

THIS DOCUMENT AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK IMMEDIATELY YOUR OWN PERSONAL FINANCIAL ADVICE FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, FUND MANAGER OR OTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER.

Subject to the restrictions set out forth in this document, if you sell or have sold or have otherwise transferred all or part of your holding of Shares before 11.00 a.m. (London time) on 26 May 2020 (the “**Record Date**”) please send this document, if and when received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

The distribution of this document, together with the issue and/or transfer of New Securities, may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain exceptions, this document and any other such documents should not be distributed, forwarded to or transmitted in or into the United States or any other jurisdiction where such distribution, forwarding or transmission would be unlawful or in contravention of applicable laws. This document does not constitute an invitation or offer to sell or the solicitation of an invitation or an offer to buy New Securities or to take up entitlements to New Securities in any jurisdiction in which such offer or solicitation is unlawful.



Lecta Limited

(incorporated and registered under the laws of England and Wales with registered number 12405393)

Proposed Recapitalisation involving the issue of €50,000,000 New Shares, €55,555,555 New SSNs and New Warrants and the cancellation in full of the existing €100,000,000 Junior Notes, together with Resolutions of the Company

Proposed written resolutions of Lecta Limited (the “**Company**”) are set out at the end of this document. You should read the whole of this document. The latest time and date for acceptance and payment in full for the New Securities by Qualifying Securityholders is expected to be 5.00 p.m. (London time) on 15 June 2020 (the “**Funding Date**”). The procedures for delivery of the New Securities, acceptance and payment are set out in Part II (*Terms and Conditions of the Recapitalisation*) of this document.

The New Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

This document is **not** a prospectus and has **not** been prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA (or any corresponding law or regulation in any other jurisdiction). This document does not constitute an offer of New Securities to any person with a registered address, or who is located, in the United States or in any other jurisdiction in which such an offer or solicitation is unlawful. There will be no public offer of the New Securities in the United States or any other jurisdiction. No action has been taken by the Company that would permit an offer of the New Securities or rights thereto or possession or distribution of this document or any other offering or publicity material in any jurisdiction where action for that purpose is required. Securityholders and any person (including, without limitation, a nominee or trustee) who has a contractual or legal obligation to forward this document, if and when received, or other document should read the information set out in paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of this document.

To the fullest extent permitted by applicable law and regulation, no representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its directors, officers or employees, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in this document and no such person shall have any

responsibility or liability for any such information or opinions or for any errors or omissions. A recipient of this document should conduct his or her own investigation, evaluation and analysis of the business, data and property described in this document. No information included in this document is intended to be a profit forecast projection or prediction. No representations or warranties, express or implied, are given as to the achievement or reasonableness of, and no reliance should be placed on, statements pertaining to financial performance, including (but not limited to) any estimates, forecasts or targets contained herein. Prospective investors are cautioned not to rely on such statements.

Important deadlines

If the confirmations, acknowledgments and other information required by this document are not submitted to the Registrar (Crestbridge) or the Information Agent (GLAS), as the context requires, by the deadlines specified herein, you may not be eligible to receive any New Securities comprised within the Issuance. In connection with the Recapitalisation, Securityholders are reminded that the key deadlines are as follows:

- Securityholders should complete the Resolutions contained in Part V (*Resolutions*) of this document in accordance with the instructions contained therein and return it to the Registrar (on behalf of the Company) using one of the prescribed methods by no later than 5.00 p.m. (London time) on the Funding Date;
- should Qualifying Securityholders wish to participate in the Issuance, they should submit their KYC Form to the Registrar (in accordance with the instructions contained in paragraph 5 of Part II (*Terms and Conditions of the Recapitalisation*) of this document) in order to confirm if any verification of identity requirements in connection with the Recapitalisation may apply to them by no later than 5.00 p.m. (London time) on the Funding Date; and
- should Qualifying Securityholders wish to participate in the Issuance, then Participation Forms accompanied by proof of payment of the relevant Subscription Price, except as otherwise contemplated in this document, payable by any Qualifying Securityholder in respect of such New Securities as are specified in its Participation Form (which includes payment for the maximum amount of Declined Offer Securities that a Qualifying Securityholder might elect to receive pursuant to the Participation Form) must be received by the Information Agent by no later than 5.00 p.m. (London time) on the Funding Date.

It is highly recommended that any confirmation, acknowledgment and other information required to be supplied by Securityholders (and, if applicable, a Nominated Recipient) pursuant to this document is printed or saved as a PDF document after submission. You will receive acknowledgment of the online transmission of your submission together with the final PDF. Original paper copies are not required and should not be sent to the Registrar or the Information Agent (as the context requires). Any confirmation, acknowledgment and other information made pursuant to this document shall, subject to verification by Company or its advisers (including the Registrar and the Information Agent), be final and binding on and from the date of submission of confirmation, acknowledgment and other information by the Securityholder (and, if applicable, a Nominated Recipient). Notwithstanding any other provision of this document, any representation, undertaking or confirmation required to be given by a Securityholder (and, if applicable, a Nominated Recipient) in this document may be waived in writing by the Company.

Important notices

Any reproduction or distribution of this document, in whole or in part, and any disclosure of its contents or use of any information contained in this document for any purpose other than considering an investment in the New Securities is prohibited. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this document or that the information in this document is correct as at any time subsequent to its date. Without limitation, the contents of the website of the Group (or any other websites, including the content of any website accessible from hyperlinks on the websites of the Group) do not form part of this document. Capitalised terms have the meanings ascribed to them, and certain technical terms are explained, in Part VI (*Definitions*) of this document. This document and any non-contractual obligations arising out of or in relation to this document shall be governed by, and interpreted in accordance with, English law.

Where to find help

All enquiries in relation to the Recapitalisation should be addressed to the Information Agent via telephone on +44 20 3597 2940 or via e-mail to LM@glas.agency (marked for the attention of Trust & Escrow Services - Lecta). Please note that, for legal reasons, this helpline is only able to provide information contained in this document and information relating to the Company's register of members and is unable to give advice on the merits of the Recapitalisation or to provide financial, tax or investment advice. The Information Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

This document is dated 8 June 2020.

