, materially restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose material additional conditions or obligations with respect thereto, or otherwise challenge or interfere therewith;
 - (vi) require (save as envisaged by the Offer) any member of the Wider Navigator Group or the Wider Accrol Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Accrol Group or the Wider Navigator Group owned by any third party where such acquisition would be material in the context of the Wider Accrol Group taken as a whole or, as the case may be, the Wider Navigator Group taken as a whole;

- (vii) impose any limitation on the ability of any member of the Wider Navigator Group to integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider Accrol Group which is adverse to and material in the context of the Wider Accrol Group or the Wider Navigator Group, in each case taken as a whole or in the context of the Offer; or
 - (viii) result in any member of the Wider Accrol Group ceasing to be able to carry on business under any name under which it presently does so, and all applicable waiting and other time periods during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Offer or the acquisition or proposed acquisition of any Accrol Shares having expired, lapsed or been terminated;
- (c) all filings or applications which are necessary or reasonably considered appropriate by Bidco having been made in connection with the Offer and all necessary statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Offer or the acquisition by any member of the Wider Navigator Group of any shares or other securities in, or control of, Accrol and all authorisations, orders, recognitions, grants, consents, licences, determinations, confirmations, clearances, permissions, exemptions and approvals necessary or reasonably considered appropriate by Bidco for the proposed acquisition of any shares or other securities in, or control of, Accrol by any member of the Wider Navigator Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or persons with whom any member of the Wider Accrol Group has entered into contractual arrangements and all such authorisations, orders, recognitions, grants, consents, licences, determinations, confirmations, clearances, permissions, exemptions and approvals together with all authorisations orders, recognitions, grants, licences, confirmations, clearances, permissions and approvals necessary or reasonably considered appropriate by Bidco to carry on the business of any member of the Wider Accrol Group, in each case which is material in the context of the Wider Navigator Group or the Wider Accrol Group as a whole, remaining in full force and effect and all material filings necessary for such purpose have been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Offer becomes otherwise unconditional;

Certain Matters Arising as a result of any Arrangement, Agreement etc.

- (d) except as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Accrol Group is a party or by or to which any such member or any of its assets are or may be bound, entitled or subject, which, in each case as a consequence of the Offer or the proposed acquisition of any shares or other securities in Accrol or because of a change in the control or management of Accrol or otherwise, would or would reasonably be expected to result in (in each case to an extent which is material in the context of the Wider Accrol Group as a whole, or in the context of the Offer):
 - (i) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;

- (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any onerous obligation or liability arising or any action being taken or arising thereunder;
- (iii) save in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member;
- (iv) the rights, liabilities, obligations or interests of any such member in, or the business of any such member with, any person, firm or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
- (v) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- (vi) any such member ceasing to be able to carry on business under any name under which it presently does so;
- (vii) the creation of any liability, actual or contingent, by any such member other than trade creditors or other liabilities incurred in the ordinary course of business; or
- (viii) any liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers,

and, save as Disclosed, no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Accrol Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs (i) to (viii) of this Condition (d), in each case which is or would be material in the context of the Wider Accrol Group taken as a whole;

No Material Transactions, Claims or Changes in the Conduct of the Business of the Accrol Group

- (e) except as Disclosed, no member of the Wider Accrol Group having, since 30 April 2023:
 - (i) save as between Accrol and wholly owned subsidiaries of Accrol or for Accrol Shares issued pursuant to the exercise of options granted under the Accrol Share Schemes, issued, authorised or proposed the issue of additional shares of any class or transferred or sold any shares out of treasury;
 - (ii) save as between Accrol and wholly owned subsidiaries of Accrol or for the grant of options and awards and other rights under the Accrol Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (iii) other than to another member of the Accrol Group, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution whether payable in cash or otherwise;

