

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Offer, the contents of this document or as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended), if you are in the United Kingdom. If you are in a territory outside of the United Kingdom, you should immediately consult an appropriately authorised independent financial adviser.

Accrol Group Holdings plc

Delta Building
Roman Road
Blackburn
Lancashire
BB1 2LD

17 April 2024

To the holders of options under the Accrol Group Holdings Savings Related Share Option Scheme

Dear option holder,

Recommended cash offer for Accrol Group Holdings plc (Accrol) by Navigator Paper UK Limited (an indirect wholly owned subsidiary of the Navigator Company, S.A.) (Navigator UK)

On 22 March 2024, the boards of directors of Navigator UK and Accrol announced that they had reached agreement on the terms and conditions of a recommended all-cash offer by Navigator UK for the entire issued and to be issued ordinary share capital of Accrol (the **Offer**).

The purpose of this letter (**Letter**) is to explain the consequences of the Offer on your option (**SAYE Option**) under the Accrol Group Holdings Savings Related Share Option Scheme (**SAYE**). Unless otherwise defined in this Letter, all words and expressions defined in the Scheme Document (as defined below) shall have the same respective meanings in this Letter.

The Offer

The Offer is being implemented through what is known as a 'Scheme of Arrangement' (the **Scheme**). Under the terms of the Scheme, which is subject to the conditions and further terms set out in a document sent to Accrol Shareholders on 17 April 2024 (**Scheme Document**), Accrol Shareholders will receive:

for each Accrol Share they own:

38 pence in cash

(the Consideration)

You should note that the Scheme is subject to the approval of the Accrol Shareholders, and is also subject to Court approval. The Court approval is known as "sanction".

The Scheme Document is available on Accrol's website at <https://www.accrol.co.uk/investors/recommended-offer-for-accrol-group-holdings-plc/>.

What is my SAYE Option?

Your SAYE Option gives you the right to acquire a certain number of Accrol Shares at an exercise price of 48.3 pence per Accrol Share, using your accumulated savings under a related savings contract.

Impact of the Offer on your SAYE Option

Your SAYE Option will become capable of exercise on the date the Court sanctions the Scheme. Accordingly, to the extent not already exercisable, this would result in your SAYE Option becoming exercisable earlier than would ordinarily be the case, as your SAYE Option would normally only become exercisable following completion of the related three year savings contract. Your SAYE Option would only be exercisable over the number of Accrol Shares that could be purchased with your accumulated savings under your savings contract as at the date of exercise. If not exercised, your SAYE Option will lapse shortly after the Scheme becomes Effective.

Although your SAYE Option becomes exercisable, it would not be to your economic advantage for you to exercise your SAYE Option in connection with the Offer. This is because if you were to exercise your SAYE Option and the resulting Accrol Shares were acquired by Navigator UK pursuant to the Offer, you would receive a lower cash amount than the value of your accumulated savings. This is the case regardless of when you exercise your SAYE Option (i.e. whether you exercise your SAYE Option before the Scheme becomes Effective or afterwards because any Accrol Shares you acquire will always be acquired for the Consideration). **For this reason, it has been assumed that you will not want to exercise your SAYE Option and therefore you do not need to take any further action at this stage.**

Proposal by Navigator UK

No proposal is being made to the holders of SAYE Options under Rule 15 of the Takeover Code, given that SAYE Options have no intrinsic value on the basis of the Consideration (because the Consideration of 38 pence per Accrol Share is less than the SAYE Option exercise price of 48.3 pence per Accrol Share).

If you do not exercise your SAYE Option, it will lapse shortly after the Scheme becomes Effective. You will however be able to get your accumulated savings back.

What if the Offer does not go ahead?

If the Offer does not complete, your SAYE Option will continue under the terms of the SAYE unaffected.

Next Steps

If the Scheme becomes Effective, we will contact you again to provide instructions as to how to receive your accumulated savings back. If you were to then take no action, your SAYE Option will lapse on its terms and you will receive your accumulated savings back in any case when your SAYE Option lapses. This will be a maximum of six months after the date of the Court Sanction Hearing, unless it lapses earlier under the terms of the SAYE.

It is your decision as to whether to exercise your SAYE Option, although we would recommend that you take independent financial advice before choosing to do so. If you wish to exercise your SAYE Option in connection with the Offer notwithstanding that you would make a financial loss, please contact richard@almondco.uk to obtain an exercise form. Your Accrol Shares would then be acquired by Navigator UK for 38 pence per Accrol Share under the Offer and you will not get your accumulated savings back.

Further queries

If you have any queries in relation to this Letter, please contact richard@almondco.uk. However, please note that neither Accrol nor your Accrol Group employer can provide you with any legal, tax, financial or investment advice on the Offer or its effect on your SAYE Options. **If you are in any doubt as to the action you should take, you should seek your own independent professional advice.**

Yours faithfully

Gareth Jenkins
Chief Executive Officer

For and on behalf of:
Accrol Group Holdings plc