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RECAPITALISATION STATISTICS

Face value of New SSNs to be issued by the SSN Issuer	€55,555,555
Issue price of New SSNs ⁽¹⁾	90 per cent. of face value
Number of New Shares to be issued by the Company	2,175,000,000
Issue price per New Share ⁽¹⁾	€0.023
Number of New Warrants to be issued by the Company	55,555,555
Number of New Warrant Shares capable of issue on a fully diluted basis.....	225,000,000
Number of Participation Shares to be issued by the Company to the Underwriters in aggregate.....	180,000,000
Number of G3 Shares to be issued by the Company to the G3 Entities in aggregate ...	120,000,000
Total number of Recapitalisation Shares to be issued by the Company ⁽²⁾	2,475,000,000
Number of Existing Shares in issue as at the Record Date	300,000,000
Number of Shares in issue immediately following completion of the Recapitalisation ⁽³⁾	2,775,000,000
Number of Shares in issue immediately following completion of the Recapitalisation and the number of New Warrant Shares capable of issue on a fully diluted basis ⁽⁴⁾ ...	3,000,000,000
Recapitalisation Shares as a percentage of the enlarged issued share capital of the Company immediately following completion of the Recapitalisation ⁽³⁾	89.19 per cent.
Recapitalisation Shares and New Warrant Shares as a percentage of the enlarged issued share capital of the Company immediately following completion of the Recapitalisation ⁽²⁾	90.00 per cent.
Estimated proceeds receivable by the Group before expenses.....	€100,000,000

Notes:

- (1) In accordance with paragraph 1 (*Introduction*) of Part II (*Terms and Conditions of the Recapitalisation*), the relevant Subscription Price payable by any Qualifying Securityholder in respect of any New Securities to be subscribed for as part of the Recapitalisation shall be rounded up to the nearest euro.
- (2) This is the total number of Shares to be issued by the Company in connection with the Recapitalisation and comprises the New Shares, the G3 Shares and the Participation Shares (as such terms are defined in Part IV (*Definitions*) of this document).
- (3) Taking into consideration the issuance of the Recapitalisation Shares, but not taking into consideration the New Warrant Shares issued pursuant to the New Warrant Instrument, which may only occur after the 1st anniversary of the Recapitalisation Effective Date in accordance with the terms of the New Warrant Instrument.
- (4) Based on the New Warrant Instrument as at the Recapitalisation Effective Date and on the assumption that the maximum number of New Warrant Shares capable of issue under the New Warrant Instrument are so issued.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates in the table below are references to London time, indicative only and may be subject to change.

2020

Record Date for entitlement under the Recapitalisation	11.00 a.m. on 26 May
Announcement of the Recapitalisation and the publication of this document and the Resolutions	8 June
Latest time and date by which Qualifying Securityholders are required to provide the KYC Forms to the Registrar in order to confirm if any verification of identity requirements	5.00 p.m. on 15 June
Latest time and date by which Qualifying Securityholders are requested to complete the Resolutions and return them to the Registrar.....	5.00 p.m. on 15 June
Latest time and date by which Qualifying Securityholders are required to complete the Participation Form and return it to the Information Agent and to make payment in full in respect of any New Securities offered as part of the Recapitalisation.....	5.00 p.m. on 15 June
Expected date of announcement of results of the Issuance, the Resolutions and the Recapitalisation on the Company's website and through the Portal	as soon as possible after 5.00 p.m. on 17 June
Expected Recapitalisation Effective Date	23 June
Evidence of ownership in respect of the New Shares and the New Warrants posted on the Securityholder Site.....	23 June
Delivery of New SSNs to Participating Securityholders or their Nominated Recipients.....	23 June
Refund payments in respect of unsuccessful excess applications by Qualifying Securityholders for New Securities constituting Declined Offer Securities.....	by no later than 5.00 p.m. on 26 June

General Note:

- (i) The times and dates set out in the expected timetable of principal events above and mentioned throughout this document may be adjusted by the Company, subject to consultation and agreement with the Underwriters in accordance with the Implementation Agreement, in which event the Company shall make an announcement of the new times and dates.
- (ii) References to times in this document are to London times unless otherwise stated.
- (iii) The expected timetable of principal events above and the actions contemplated thereby are subject to certain restrictions relating to Securityholders. See paragraph 6 (Eligible Securityholders) of Part II (Terms and Conditions of the Recapitalisation).

IMPORTANT INFORMATION

General

This document is not a prospectus and has not been prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA (or any corresponding law or regulation in any other jurisdiction). In making an investment decision, prospective investors must rely upon their own examination of the Company and the terms of this document, including the risks involved.

No person has been authorised to give any information or to make any representations other than those contained in this document in connection with the Recapitalisation and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company. None of the Company, the Directors or any of the Group's representatives, is making any representation to any Securityholder or purchaser of the New Securities (and, if applicable, any Nominated Recipient thereof) regarding the legality of an investment by any such person under applicable laws and regulation. To the fullest extent permitted by applicable laws and regulation, no representation or warranty, express or implied, is made as to the accuracy, completeness, verification or sufficiency of the information contained in this document, and nothing contained in this document is, or shall be relied upon as, a promise or representation as to the past, present or future.

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any action in respect of the New Securities.

Without limitation, the contents of the websites of the Group (or any other websites, including the content of any website accessible from hyperlinks on the websites of the Group) do not form part of this document.

Notice to investors in the United States of America

Subject to certain exceptions, this document will not constitute, or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, New Securities to any Securityholder with a registered address in, or who is resident of, the United States or any other Restricted Territory. If you are in the United States or any other Restricted Territory, you may not subscribe for and/or acquire any New Securities unless you are a Permitted Restricted Territory Securityholder. Notwithstanding the foregoing, the Company reserves the right to offer and deliver the New Securities to a limited number of Securityholders in the United States that are reasonably believed to be (i) "qualified institutional buyers" ("QIBs") within the meaning of Rule 144A under the Securities Act ("Rule 144A") or (ii) institutional "accredited investors" as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act ("IAIs"), in each case in transactions that are exempt from, or are not subject to, the registration requirements under the Securities Act. The New Securities being offered outside the United States are being offered in "offshore transactions" as defined in, and in reliance on Regulation S under the Securities Act ("Regulation S"). Any person in the United States who obtains a copy of this document and who is not a QIB or IAI is required to disregard it.

Overseas territories other than the United States of America

The distribution of this document in certain jurisdictions (including the Restricted Territories) may be restricted by law. No action has been taken by the Company to distribute this document (or any other materials relating to the New Securities) in any other jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, this document may not be distributed or published in any other jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes are required by the Company to inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Securityholders (and, if applicable, Nominated Recipients) who have registered addresses in the Restricted Territories, or who are citizens or residents of or located in the Restricted Territories, should refer to paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of this document.

Forward looking statements

This document includes statements that are, or may be deemed to be, “forward looking statements”. These forward looking statements can be identified by the use of forward looking terminology, including the terms “believes”, “estimates”, “anticipates”, “expects”, “intends”, “plans”, “goal”, “target”, “aim”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the intentions, beliefs or current expectations of the Directors, the Company or the Group concerning, amongst other things, financial condition, prospects, growth and strategies of the Group and the industry in which it operates.