- (iv) save for intra-Accrol Group transactions, authorised, implemented or announced any merger or demerger with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, acquisition or disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business;
- (v) save for intra-Accrol Group transactions, made or authorised or proposed or announced an intention to propose any material change in its loan capital, in each case, to the extent which is material in the context of the Wider Accrol Group taken as a whole;
- (vi) issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save for intra-Accrol Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any liability (actual or contingent);
- (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraph (i) above or pursuant to the Warrant Waiver, made any other change to any part of its share capital, in each case, to the extent which is material in the context of the Wider Accrol Group taken as a whole;
- (viii) implemented, or authorised, proposed or announced its intention to implement, any reconstruction, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business or entered into or changed the terms of any contract with any director or senior executive;
- (ix) entered into or varied any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long-term, onerous or unusual nature or magnitude or which is or is reasonably likely to be restrictive on the businesses of any member of the Wider Accrol Group or the Wider Navigator Group or which involves an obligation of such a nature or magnitude or which is other than in the ordinary course of business and which, in any such case, is material in the context of the Wider Accrol Group or the Wider Navigator Group taken as a whole;
- (x) been unable or admitted in writing that it is unable, to pay its debts as they fall due or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which, in any such case, is material in the context of the Wider Accrol Group taken as a whole;
- (xi) (other than in respect of a member of the Wider Accrol Group which is dormant and was solvent at the relevant time) taken any corporate action or had any legal proceedings started or threatened against it for its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or had any such person appointed to the extent which is material in the context of the Wider Accrol Group taken as a whole;

- (xii) commenced negotiations with any of its creditors or taken any step, in each case in connection with financial difficulties of the Accrol Group, with a view to rescheduling or restructuring any of its indebtedness or entered into a composition, compromise, assignment or arrangement with any of its creditors whether by way of a voluntary arrangement, scheme of arrangement, deed of compromise or otherwise, or entered into any agreement with any of its creditors to refinance, reschedule or restructure any of its indebtedness;
- (xiii) waived, settled or compromised any claim otherwise than in the ordinary course of business and which is material in the context of the Wider Accrol Group taken as a whole;
- (xiv) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (e) and which is material in the context of the Wider Accrol Group taken as a whole;
- (xv) made any alteration to its constitutional documents (other than in connection with the Scheme) which is material and adverse to the interests of Bidco in the context of the Offer;
- (xvi) except in relation to changes made or agreed as a result of, or arising from, changes to legislation, made or agreed or consented to any significant change to:
 - (A) the terms of the trust deeds, scheme rules or other documentation constituting the pension scheme(s) established by any member of the Wider Accrol Group for its directors, employees or their dependents;
 - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
 - (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
 - (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made,

in each case, to the extent which is material in the context of the Wider Accrol Group taken as a whole;
- (xvii) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Accrol Group and in each case which is material in the context of the Wider Accrol Group taken as a whole; or
- (xviii) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Accrol Shareholders in a general meeting in accordance with, or as contemplated by, Rule 21.1 of the Code;

No Adverse Change, Litigation or Regulatory Enquiry

- (f) except as Disclosed, since 30 April 2023:
 - (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or prospects of any member of the Wider Accrol Group which is material in the context of the Wider Accrol Group taken as a whole;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal or regulatory proceedings to which any member of the Wider Accrol Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no investigation by any Third Party or other investigative body against or in respect of any member of the Wider Accrol Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider Accrol Group, in each case which is material in the context of the Wider Accrol Group taken as a whole;
 - (iii) no contingent or other liability of any member of the Wider Accrol Group having arisen or become apparent to Bidco or increased which might reasonably be expected to have a material adverse affect on the Wider Accrol Group taken as a whole;
 - (iv) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider Accrol Group which is necessary for the proper carrying on of its business and which is material in the context of the Wider Accrol Group taken as a whole; and
 - (v) no member of the Wider Accrol Group having conducted its business in breach of any applicable laws and regulations and which is material in the context of the Wider Accrol Group taken as a whole;

No Discovery of Certain Matters

- (g) except as Disclosed, Bidco not having discovered:
 - (i) that any financial, business or other information concerning the Wider Accrol Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Accrol Group is misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the date of this Announcement by disclosure publicly or otherwise to Bidco or its professional advisers;
 - (ii) that any member of the Wider Accrol Group or partnership, company or other entity in which any member of the Wider Accrol Group has a significant economic interest and which is not a subsidiary undertaking of Accrol, is, otherwise than in the ordinary course of business, subject to any liability (actual or contingent) which is not disclosed in the annual report and accounts of Accrol for the financial year ended 30 April 2023; or
 - (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Accrol Group and which is material and adverse in the context of the Accrol Group taken as a whole,

in each case, to the extent which is material in the context of the Wider Accrol Group taken as a whole;

