



ASX Announcement

Takeover offer for PGH – Letter to shareholders

Date: 25 September 2023

Further to announcements released by Pact Group Holdings Ltd (ASX: PGH) (**Pact** or the **Company**) on 13 September 2023 and 19 September 2023, the attached letter will be dispatched to shareholders today by email or post in relation to the intention of Kin Group Pty Ltd, a company controlled by the Geminder family, to make an unconditional A\$0.68 cash per share off-market takeover offer for all of the ordinary shares in Pact (the **Offer**).

The Independent Board Committee, reiterates that, until a formal recommendation regarding the Offer is issued, shareholders are advised to **TAKE NO ACTION** in relation to the Offer.

For further information contact:

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This document has been authorised for release by the Independent Board Committee.



Pact Group Holdings Ltd
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25 September 2023

Dear Shareholder

Proposed Takeover Offer for Pact Group (ASX: PGH) – TAKE NO ACTION

On 13 September 2023, Bennamon Industries Pty Ltd (**Bennamon**) announced its intention to make an unconditional takeover offer for Pact Group Holdings Ltd (**Pact Group** or the **Company**).

You will receive a Bidder's Statement from Bennamon in due course, but I wanted to share some observations with you before you receive that document.

Bennamon is a company owned by Kin Group Pty Ltd (**Kin Group**), which is associated with Pact Group's Chairman, Raphael Geminder. Kin Group already owns just over 50% of the shares in Pact Group.

Accordingly, we are taking appropriate steps to ensure that Pact Group shareholders' interests are protected.

Independent Board Committee established

A special board committee of the Company's independent directors (the **Independent Board Committee** or **IBC**) has been formed to evaluate and respond to Bennamon's offer. The IBC comprises Michael Wachtel and Carmen Chua.

As mentioned above, Kin Group's Chairman, Mr. Geminder, is also the Chairman of Pact Group. Mr. Geminder has advised Pact Group's Board of his conflict of interest in respect of the offer and has recused himself from consideration of the offer by Pact Group's Board, and thus will not be part of the Independent Board Committee.

The IBC has appointed Kroll Australia Pty Ltd (**Kroll**) to prepare an independent expert's report valuing your Pact Group shares. This report will consider whether Bennamon's offer is fair and reasonable for Pact Group shareholders. The report will be included in Pact Group's Target's Statement.

In addition to appointing Kroll as independent expert, Pact Group has appointed Flagstaff Partners as financial adviser and Herbert Smith Freehills as legal adviser to assist Pact Group in evaluating and responding to Bennamon's offer.

The IBC's recommendation will be provided in Pact Group's Target's Statement, along with the IBC's reasons for that recommendation. This document will be provided to you in the coming weeks.

Bennamon's offer price provides no meaningful premium

Bennamon is offering \$0.68 cash for each of your Pact Group shares. While the IBC will undertake further work to fully and carefully assess Bennamon's offer, the IBC notes that this offer price is just \$0.005 above the last sale price of the Company's shares on the ASX the day before the offer was announced.

Since the offer was announced, the Company's shares have consistently traded at prices above Bennamon's offer price.

Shareholders should wait for Pact Group's Target's Statement before making a decision

By law, Bennamon's offer must remain open for at least one month from when it is sent to shareholders (which Bennamon has said is expected to be in the last week of September 2023, although this timing is subject to change).

We intend to send you Pact Group's Target's Statement, containing the IBC's detailed recommendation and the independent expert's report, approximately two weeks after you receive Bennamon's Bidder's Statement.

After receiving Pact Group's Target's Statement, you will be given sufficient time to make a decision and respond to Bennamon's offer. You should **TAKE NO ACTION** until you have reviewed the Target's Statement.

The IBC will continue to keep you fully informed of key developments. All Company announcements are available on our website, pactgroup.com.

For further details, please don't hesitate to call our shareholder information line on 1300 631 379 (within Australia) and +61 3 9415 4681 (outside Australia).

We thank shareholders for their continued support.

Yours sincerely



Michael Wachtel

Chairman, IBC