By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future and may be beyond the Company’s ability to control or predict. Forward looking statements are not guarantees of future performance. The Group’s actual operating results, financial condition, dividend policy and the development of the industry in which it operates may differ materially from the impression created by the forward looking statements contained in this document and/or the information incorporated by reference into this document. In addition, even if the operating results, financial condition and dividend policy of the Group, and the development of the industry in which it operates, are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that could cause these differences include, but are not limited to, general economic and business conditions, industry trends, competition, changes in government and other regulation, including in relation to the environment, health and safety and taxation, labour relations and work stoppages, changes in political and economic stability and changes in business strategy or development plans and other risks.

PART I

EXPLANATORY NOTE REGARDING THE RECAPITALISATION

1 Introduction

On 4 February 2020, the Group completed the restructuring of its balance sheet (the “**Restructuring**”), which included the equitization of 50 per cent. of the Group’s €600,000,000 Senior Secured Notes and the issuance of 300,000,000 Shares, €100,000,000 of Junior Notes and €200,000,000 of Existing SSNs. The Restructuring also included the refinancing of its previous €65,000,000 revolving credit facility pursuant to the €115,000,000 SSFA and simultaneously, the Group secured new factoring lines in France and Spain.

While the Restructuring resulted in a significant deleveraging and the simultaneous provision of new liquidity, the Group has been recently impacted by the COVID-19 lockdown and tighter working capital terms. In this context, the Group has applied extensive operational actions to mitigate the impact of the COVID-19 pandemic and preserve liquidity.

On 11 May 2020, the Company announced that it was in discussions with its existing securityholders and relationship banks regarding a possible recapitalisation. Based on scenario planning undertaken by the management of the Group in recent weeks, the Company considers that it is necessary to reorganise the capital structure of the Group as a matter of urgency in order to strengthen the Group’s balance sheet, working capital and liquidity position and allow the Group to continue to operate in a challenging trading environment.

Accordingly, and further to the announcement made by the Company earlier today, the Company has entered into a binding implementation agreement dated 7 June 2020 with, amongst others, the Underwriters (the “**Implementation Agreement**”) in order to effect a recapitalisation of the Group (the “**Recapitalisation**”). Pursuant to the Implementation Agreement, the Underwriters have agreed with the Company to fully underwrite the issue of New Securities under the Recapitalisation, subject to and in accordance with the terms of the Implementation Agreement.

The Company has released the interim condensed consolidated financial statements in respect of the Group for the 3 months ended 31 March 2020 (the “**Q1 Results**”), which have been made available on the Company’s website (<https://www.lecta.com/en/investors>) and through the Portal at the following link: <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>. Securityholders should read this contents of this document and the Q1 Results in full before taking any action in respect of the New Securities.

2 Reasons for the Recapitalisation

The Company believes that the Recapitalisation is necessary to help the Group overcome the challenges presented by the COVID-19 pandemic and continue its transformation with a view to emerging with a solid liquidity position and healthy balance sheet. In particular, the Company considers that the Recapitalisation will significantly improve the Group’s liquidity profile, reduce the Group’s net leverage and increase the Group’s flexibility, whilst mitigating any potential risks of default and committed supply chain lines providing enhanced stability.

The Recapitalisation is also expected to comprise additional support from working capital providers and the Group is also conducting discussions regarding potential access to government-supported financing in France and Italy.

The Company has received broad support for the Recapitalisation from existing securityholders. In particular, the Company has entered into a commitment and lock-up agreement originally dated 1 May 2020 with, amongst others, the Underwriters and certain other securityholders (the “**Lock-Up Agreement**”), pursuant to which such parties agreed (among other things) to support the Recapitalisation and promptly take all actions (within their power and as reasonably requested) which are necessary in order to support, facilitate, implement, consummate or otherwise give effect to all or any part of the Recapitalisation. As a result of the Lock-Up Agreement, the Company has received binding commitments from a number of securityholders in excess of the threshold necessary to support the implementation of the Recapitalisation.

As described in paragraph 1 (*Introduction*) of this Part I (*Explanatory note regarding the Recapitalisation*), the Underwriters have also agreed to fully underwrite the issue of New Securities under the Recapitalisation on the terms and conditions set out in the Implementation Agreement.

3 Principal terms of the Recapitalisation

In accordance with its terms and conditions, the Recapitalisation will comprise the following elements:

- the write down and cancellation of the entire outstanding principal amount of the €100,000,000 Junior Notes (the “**Write-down**”);
- the issue of 2,175,000,000 New Shares in the capital of Company for an aggregate issue price of approximately €50,000,000 (the “**New Shares**”), which will rank *pari passu* to the Existing Shares;
- the issue of €55,555,555 new floating rate senior secured notes due 2025 (the “**New SSNs**”) to be issued at a discounted issue price of 90 per cent. of face value for an aggregate proceeds amount of approximately €50,000,000, by way of issuance under the New SSN Indenture; and
- the issue of 55,555,555 new warrants (the “**New Warrants**”) by the Company pursuant to the New Warrant Instrument and which will entitle the holders thereof to subscribe for Shares in accordance with the terms thereof.

The New Shares will be offered at a price of €0.023 per New Share and the New SSNs will be issued at a discounted issue price 90 per cent. of face value. The relevant Subscription Price payable by any Qualifying Securityholder in respect of any New Securities to be subscribed for as part of the Recapitalisation shall be rounded up to the nearest euro. Any Qualifying Securityholder electing to receive additional New SSNs and New Warrants that are Declined Offer Securities (in accordance with Paragraph 2 (*Participation options*) of Part II (*Terms and Conditions of the Recapitalisation*)) shall make such election to the nearest euro. The relevant Subscription Price payable by a Qualifying Securityholder in respect of the New Shares and/or New SSNs (including any New Shares and/or New SSNs constituting Declined Offer Securities) shall be payable in full on acceptance by no later than 5.00 p.m. (London time) on the Funding Date.

There shall be no price payable by Participating Securityholders for the New Warrants upon their issuance (although holders of New Warrants will be required to pay a subscription price determined in accordance with the New Warrant Instrument should they elect to exercise the New Warrants at a later date in accordance with the terms of the New Warrant Instrument).

The Recapitalisation is expected to raise approximately €100,000,000 (before expenses). The Recapitalisation is fully underwritten by the Underwriters pursuant to, and subject to the terms of, the Implementation Agreement. The principal terms of the Underwriters’ commitments under the Implementation Agreement are summarised in paragraph 5 (*Underwriters’ commitments*) of this Part I (*Explanatory note regarding the Recapitalisation*). The Recapitalisation is conditional upon various matters, details of which are set forth in paragraph 6 (*Conditions precedent*) of this Part I (*Explanatory note regarding the Recapitalisation*).