- (h) except as Disclosed, Bidco not having discovered that:
 - (i) any past or present member of the Wider Accrol Group has failed to comply in any material respect with any or all applicable legislation or regulations, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair materially the environment (including property) or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission in each case which would be likely to give rise to any material liability (actual or contingent) or material cost on the Wider Accrol Group taken as a whole;
 - (ii) there is, or is likely to be, for that or any other reason whatsoever, any material liability (actual or contingent) of any past or present member of the Wider Accrol Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Accrol Group (or on its behalf) or by any person for which a member of the Wider Accrol Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had any interest, under any environmental legislation, regulation, notice, circular or order of any government, governmental, quasi-governmental, state or local government, supranational, statutory or other regulatory body, agency, court, association or any other person or body in any jurisdiction in each case which would be likely to give rise to any material liability (actual or contingent) or material cost on the Wider Accrol Group taken as a whole; or
 - (iii) circumstances exist (whether as a result of the making of the Offer or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Navigator Group, or any present or past member of the Wider Accrol Group, would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Accrol Group (or on its behalf) or by any person for which a member of the Wider Accrol Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Accrol Group taken as a whole; or

Anti-corruption, Economic Sanctions, Criminal Property and Money Laundering

- (i) save as Disclosed, Bidco not having discovered that:

- (i) (a) any past or present member, director, officer or employee of the Wider Accrol Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation concerning improper payments or kickbacks, or (b) any person that performs or has performed services for or on behalf of the Wider Accrol Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption law, rule or regulation concerning improper payments or kickbacks; or
- (ii) any asset of any member of the Wider Accrol Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule or regulation concerning money laundering or proceeds of crime or any member of the Wider Accrol Group is found to have engaged in activities constituting money laundering under any applicable law, rule or regulation concerning money laundering; or
- (iii) any past or present member, director, officer or employee of the Wider Accrol Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (a) any government, entity or individual in respect of which U.S., UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by U.S., UK or European Union laws or regulations, including the economic sanctions administered by the U.S. Office of Foreign Assets Control, or HM Treasury in the UK; or (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the U.S., the UK, the European Union or any of its member states; or
- (iv) any past or present member, director, officer or employee of the Wider Accrol Group, or any other person for whom any such person may be liable or responsible (a) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, (b) has engaged in conduct which would violate any relevant anti-boycott law, rule or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State, (c) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour, or (iv) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality or international organisation or found to have violated any applicable law, rule or regulation concerning government contracting or public procurement; or
- (v) any member of the Accrol Group is or has been engaged in any transaction which would cause Bidco to be in breach of any law or regulation upon its acquisition of Accrol, including but not limited to the economic sanctions of

the U.S. Office of Foreign Assets Control, or HM Treasury & Customs in the UK, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the U.S., the UK, the European Union or any of its member states,

in each case, to the extent which is material in the context of the Wider Accrol Group taken as a whole.

Part B

Waiver and Invocation of the Conditions

1. Subject to the requirements of the Panel in accordance with the Code, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions in Part A above, except for Conditions 2(a)(i), 2(b)(i) and 2(c)(i), which cannot be waived. The deadlines in any of Conditions 2(a)(ii), 2(b)(ii) and 2(c)(ii) may be extended to such later date as may be agreed (a) in writing by Bidco and Accrol or (b) (in a competitive situation) specified by Bidco with the consent of the Panel, and in either case with the approval of the Court, if such approval is required. If any of Conditions 2(a)(i), 2(b)(i) and 2(c)(i) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. (London time) on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadline or agreed with Accrol to extend the relevant deadline.
2. The Offer will be subject to the satisfaction (or waiver, if permitted) of the Conditions in Part A above, and to certain further terms set out in Part D below, and to the full terms and conditions which will be set out in the Scheme Document.
3. Conditions 2(a)(i), 2(b)(i) and 3 (a) to (i) (inclusive) must be fulfilled, determined by Bidco to be or to remain satisfied or (if capable of waiver) waived, by no later than 11.59 p.m. on the date immediately preceding the date of the Court Hearing, failing which the Offer will lapse. Bidco shall be under no obligation to waive or treat as satisfied any of Conditions 3 (a) to (i) (inclusive) by a date earlier than the latest date specified above for the fulfilment or waiver thereof, notwithstanding that the other Conditions to the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
4. Under Rule 13.5(a) of the Code, Bidco may not invoke a Condition so as to cause the Offer not to proceed, to lapse or be withdrawn without the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Offer. Conditions 1 and 2 of Part A (and, if applicable, any acceptance condition adopted on the basis specified in paragraph 2 of Part C below in relation to any Takeover Offer) are not subject to this provision of the Code. Each other Condition will be subject to Rule 13.5(a) of the Code and may be waived by Bidco.

