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12 February 2024

Market Announcements Office
Australian Securities Exchange
Level 50, South Tower, Rialto
525 Collins Street
Melbourne VIC 3000

Dear Sir/Madam

Off-market takeover bid by Bennamon Industries for Pact – Eighth supplementary bidder's statement and variation of takeover bid

We act for Bennamon Industries Pty Ltd (ACN 666 620 677) (**Bennamon Industries**) in relation to its off-market takeover bid for all the ordinary shares in Pact Group Holdings Limited (ACN 145 989 644) (**Pact**) (**Offer**).

On behalf of Bennamon Industries, we enclose:

- (a) by way of service pursuant to section 647(3)(a)(ii) of the *Corporations Act 2001* (Cth) (**Corporations Act**) (as inserted by *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688*), a copy of Bennamon Industries' eighth supplementary bidder's statement in respect of the Offer (**Eighth Supplementary Bidder's Statement**); and
- (b) a notice pursuant to section 650D of the *Corporations Act* (as modified by *ASIC Corporations (Takeover Bids) Instrument 2023/683*) extending the period during which the Offer will remain open for acceptance to 7.00 pm (Melbourne time) on 1 March 2024, unless further extended.

The Eighth Supplementary Bidder's Statement and notice has today been lodged with the Australian Securities and Investments Commission and will shortly be served on Pact and sent to persons required under the *Corporations Act*.

Yours faithfully



Neil Pathak
Partner, Head of M&A (Australia)



Joseph Nguyen
Senior Associate



Eighth supplementary bidder's statement and notice of variation

in relation to an off-market unconditional offer by Bennamon Industries Pty Ltd (ACN 666 620 677) (**Bennamon Industries**), a wholly owned subsidiary of Kin Group Pty Ltd (ACN 095 313 714) (**Kin Group**), to purchase all of the shares in Pact Group Holdings Limited (ACN 145 989 644) (**Pact**).

Important notice

This document is a notice under section 650D of the *Corporations Act 2001* (Cth) (**Corporations Act**) and a supplementary bidder's statement under section 643 of the *Corporations Act*. It is the eighth supplementary bidder's statement (**Eighth Supplementary Bidder's Statement**) issued by Bennamon Industries in relation to the Offer. This Eighth Supplementary Bidder's Statement is dated 12 February 2024 and supplements, and should read together with, the replacement bidder's statement dated 25 September 2023 (**Bidder's Statement**) and the supplementary bidder's statements in relation to the Offer dated 25 September 2023, 25 October 2023, 8 November 2023, 11 December 2023, 21 December 2023, 21 December 2023, and 3 January 2024.

12 February 2024

BENNAMON'S TAKEOVER OF PACT GROUP UPDATE

Dear fellow Pact Shareholders

Update on progress of takeover offer and extension to closing date

We are providing an update on the progress of our takeover offer, reminding you of Kin Group's intentions for Pact, and also extending the closing date of the Offer to 7.00 pm (Melbourne time) on 1 March 2024 (unless extended).

Recent updates

- **Pact's earnings continue to decline** > Pact's trading update for the first half of FY24 confirms its earnings are declining with an underlying EBITDA of \$137 million, which is \$4 million lower than the comparative first half in FY23 of \$141 million.¹
- **Broader systemic decline in earnings** > since FY21, Pact's underlying EBITDA has declined on average 3% year on year from \$315 million in FY21 to \$273 million in the last 12 months to December 2023. The 13% decline is exacerbated with the sale of the Crate Pooling and Manufacturing Business. It is **difficult to predict how the company will return to earnings growth** in the absence of this valuable high growth and high margin division.
- **Pact removed from S&P / ASX All Ordinaries** > Pact was removed from the S&P / ASX All Ordinaries Index on Thursday, 8 February 2024 due to Pact's free float being less than 15%. Following Pact's removal, it is unlikely there will be any institutional investor demand for Pact shares, as institutional investors may be restricted from holding shares in a company that is not included in any stock market index.
- **With a shareholding of ~86% Kin Group controls Pact** > Kin Group has made substantial progress with its takeover offer and now holds an ~86% shareholding (as at 9 February 2024). We remind remaining shareholders that, upon reaching 90%, we intend to undertake compulsory acquisition of all remaining shares at the Offer Price.
- **Pact's Independent Board Committee recommends you ACCEPT** > Pact's Independent Board Committee highlights a number of risks you will face if Kin Group does not reach the 90% threshold for compulsory acquisition. This includes a heightened risk that Pact's share price may fall below the Offer Price of \$0.84 per share.

Kin Group encourages all remaining shareholders to accept the Offer before it closes.

¹ Further details can be found in Pact's announcement titled '1H FY24 Trading Update' dated 6 February 2024 available on ASX. Any Pact Shareholder who would like to receive a copy may obtain a copy (free of charge) during the Offer Period by contacting the Offer Information Line. The copy will be provided within 2 Business Days of the request.

Kin Group's intentions

Kin Group's intentions for Pact may not align with your investment objectives as a minority shareholder. Below we remind all remaining minority shareholders of our intentions, as set out in our Bidder's Statement, regardless of whether Kin Group acquires 90% of Pact:

- It is likely Pact will be delisted 12 months after the Offer closes. As the controlling shareholder, Kin Group will seek to have Pact delisted as soon as it is able to do so. Kin Group will vote in favour of any resolution brought by Pact to delist, noting this could be effected 12 months after the Offer closes. As a minority shareholder, it may be even more difficult for you to sell your shares in an unlisted environment.
- Kin Group will make substantial changes to Pact's governance structure and how it is managed.
- Kin Group intends to maintain the suspension of Pact dividends to shareholders for the foreseeable future given Pact's other required uses of funds. Pact may undertake further capital raisings, which could dilute your shareholding.

We will be providing further updates as to the progress of our Offer and detailing Kin Group's intentions for Pact on or prior to 1 March 2024. Kin Group encourages you to act now and **ACCEPT THE OFFER**.

How to accept the Offer

The Offer closes at 7.00 pm (Melbourne time) on 1 March 2024, unless extended. You may accept the Offer by:

- (a) logging into <https://events.miraqle.com/BennamonIndustries-Offer/> and following the instructions; or
- (b) signing the enclosed, personalised Acceptance Form and returning it to the address provided on the reply-paid envelope.

If you have already accepted the Offer, no action is required.

Notice of extension of Offer Period

Bennamon Industries gives notice under section 650D of the Corporations Act that it varies the Offer by:

- (a) extending the period during which the Offer will remain open so that the Offer will now close at 7.00 pm (Melbourne time) on 1 March 2024, unless extended or withdrawn; and
- (b) replacing references to "12 February 2024" with "1 March 2024" in all places in the Bidder's Statement, the acceptance form enclosed with the Bidder's Statement and in all other instances where "12 February 2024" appears as the last day of the Offer.

This Eighth Supplementary Bidder's Statement and notice to extend the Offer Period has been approved by a resolution passed by the directors of Bennamon Industries.

A copy of this notice and Eighth Supplementary Bidder's Statement was lodged with ASIC and given to ASX on 12 February 2024. Neither ASIC nor ASX, nor any of its respective officers, takes any responsibility for the contents of this notice or the Eighth Supplementary Bidder's Statement. Unless the context otherwise requires, terms defined in the Bidder's Statement (as amended and supplemented) have the same meaning as in this notice and Eighth Supplementary Bidder's Statement.

Signed for and on behalf of **Bennamon Industries Pty Ltd** by:



Nick Perkins
Director