The Recapitalisation will result in 2,175,000,000 New Shares being issued (representing approximately 78.38 per cent. of the enlarged issued share capital immediately following completion of the Recapitalisation and 72.50 per cent. of the fully diluted share capital of the Company taking into account the issuance of Shares in connection with the New Warrants issued pursuant to the Warrant Instrument).

The New Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Shares, including the right to receive dividends or distributions made, paid or declared after the date of issue of the New Shares. As explained in further detail in paragraph 7 (*SSFA Consents*) of this Part I (*Explanatory note regarding the Recapitalisation*), the Company has agreed that it will not declare or pay any dividends or any distributions of any sort in respect of, or to the direct or indirect holders of, Shares for the 24 months commencing on the Recapitalisation Effective Date.

4 Participation options

On and subject to the terms of this document, the New Securities will be issued as a strip of securities (the “**Issuance**”) as contemplated in the Company’s articles of association (the “**Articles**”). Qualifying Securityholders shall have the following options to participate in the Issuance:

- *Option 1* - Elect not to receive any New Shares, New SSNs or New Warrants;
- *Option 2* – Elect:
 - not to receive any New Shares; and
 - to receive New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date;
- *Option 3* – Elect to receive New Shares, New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date; or
- *Option 4* – Elect to receive:
 - New Shares *pro rata* to its holdings of Shares as at the Record Date and to receive additional New Shares that are Declined Offer Securities up to an amount to be specified in the Participation Form (subject to scale back); and
 - New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date and to receive additional New SSNs and New Warrants that are Declined Offer Securities up to an amount to be specified in the Participation Form (subject to scale back and provided any such New SSNs and New Warrants that are Declined Offer Securities shall be allocated in a fixed proportion),

provided that any such election under this Option 4 for (A) additional New Shares that are Declined Offer Securities and (B) additional New SSNs and New Warrants that are Declined Offer Securities, must be made in the same proportion.

Entitlements to New Securities will be rounded down to the nearest whole number and fractional entitlements will not be allotted to Qualifying Securityholders but will be aggregated and issued to the Underwriters. Qualifying Securityholders can view their *pro rata* entitlements to New Securities as part of the Recapitalisation by logging into the Portal at the following link: <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>.

In recognition of the fact that certain Qualifying Securityholders may be unable to subscribe for New Shares, Qualifying Securityholders shall be offered, subject to the passing of the Recapitalisation Resolutions, the additional right to participate in New SSNs and New Warrants only, solely on a basis *pro rata* to their respective holdings of Shares as at the Record Date. For the avoidance of doubt, Qualifying Securityholders shall not be entitled to participate in the New Shares only. In order to facilitate the participation in the New SSNs and New Warrants only by affected Qualifying Securityholders (which would otherwise fall outside the scope of the applicable regime contained in the Articles and Shareholders’ Agreement), it is proposed that the Articles and Shareholders’ Agreement shall be amended to permit Qualifying Securityholders to subscribe for New SSNs and New Warrants only as part of the Recapitalisation, on a basis *pro rata* to their respective holdings of Shares as at the Record Date.

Paragraph 2 (*Participation options*) of Part II (*Terms and Conditions of the Recapitalisation*) of this document sets forth the various options (including excess applications) that Qualifying Securityholders will have for participating in the Issuance. Any Qualifying Securityholder who wishes to participate in any Declined Offer Securities (as contemplated above) shall be required to make such election at the same time as exercising its pre-emption rights to participate in the New Securities comprised within the Issuance.

5 Underwriters’ commitments

Pursuant to the Implementation Agreement, the Underwriters have agreed severally to subscribe for New Securities not taken up under the Recapitalisation.

In consideration of their services under the Implementation Agreement, and subject to their obligations under the Implementation Agreement having become unconditional and the Implementation Agreement not having been terminated, the Underwriters will receive a participation fee to be settled in kind by way of the issuance of 180,000,000 (in aggregate) new Shares fully paid to the Underwriters in accordance with their agreed underwriting proportions (the “**Participation Shares**”) on the Recapitalisation Effective Date. The Participation Shares will represent approximately 6.49 per cent. of the enlarged issued share capital of the Company immediately following completion of the Recapitalisation and 6.00 per cent. of the fully diluted share capital of the Company taking into account the issuance of Shares in connection with the New Warrants issued pursuant to the Warrant Instrument).

In addition, and in consideration of their work in assisting the Company with the structuring of the Recapitalisation, and subject to their obligations under the Implementation Agreement having become unconditional and the Implementation Agreement not having been terminated, Apollo, Cheyne and Tikehau (together, the “**G3 Entities**”), and/or their respective Affiliates and/or Permitted Assignees, will receive an additional fee to be settled in kind by way of the issuance of 120,000,000 (in aggregate) new Shares (the “**G3 Shares**”) to be issued by the Company fully paid to the G3 Entities on the basis of each G3 Entity receiving a number of new Shares equal to one third of the aggregate number of G3 Shares on the Recapitalisation Effective Date. The G3 Shares will represent approximately 4.32 per cent. of the enlarged issued share capital of the Company immediately following completion of the Recapitalisation and 4.00 per cent. of the fully diluted share capital of the Company taking into account the issuance of Shares in connection with the New Warrants issued pursuant to the Warrant Instrument).

The obligations of the Underwriters (including the G3 Entities) under the Implementation Agreement are subject (*inter alia*) to the satisfaction or waiver of the conditions precedent specified in paragraph 6 (*Conditions precedent*) of this Part I (*Explanatory note regarding the Recapitalisation*). The Implementation Agreement will automatically terminate after 30 June 2020 (the “**Long-Stop Date**”). In addition, either of the Company or the Underwriters may terminate the Implementation Agreement in certain circumstances including (but not limited to): (i) by the mutual written consent of the Company and the Underwriters; (ii) at the election of the Majority Underwriters, if an insolvency event occurs in relation to the Company or any member of the Group; or (iii) at the election of the Majority Underwriters, if the Lock-Up Agreement terminates or is validly terminated in accordance with its terms (including as a result of a requisite majority (by value) of Shareholders determining that an event or circumstance has occurred, by reference to the position as at the date of the Lock-Up Agreement, which is, or could reasonably be, a material adverse change in the ability of the Group to implement and consummate the transactions contemplated by the Recapitalisation).

The Company has given certain representations and warranties to the Underwriters in the Implementation Agreement.