Part C

Implementation by way of a Takeover Offer

1. Bidco reserves the right to elect to implement the Offer by way of a Takeover Offer as an alternative to the Scheme with the consent of the Panel.
2. In such event, such Takeover Offer will be implemented on the same terms and conditions or, if Bidco so decides, on such other terms and conditions being no less favourable, so far as applicable, as those which would apply to the Scheme subject to appropriate amendments to reflect the change in method of effecting the Takeover Offer, including (without limitation) the

inclusion of an acceptance condition set at 90 per cent. of the Accrol Shares to which the Takeover Offer relates or such lesser percentage as Bidco, with the consent of the Panel, decides, being in any case more than 50 per cent. of the Accrol Shares to which the Takeover Offer relates.

Part D

Certain Further Terms of the Offer

1. The availability of the Offer to persons not resident in the UK may be affected by the laws and regulations of the relevant jurisdictions. Persons who are not resident in the UK should inform themselves about, and observe, any applicable requirements. Accrol Shareholders who are in any doubt about such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay and observe any applicable requirements.
2. This Announcement and any rights or liabilities arising hereunder, the Offer, the Scheme and the Forms of Proxy will be governed by English law and be subject to the jurisdiction of the English courts and to the Conditions set out in the Scheme Document. The Offer will be subject to the applicable rules and regulations of the Code, the Panel, the AIM Rules, the London Stock Exchange and the FCA.
3. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
4. The Accrol Shares will be acquired by Bidco fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third-party rights or interests whatsoever and together with all rights existing at the date of this Announcement or thereafter attaching thereto, including (without limitation) the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the Effective Date in respect of the Accrol Shares.
5. If any dividend, distribution or other return or value is announced, authorised, declared, made or paid in respect of Accrol Shares on or after the date of this Announcement and prior to the Effective Date, Bidco reserves the right to reduce the consideration payable for each Accrol Share under the terms of the Offer by the amount per Accrol Share of such dividend, distribution or other return of value. In such circumstances, Accrol Shareholders shall be entitled to retain any such dividend, distribution or other return of value announced, declared, made or paid.
6. If Bidco is required by the Panel to make an offer for Accrol pursuant to Rule 9 of the Code, Bidco may make such alterations to any of the above Conditions and terms of the Offer as are necessary to comply with the provisions of the Code.

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement, unless otherwise stated or the context otherwise requires, the following bases and sources have been used:

- Accrol's fully diluted equity value has been calculated on the basis of a fully diluted issued ordinary share capital of 335,444,589 Accrol Shares, calculated as:
 - 318,878,097 Accrol Shares in issue on the Latest Practicable Date; plus
 - 16,566,492 Accrol Shares to be issued on the expected exercise of options granted or expected to be granted under the Accrol Share Schemes being the expected number of Accrol Shares which is expected to be issued on or after the date of this Announcement on the exercise of options under the Accrol Share Schemes,

(but excludes the Warrants (as the outstanding Warrants are to be surrendered by the Warrant Holder and cancelled upon the Offer becoming Effective)).
- The premium calculations to the price per Accrol Share used in this Announcement have been calculated by reference to:
 - the Closing Price of 34.0 pence per Accrol Share on the Latest Practicable Date;
 - the volume weighted average price of the per share trading prices of Accrol Shares on the London Stock Exchange derived from Bloomberg during the 6-month period ended on the Latest Practicable Date of 29.5 pence per Accrol Share; and
 - the volume weighted average price of the per share trading prices of Accrol Shares on the London Stock Exchange derived from Bloomberg during the 12-month period ended on the Latest Practicable Date of 30.8 pence per Accrol Share.
- Certain figures included in this Announcement have been subject to rounding adjustments.