6 Conditions precedent

Completion of the Recapitalisation is subject to the satisfaction of various conditions precedent on or prior to the Long-Stop Date, including:

- the Company having passed the Recapitalisation Resolutions in accordance with the requirements of the Articles and the Shareholders’ Agreement;
- the JN Issuer having obtained the relevant consents in respect of the Write-down required in connection with the Recapitalisation from the holders of Junior Notes representing at least 75 per cent. of the Junior Notes then outstanding pursuant to the terms of the Lock-Up Agreement (the “**JN Consents**”). Pursuant to the terms of the Lock-Up Agreement, the JN Issuer has obtained the relevant consents required in connection with the satisfaction of this condition precedent;
- the SSN Issuer having obtained the relevant consents in respect of amendments and/or waivers to the Existing SSN Indenture required in connection with the Recapitalisation from the Holders (as defined in the Existing SSN Indenture) representing at least a majority in aggregate principal amount of the Notes

(as defined in the Existing SSN Indenture) then outstanding pursuant to the terms of the Lock-Up Agreement (the “**SSN Consents**”);

- the SSN Issuer (in its capacity as the “Parent” (under and as defined in the SSFA)) having obtained the relevant consents in respect of amendments and/or waivers to the SSFA required in connection with the Recapitalisation from the requisite majority of Lenders (as defined in the SSFA), particulars of which are set out in the consent request executed on 2 June 2020 (the “**SSFA Consents**” and together with the Recapitalisation Resolutions, the JN Consents and the SSN Consents, the “**Recapitalisation Consents**”);
- evidence that the New Spanish Term Facility is (or will be, concurrent with the Recapitalisation Effective Date) available to be utilised and will be utilised by Torraspapel no later than the Recapitalisation Effective Date;
- evidence that Torraspapel has entered into the New Confirming Lines (on terms reasonably satisfactory to the G3 Entities) and that the New Confirming Lines shall be available to be utilised by the Group for an amount not less than €40,000,000 on or before Recapitalisation Effective Date; and
- the Company having provided a copy of the Deed of Termination to each registered warrant holder in respect of the extinguishment and cancellation of the Existing Warrants issued under the Existing Warrant Instrument and having obtained signed acknowledgements thereof from certain holders of the Existing Warrants.

For the avoidance of doubt, to the extent that the one or more of the Recapitalisation Consents is not received (or otherwise waived in accordance with the terms of the Lock-Up Agreement and Implementation Agreement), the Company shall not take any of the steps otherwise approved in the other Recapitalisation Consents.

We further note, notwithstanding the formal requirements of the conditions precedent to the Recapitalisation as described above, each of the New Spanish Term Facility and New Confirming Lines shall only be available to be utilised on the Recapitalisation Effective Date immediately following receipt by Torraspapel of the net proceeds of the New Securities.

7 SSFA Consents

In addition to obtaining the relevant consents in respect of amendments and/or waivers to the SSFA required in connection with the Recapitalisation, the following additional amendments and/or waivers (as applicable) have been requested from the SSN Issuer (as “Parent” under and as defined in the SSFA) from the requisite majority Lenders (as defined in the SSFA) or, in the case of the fourth and fifth bullets below, all Lenders (as defined in the SSFA):

- an amendment to the SSFA to include an undertaking to procure that the proceeds of the New SSNs and the New Shares are down-streamed to Torraspapel on the ARA Effective Date;
- an amendment to the SSFA to include an additional extension option of one year such that the termination date of the SSFA can be extended from 3 February 2023 to 3 February 2024, provided that (i) the further consent of all Lenders under the SSFA is obtained when the extension request is submitted, and (ii) the payment of an extension fee equal to 2.00 per cent. of the Total Commitments;
- an amendment to the margin payable under the SSFA such that the margin is increased by 0.5 per cent. per annum in relation to both Term Facility Loans and Revolving Facility Loans (each as defined in the SSFA);
- to the novation of the Term Facility (as defined in the SSFA) from Holdco to Torraspapel and entry into any necessary documentation such that Torraspapel becomes the borrower under the Term Facility, together with a release of Holdco’s obligations as borrower under the Term Facility;
- the conversion of €15,000,000 of the aggregate Revolving Facility Commitment into Term Facility Commitment (each as defined in the SSFA) on the ARA Effective Date;

- an amendment to the original extension option of one year (such that the termination date of the SSFA can be extended from 3 February 2022 to 3 February 2023) (the “**Original Extension Option**”) to remove compliance with Consolidated Senior Secured Net Leverage Ratio test (as defined in the SSFA);
- an amendment to the extension fee payable in connection with the Original Extension Option so that such fee is payable on the Total Commitments rather than on the Available Facilities (each as defined in the SSFA); and
- the waiver of any default arising from the capitalisation of Torraspapel pursuant to the Recapitalisation.

In connection with the amendments to the SSFA, the Company has agreed that it will not make any Restricted Payments (as defined in the SSFA) (excluding the payment of up to €2,500,000 of Holdco Expenses (as defined in the SSFA)) for the 24 months commencing on the ARA Effective Date which, for the avoidance, will include but not be limited to a restriction on the declaration or payment of any dividends or any other distributions of any sort in respect of, or to the direct or indirect holders of, Shares (including both the Existing Shares and the Recapitalisation Shares) (but for the avoidance of doubt, such suspension shall not in any way prohibit the Write-Down).

8 Third party financing

As part of the Recapitalisation, Torraspapel being a wholly-owned subsidiary of the Group, will enter into a new Spanish law term facility with one or more Spanish banking institutions prior to the Recapitalisation Effective Date for a minimum term of 3 years (the “**New Spanish Term Facility**”). For the avoidance of doubt, it is not proposed that the terms of the New Spanish Term Debt shall restrict the ability of the Group from making intragroup payments to facilitate meeting its interest payment obligations and principal repayment obligations under the Existing SSNs and the New SSNs.

As at the date of this document, the Group had received committed funding of €20,000,000 pursuant to the New Spanish Term Facility, whilst an additional €20,000,000 of funding under the New Spanish Term Facility has been signed subject to the Recapitalisation being implemented in accordance with the terms set out in this document. Amounts to be made available under the New Spanish Term Facility shall be guaranteed (in whole or in part) by the Spanish Government.

In addition, the Group has reached a commercial agreement in respect of a new Spanish confirming line facility for an amount of €40,000,000 which will become available (subject to its terms, including in respect of collateralisation) once the Recapitalisation has been implemented in accordance with the terms set out in this document (the “**New Confirming Lines**”). The replacement of short term uncommitted confirming lines with longer dated committed lines under the New Confirming Lines will provide additional stability to working capital management of the Group, whilst it is also proposed that the minimum liquidity covenant and minimum EBITDA covenants under the SSFA shall be waived until the second anniversary of the Recapitalisation Effective Date thereby giving the Group enhanced operational flexibility.

The funding and/or availability (as applicable) of the New Spanish Term Facility and the New Confirming Lines (on terms reasonably satisfactory to the G3 Entities) is a condition precedent to the Recapitalisation. See paragraph 6 (*Conditions precedent*) of this Part I (*Explanatory note regarding the Recapitalisation*) for further information.

In addition, the Company is conducting discussions regarding a separate loan facility in each of Italy and France to be provided by lenders to be identified, guaranteed (to the fullest extent possible) by each of the Italian and French Governments (respectively) as part of the state aid measures being made available in those jurisdictions as a result of the COVID-19 pandemic. The Company has agreed with the Underwriters to exercise all reasonable endeavours to secure such funding from the Italian and French Governments as soon as reasonably possible (whether before or after Recapitalisation Effective Date), although no guarantee can be given that any such funding will be available (nor the terms on which it will be made available). Consistent with the position for the New Spanish Term Facility, the Company has further agreed to use all reasonable endeavours to procure that nothing in any funding from the Italian and French Governments shall restrict the ability of the Group from making

intragroup payments to facilitate the Group meeting its interest payment obligations and principal repayment obligations under the Existing SSNs and the New SSNs, and the obtaining of any such funding shall not be a condition precedent to the Recapitalisation.

9 Description of New Shares

Under the terms of the Recapitalisation, the Company will issue 2,175,000,000 New Shares in the capital of Company at an issue price of €0.023 per New Share for an aggregate issue price of approximately €50,000,000.

The New Shares to be issued as part of the Recapitalisation will represent approximately 78.38 per cent. of the enlarged issued share capital immediately following completion of the Recapitalisation and 72.50 per cent. of the fully diluted share capital of the Company taking into account the issuance of Shares in connection with the New Warrants issued pursuant to the Warrant Instrument.

The New Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Shares, including the right to receive dividends or distributions made, paid or declared after the date of issue of the New Shares. As explained in further detail in paragraph 7 (*SSFA Consents*) of this Part I (*Explanatory note regarding the Recapitalisation*), no dividend payment will be made for 24 months from the Recapitalisation Effective Date.

10 Description of New SSNs

Under the terms of the Recapitalisation, the Company will issue €55,555,555 New SSNs at a discounted issue price of 90 per cent. of face value for an aggregate amount of approximately €50,000,000 by way of issuance under the New SSN Indenture. Consistent with the Existing SSNs, the New SSNs shall be issued in minimum denominations of €1,000 (and integral multiples of €1 above €1,000).

The New SSNs will not be fungible with the Existing SSNs. The New SSNs will be authorised under the New SSN Indenture and will be assigned different ISINs and Common Codes from the Existing SSNs. The New SSNs will be the sole voting class for all purposes under the New SSN Indenture, including, without limitation, for purposes of waivers, amendments, redemptions, accelerations and offers to purchase.

The New SSNs will be subject to the terms of the Intercreditor Agreement as “*Pari Passu Notes*”. The New SSNs will have a coupon of EURIBOR + 700 basis points (subject to a zero per cent. EURIBOR floor) and will otherwise be issued on the same terms as the Existing SSNs and benefit from the same covenant package as the Existing SSNs (as amended pursuant to the terms of the Recapitalisation). In particular, the New SSNs will rank *pari passu* with the Existing SSNs and will otherwise be secured by the same collateral as the Existing SSNs on the same terms.

The Company shall use reasonable endeavours to procure that the New SSNs shall receive a private credit rating from one of Moody’s, Fitch or S&P by the Recapitalisation Effective Date (and, in any case, shall so procure by no later than one month following the Recapitalisation Effective Date).

11 Description of New Warrants

Pursuant to the Recapitalisation, the Company will issue the New Warrant Instrument pursuant to which the Company will issue New Warrants to Participating Securityholders, which will entitle the holders to subscribe for Shares in the share capital of the Company (the “**New Warrant Shares**”) representing approximately 7.50 per cent. of the fully diluted share capital of the Company taking into account the issuance of New Warrant Shares.

The New Warrants will be capable of exercise from (but excluding) the 1st anniversary of the Recapitalisation Effective Date to (and including) the 5th anniversary of the Recapitalisation Effective Date (the “**New Warrant Exercise Period**”). Following the expiry of the New Warrant Exercise Period, the New Warrant Instrument will automatically terminate and any subscription rights attaching to the New Warrants will lapse thereunder.

There shall be no price payable by Participating Securityholders for the New Warrants upon their issuance pursuant to the Recapitalisation (although holders of New Warrants will be required to pay a subscription price

determined in accordance with the New Warrant Instrument should they elect to exercise the New Warrants at a later date in accordance with the terms of the New Warrant Instrument).

Except as expressly contemplated in this paragraph 11 (*Description of New Warrants*) of this Part I (*Explanatory note regarding the Recapitalisation*), the New Warrants will have no voting or other governance rights and no rights to participate in distributions of the Group. The New Warrant Instrument will contain customary adjustment provisions to the extent that there is a future adjustment event at any time prior to the expiry of the New Warrant Exercise Period (including, but not limited to, bonus issues, scrip dividends, any reduction, sub-division, consolidation, reclassification, repurchase or redemption of relevant share capital or any consolidation, amalgamation or merger of the Company into another entity).

Until the 1st anniversary of the Recapitalisation Effective Date:

- the Company will not pay any dividend to Shareholders, unless each holder of the New Warrants receives a credit towards the payment of the subscription price in respect of the New Warrants or (if the subscription price has already been satisfied in full as a result of previous credits required under the New Warrant Instrument) a dividend payment attributable to the number of Shares which such holder would be entitled to receive if it had converted its New Warrants in full immediately prior to the dividend record date. From the Recapitalisation Effective Date until the expiry of the New Warrant Exercise Period, the Company will seek to ensure that reasonable notice of any planned dividends is given to each holder of New Warrants so that each such holder has adequate opportunity to convert any New Warrants prior to the relevant dividend record date; and
- the New Warrants shall be stapled to the New SSNs through the inclusion of stapling provisions in the New Warrant Instrument pursuant to which any purported transfer of New Warrants made without an accompanying transfer of an equivalent proportion of New SSNs to the same person shall be null and void (and shall not be registered by the Company).