The financial information concerning Accrol has been extracted from the Annual Report and Accounts of Accrol for the year ended 30 April 2023, which were released on 26 September 2023.

APPENDIX III

IRREVOCABLE UNDERTAKINGS

Bidco has received irrevocable undertakings to vote (or procure the voting) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting (or, if Bidco exercises its right to implement the Offer by way of a Takeover Offer, to accept, or procure the acceptance of, such Takeover Offer) in respect of 108,527,354 Accrol Shares (representing, in aggregate, approximately 34 per cent. of the Accrol Shares in issue on the Last Practicable Date), comprising the following:

Accrol Directors irrevocable undertakings

The following Accrol Directors have given irrevocable undertakings in respect of their interests in Accrol Shares (or those Accrol Shares over which they have control) to vote (or procure a vote) in favour of the Scheme at the Court Meeting and the Resolutions:

Name of Accrol Director	Number of Accrol Shares	% of Accrol issued share capital
Gareth Jenkins	4,515,808	1.4
Dan Wright	12,608,422	4.0
Christopher Welsh ¹	Nil	Nil
TOTAL	17,124,230	5.4

¹ Christopher Welsh has provided an irrevocable undertaking in relation to his interests in Accrol Shares held under option pursuant to the Accrol Group Holdings Long-Term Incentive Plan 2021.

These irrevocable undertakings given by the Accrol Directors will continue to be binding in the event that a higher competing offer is made for Accrol.

The irrevocable undertakings given by the Accrol Directors will lapse and cease to be binding on and from the earlier of the following occurrences:

- the Scheme Document or the Offer Document (as applicable) not being posted to Accrol Shareholders within 28 days of the date of this Announcement (or such longer period as Accrol and Bidco agree, and the Panel permits), provided that if the Offer was initially being implemented by way of a Scheme, and Bidco elects to exercise its right to implement the Offer by way of a Takeover Offer (with the consent of the Panel) or vice versa, the time period shall be extended to refer to within 28 days of the issue of the press announcement announcing the change in structure (or such other date for the posting of the Offer Document or Scheme Document (as applicable) as the Panel may require); or
- the Offer has not become effective by 11.59 p.m. on the Long Stop Date; or
- the date on which the Offer (whether implemented by way of a Scheme or a Takeover Offer) is withdrawn or lapses in accordance with its terms provided that the reason is not because:
 - a new, revised or replacement Scheme or Takeover Offer is announced by Bidco in accordance with Rule 2.7 of the Code at the same time; or
 - the Offer is withdrawn or lapses as a result of Bidco exercising its right, in accordance with the Code, to implement the Offer by way of a Takeover Offer rather than by way of a Scheme or vice versa: or

- Bidco announces that it does not intend to proceed with the Offer and no new, revised or replacement Scheme or Takeover Offer is announced by Bidco in accordance with Rule 2.7 of the Code at the same time; or
- any competing offer for the shares of Accrol by a third party other than Bidco becomes wholly unconditional (if made by way of a takeover offer) or effective (if made by way of a scheme of arrangement).

Accrol Shareholder irrevocable undertaking

In addition to the irrevocable undertakings given by the Accrol Directors, Lombard Odier Asset Management (Europe) Limited has given an irrevocable undertaking in respect of its interests in Accrol Shares to vote (or procure a vote) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting:

Name	Number of Accrol Shares	% of Accrol issued share capital
Lombard Odier Asset Management (Europe) Limited	91,403,124	28.7

TOTAL

The irrevocable undertaking given by Lombard Odier Asset Management (Europe) Limited will lapse and cease to be binding on and from the earlier of the following occurrences:

- the Scheme or Takeover Offer lapses or is withdrawn in a manner which is permitted by the Panel;
- the Scheme or Takeover Offer does not become effective by 5.00 p.m. on the Long Stop Date; or
- if a person other than Bidco or a subsidiary of Bidco or any person acting in concert with Bidco announces a firm intention to make an offer (in accordance with Rule 2.7 of the Code) to acquire the Accrol Shares where the value of the consideration for each Accrol Share, including any proposed dividend, is 10 per cent. higher than the value of the Cash Consideration as at the date on which such firm intention to make an offer is announced.