12 Board changes

Pursuant to the terms of the Shareholders' Agreement, Korn Ferry, being an independent organisational consulting firm, were engaged by a group of Shareholders in early-2020 to identify a shortlist of candidates to be considered by the Shareholders as potential Independent Directors (as defined in the Shareholders' Agreement) to be appointed to the Board (the "**Korn Ferry Search**").

Further to and as a result of the Korn Ferry Search, in addition to the matters contemplated pursuant to the Recapitalisation, it is separately proposed that the composition of the Board be reconstituted with effect from the Recapitalisation Effective Date.

Following the Recapitalisation Effective Date and the strengthening of the Group's balance sheet, working capital and liquidity position, it is proposed to appoint each of Mr. Dermot Smurfit (as Chairman of the Board), Mr. Javier Abad, Mr. Dominique Binet and Mr. Marco Casiraghi as non-executive directors (together, the "**Board Appointments**"). Further information regarding the Board Appointments and summary biographical details are included in Part IV (*Board Appointments*) of this document. In addition, it is expected that Mr. Eduardo Querol and Mr. Andrea Minguzzi will continue to serve on the Board following the Recapitalisation Effective Date in their capacities as Chief Executive Officer and Chief Financial Officer, respectively.

With effect from the Recapitalisation Effective Date, it is proposed that the interim members of the Board (consisting of Mr. Jason Clarke, Mr. Eugene Davis and Mr. Christian Digemose) will stand-down from the Board on the basis that the Recapitalisation will have been successfully delivered and the Group's balance sheet, working capital and liquidity position will have been adequately strengthened so as to permit a rebalancing of the Board's core expertise and skills towards the Group's longer term strategy.

13 Recapitalisation Resolutions

In connection with the Recapitalisation, the Recapitalisation Resolutions are being proposed to Securityholders to support, facilitate, implement, consummate or otherwise give effect to the Recapitalisation. For the purposes of the Articles, Shareholders' Agreement and as a matter of English law, certain of these Resolutions must be passed for the Recapitalisation to be implemented. Accordingly, the Recapitalisation is conditional on Securityholders approving the Recapitalisation Resolutions.

The Resolutions (including the Recapitalisation Resolutions) are set out in Part V (*Resolutions*) of this document.

You are requested to complete the Recapitalisation Resolutions and return them as soon as possible and in any case so as to be received by no later than 5.00 p.m. (London time) on the Funding Date, in accordance with the detailed instructions set forth in Part V (*Resolutions*) of this document.

If the requisite majority of Securityholders have not voted in favour of the Recapitalisation Resolutions by 5.00 p.m. (London time) on the Funding Date (or if the Recapitalisation Effective Date has not occurred before the Long-Stop Date), then the Recapitalisation Resolutions will lapse.

14 Board Resolutions

In addition to the matters contemplated pursuant to the Recapitalisation, and the information set out in paragraph 12 above, the Board Resolutions are separately being proposed to Securityholders in connection with the Board Appointments and certain related matters.

For the avoidance of doubt, the Board Resolutions are separate from the Recapitalisation and the Recapitalisation Resolutions. **The Recapitalisation is not conditional on Securityholders approving the Board Resolutions.** Further detail on the Board Appointments is set out Part IV (*Board Appointments*) of this document. The Resolutions (including the Board Resolutions) are set out in Part V (*Resolutions*) of this document.

You are requested to complete the Board Resolutions and return them as soon as possible and in any case so as to be received by no later than 5.00 p.m. (London time) on the Funding Date, in accordance with the detailed instructions set forth in Part V (*Resolutions*) of this document.

If the requisite majority of Securityholders have not voted in favour of the Board Resolutions at the end of the period of 28 days beginning with the date of circulation of this document, then the Board Resolutions will lapse.

15 Eligible Securityholders

The attention of Securityholders (and, if applicable, any Nominated Recipients) who have registered addresses in the Restricted Territories, who are citizens or residents of or located in the Restricted Territories, or who are otherwise Retail Investors or Disqualified Persons is drawn to the information in paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of this document.

Notwithstanding any other provision of this document, the Company reserves the right (having consulted with the Underwriters acting reasonably and in good faith) to permit any Securityholder on the register of members at the Record Date to take up his or her entitlement to New Securities issued as part of the Recapitalisation if (in its sole and absolute discretion) it is satisfied that the transaction in question will not violate applicable laws.

The provisions of paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) will apply generally to Securityholders who cannot or do not take up the New Securities issued as part of the Recapitalisation.

16 No legal, business or tax advice

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation

to any action in respect of the New Securities. If you are in any doubt as to your tax position, you should consult your own independent tax adviser without delay.

17 Action to be taken in respect of the Recapitalisation

If you are a Qualifying Securityholder, you can view your *pro rata* entitlements to New Securities as part of the Recapitalisation by logging into the Portal at the following link: <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>. If you have sold or otherwise transferred any of your Existing Shares before the Record Date, please forward this document, if and when received, at once to the purchaser or transferee or the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee, except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations.

Qualifying Securityholders are requested to submit elections to participate in the New Securities via the Portal at <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>. In order to access the Portal, a user must first register for an account by following the “click this link to register” button. When on that page, the user must include its unique shareholder code in the reference field. Each shareholder’s unique code has been provided to it in the email in which it received this Investor Pack. A user may input multiple codes in the reference field separated by a comma. Inputting multiple codes separated by a comma will allow the user the option to complete the participation form once for each Option chosen (rather than completing the form once for each shareholder) in respect of multiple different shareholders of the Company.

The latest time and date for acceptance and payment in full in respect of the Recapitalisation is expected to be to be 5.00 p.m. (London time) on the Funding Date, unless otherwise announced by the Company. The Company may elect, with the agreement of the Underwriters, but shall not be obliged, to treat as valid acceptances and payments which are received, or due to be received, after 5.00 p.m. (London time) on the Funding Date.

The procedure for acceptance and payment is set out in Part II (*Terms and Conditions of the Recapitalisation*) of this document.

For Participating Securityholders:

- evidence of ownership of the New Shares is expected to be posted on the Securityholder Site on the Recapitalisation Effective Date;
- the New SSNs will be initially issued as one or more global notes, in registered global form without interest coupons, and will be deposited with the Common Depository and credited to relevant accounts within Clearstream and Euroclear of the person(s) entitled to them (or its or their Nominated Recipient(s)) by no later than 5 p.m. (London time) on 23 June 2020; and
- evidence of ownership of the New Warrants is expected to be posted on the Securityholder Site on the Recapitalisation Effective Date.

For the avoidance of doubt, definitive certificates will not be issued and despatched to Participating Securityholders in respect of either the New Shares, the New SSNs or the New Warrants in connection with the Recapitalisation.