APPENDIX IV

DEFINITIONS

The following definitions apply throughout this Announcement, unless the context otherwise requires:

AIM Rules	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time
Accrol	Accrol Group Holdings plc, a public limited company incorporated in England and Wales with registered number 09019496
Accrol Board	the board of directors of Accrol for the time being
Accrol Directors	the directors of Accrol as at the date of this Announcement or, where the context so requires, the directors of Accrol for the time being
Accrol Group	Accrol and its subsidiary undertakings and associated undertakings
Accrol Shareholders	the holders of Accrol Shares for time being
Accrol Shares	the ordinary shares of £0.001 each in the capital of Accrol
Accrol Share Schemes	the (i) Accrol Group Holdings Savings Related Share Option Scheme, adopted by the board of directors of Accrol on 18 May 2021 and (ii) Accrol Group Holdings Long-Term Incentive Plan 2021, adopted by the board of directors of Accrol on 5 March 2021
Announcement	this announcement made pursuant to Rule 2.7 of the Code
Bidco	Navigator Paper UK Limited, a private limited company incorporated in England and Wales with registered number 03277517
Business Day	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London, United Kingdom
Cash Consideration	38 pence in cash for each Accrol Share
Closing Price	the closing middle market quotation of an Accrol Share derived from the AIM Appendix to the Daily Official List of the London Stock Exchange on that day
Code	the City Code on Takeovers and Mergers
Companies Act	the Companies Act 2006

Conditions	the conditions to the Offer set out in Part A of Appendix I to this Announcement and to be set out in the Scheme Document
Confidentiality Agreement	the confidentiality agreement between Navigator and Accrol dated 12 January 2024, as described in Section 12 of this Announcement
Court	the High Court of Justice in England and Wales
Court Hearing	the hearing of the Court at which Accrol will seek the Court Order
Court Meeting	the meeting or meetings of Accrol Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by Bidco and Accrol) including any adjournment, postponement or reconvening of any such meeting, notice of which shall be contained in the Scheme Document
Court Order	the order of the Court sanctioning the Scheme under section 899 of the Companies Act
CREST	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755) (and with respect to the United Kingdom, as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018)), in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations)
Dealing Disclosure	an announcement pursuant to Rule 8 of the Code containing details of dealings in relevant securities of a party to an offer
Disclosed	the information which has: (i) been fairly disclosed prior to the date of this Announcement by or on behalf of Accrol to the Navigator Group (or their respective officers, employees, agents or advisers in their capacity as such), including, but not limited to, all matters fairly disclosed in the written replies, correspondence, documentation and information provided in an electronic data room created by or on behalf of Accrol or sent to the Navigator Group or any of their respective officers, employees, agents or advisers during the due diligence process and whether or not in response to any specific request for information made by any such person in respect of the Offer or via email or other form of correspondence; (ii) disclosed in Accrol's published annual report and accounts for the financial year ended 30 April 2023; (iii) disclosed in Accrol's published interim results for the six months ended 31 October 2023; (iv) disclosed in a public announcement by Accrol prior to the date of this Announcement by way of any Regulatory Information Service; (v) disclosed in this Announcement; or (vi) disclosed in filings made with the Registrar of Companies and appearing

	on Accrol's file at Companies House within the two years ending on the date of this Announcement
Effective	means: (i) if the Offer is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms; or (ii) if the Offer is implemented by way of a Takeover Offer, the Takeover Offer having been declared or become wholly unconditional in accordance with the requirements of the Code
Effective Date	the date on which the Offer becomes Effective
Enlarged Navigator Group	the enlarged group following the Offer, comprising the Navigator Group and the Accrol Group
Euronext Lisbon	Euronext Lisbon Stock Exchange
FCA	the UK Financial Conduct Authority
Forms of Proxy	the forms of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
FSMA	the Financial Services and Markets Act 2000
General Meeting	the general meeting of Accrol Shareholders to (including any adjournment, postponement or reconvening thereof) to be convened for the purpose of considering and, if thought fit, approving the Resolutions (with or without amendment), notice of which shall be contained in the Scheme Document
Latest Practicable Date	21 March 2024, the Business Day prior to the date of this Announcement
Link Group	a trading name of Link Market Services Limited, a private limited company incorporated in England and Wales with registered number 02605568
London Stock Exchange	London Stock Exchange plc, a public limited company incorporated in England and Wales with registered number 02075721
Long Stop Date	30 June 2024 or such later date as (a) Bidco and Accrol may agree or (b) (in a competitive situation) specified by Bidco with the consent of the Panel, and in either case as the Court may approve (if such approval(s) are required)
MAR	Regulation (EU) No 596/2014 of the European Parliament and the Council of 16 April 2014 (and with respect to the United Kingdom, as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018)

Navigator	means The Navigator Company, S.A., a public company listed on the Euronext Lisbon incorporated under the laws of Portugal with company registered number PT 503025798
Navigator Group	Navigator and its subsidiary undertakings
Offer	the proposed recommended all-cash acquisition by Bidco of the entire issued and to be issued share capital of Accrol, to be implemented by way of the Scheme as described in this Announcement
Offer Document	should the Offer be implemented by means of the Takeover Offer, the document to be sent to Accrol Shareholders which will contain, among other things, the terms and conditions of the Takeover Offer
Offer Period	the offer period (as defined by the Code) relating to Accrol, which commenced on the date of this Announcement
Opening Position Disclosure	an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to an offer if the person concerned has such a position, as defined in Rule 8 of the Code
Panel	the UK Panel on Takeovers and Mergers
Registrar of Companies	the Registrar of Companies in England and Wales
Regulatory Information Service	a service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange's website
Resolutions	the resolution(s) relating to the Offer to be proposed at the General Meeting to implement the Scheme including, among other things, to approve the Scheme, to make certain amendments to Accrol's articles of association in connection with the Scheme, and such other matters as may be necessary to implement the Scheme
Restricted Jurisdiction	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Accrol Shareholders in that jurisdiction
Rothschild & Co	N.M. Rothschild & Sons Limited
Scheme	the proposed scheme of arrangement under Part 26 of the Companies Act between Accrol and Accrol Shareholders to implement the Offer to be set out in the Scheme Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Bidco and Accrol

Scheme Document	the document to be published and sent to Accrol Shareholders and persons with information rights containing, among other things, the full terms and conditions of the Scheme and the notices convening the Court Meeting and the General Meeting
Scheme Record Time	the time and date to be specified as such in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately preceding the Effective Date, or such other time as Bidco and Accrol may agree
significant interest	a direct or indirect interest in 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act)
Stifel	Stifel Nicolaus Europe Limited
Takeover Offer	if the Offer is implemented by way of a takeover offer (as that term is defined in section 974 of the Companies Act), the offer to be made by or on behalf of Bidco, or an association undertaking thereof, to acquire the entire issued and to be issued ordinary share capital of Accrol including, where the context admits, any subsequent revision, variation, extension or renewal of such offer
Third Party	any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction, but excluding any antitrust or merger control authority
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
U.S. or United States	the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia
U.S. Exchange Act	the U.S. Securities Exchange Act 1934 and the rules and regulations promulgated thereunder
Warrant Holder	Zeus
Warrant Instrument	the warrant instrument entered into by the Company on 2 June 2016 pursuant to which the Company created and issued the Warrants
Warrant Waiver	has the meaning given in Section 11 of this Announcement
Warrants	has the meaning given in Section 11 of this Announcement

Wider Accrol Group	Accrol and its subsidiary undertakings, associated undertakings and any other undertaking in which Accrol or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider Navigator Group
Wider Navigator Group	Navigator and its subsidiary undertakings, associated undertakings and any other undertaking in which Navigator or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider Accrol Group
Zeus	Zeus Capital Limited

All references to GBP, pence, Sterling, Pounds, Pounds Sterling, p or £ are to the lawful currency of the United Kingdom.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, amended, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

All the times referred to in this Announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.

All references to “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given to them in the Companies Act.