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.

18 Action to be taken in respect of the Resolutions

Securityholders will find enclosed a document containing the Resolutions proposed by the Company in connection with the Recapitalisation, a copy of which is set forth in Part V (*Resolutions*) of this document.

Securityholders are asked to complete the Resolutions in accordance with the instructions contained therein and to return it to the Registrar (on behalf of the Company) using one of the following methods as soon as possible and, in any event, so as to be received by no later than 5.00 p.m. (London time) on the Funding Date:

- *By hand or by post:* signed copy to be delivered/sent to Attn. Briony Rea, Crestbridge UK Limited, 8 Sackville Street, London, United Kingdom, W1S 3DG; or
- *By e-mail:* scanned copy of the signed document to be attached to an email and sent to lecta.ldn@crestbridge.com with the subject line Lecta Limited – shareholder written resolutions.

Securityholders that do not agree to the Resolutions do not need to do anything and will not be deemed to agree if they fail to reply. Agreement to the Resolutions, once indicated in accordance with the instructions contained therein, may not be revoked.

In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members. Any person signing this document on behalf of a Securityholder under a power of attorney or other authority is requested to send a copy of the relevant power of attorney or authority when returning the completed the Resolutions.

Further information on the Resolutions is set out in the notes to the Resolutions set forth in Part V (*Resolutions*) of this document.

PART II

TERMS AND CONDITIONS OF THE RECAPITALISATION

1 Introduction

The Company is proposing to offer New Shares, New SSNs and New Warrants to Qualifying Securityholders.

The New Shares will be offered at a price of €0.023 per New Share and the New SSNs will be issued at a discounted issue price 90 per cent. of face value. The relevant Subscription Price payable by any Participating Securityholder in respect of any New Securities to be subscribed for as part of the Recapitalisation shall be rounded up to the nearest euro. Any Participating Securityholder electing to receive additional New SSNs and New Warrants that are Declined Offer Securities (in accordance with Paragraph 2 (*Participation options*) of this Part II (*Terms and Conditions of the Recapitalisation*)) shall make such election to the nearest euro. The relevant Subscription Price payable by a Participating Securityholder in respect of the New Shares and/or New SSNs (including any New Shares and/or New SSNs constituting Declined Offer Securities) shall be payable in full on acceptance by no later than 5.00 p.m. (London time) on the Funding Date.

There shall be no price payable by Participating Securityholders for the New Warrants upon their issuance (although holders of New Warrants will be required to pay a subscription price determined in accordance with the New Warrant Instrument should they elect to exercise the New Warrants at a later date in accordance with the terms of the New Warrant Instrument).

The Recapitalisation is conditional, *inter alia*, upon:

- the Implementation Agreement having become unconditional in all respects and not having been terminated in accordance with its terms; and
- the passing, without material amendment, of the Recapitalisation Resolutions.

The Recapitalisation is fully underwritten by the Underwriters pursuant to the Implementation Agreement. The Recapitalisation will result in the issuance of 2,475,000,000 Recapitalisation Shares (including 2,175,000,000 New Shares for an aggregate issue price of approximately €50,000,000). The Recapitalisation Shares, when issued and fully paid, will rank *pari passu* in all respects with the Existing Shares, including the right to receive dividends or distributions made, paid or declared after the date of issue of the New Shares.

Entitlements to New Securities will be rounded down to the next lowest whole number and fractions of New Securities will not be allotted to Participating Securityholders. Such fractions will be aggregated and issued to the Underwriters. In this regard, Qualifying Securityholders should note that the New SSNs shall be issued with a minimum denomination of €1,000 (and integral multiples of €1 above €1,000).

Times and dates referred to in this Part II (*Terms and Conditions of the Recapitalisation*) have been included on the basis of the expected timetable for the Recapitalisation set out on page 2 of this document. The times and dates mentioned throughout this document may be adjusted by the Company, subject to consultation and agreement with the Underwriters in accordance with the Implementation Agreement, in which event the Company shall make an announcement of the new times and dates.

Securityholders or any persons (including, without limitation, custodians, nominees and trustees) who have a contractual or other legal obligation to forward this document should consider paragraph 6 (*Eligible Securityholders*) below.

All enquiries in relation to the Recapitalisation should be addressed to the Information Agent via telephone on +44 20 3597 2940 or via e-mail to LM@glas.agency (marked for the attention of Trust & Escrow Services - Lecta). Please note that, for legal reasons, this helpline is only able to provide information contained in this document and information relating to the Company's register of members and is unable to give advice on the merits of the Recapitalisation or to provide financial, tax or investment advice. The Information Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

2 Participation options

The New Shares, New SSNs and New Warrants will be issued as a strip of securities as contemplated in the Articles. Subject to paragraph 6 (*Eligible Securityholders*) below, Qualifying Securityholders shall have the following options to participate in the Issuance:

- *Option 1* - Elect not to receive any New Shares, New SSNs or New Warrants;
- *Option 2* – Elect:
 - not to receive any New Shares; and
 - to receive New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date;
- *Option 3* – Elect to receive New Shares, New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date; or
- *Option 4* – Elect to receive:
 - New Shares *pro rata* to its holdings of Shares as at the Record Date and to receive additional New Shares that are Declined Offer Securities up to an amount to be specified in the Participation Form (subject to scale back); and
 - New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date and to receive additional New SSNs and New Warrants that are Declined Offer Securities up to an amount to be specified in the Participation Form (subject to scale back and provided any such New SSNs and New Warrants that are Declined Offer Securities shall be allocated in a fixed proportion),

provided that any such election under this Option 4 for (A) additional New Shares that are Declined Offer Securities and (B) additional New SSNs and New Warrants that are Declined Offer Securities, must be made in the same proportion.

In the event that a Qualifying Securityholder is unable to subscribe for and/or receive New SSNs through Euroclear or Clearstream such Qualifying Securityholder may appoint a maximum of one Nominated Recipient to receive the New SSNs (but not any other New Securities) as part of the Recapitalisation by completing the relevant section contained within the Participation Form.

3 Actions to take etc.

The Company has released the Q1 Results, which have been made available on the Company's website (<https://www.lecta.com/en/investors>) and through the Portal at the following link: <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>. Securityholders should read this contents of this document and the Q1 Results in full before taking any action in respect of the New Securities.

Relevant Qualifying Securityholders wishing to participate in the Issuance must complete the Participation Form and lodge it, together with proof of payment of the relevant Subscription Price, with the Information Agent by no later than 5.00 p.m. (London time) on the Funding Date.

Subject to paragraph 6 (*Eligible Securityholders*) below, any Qualifying Securityholder who wishes to participate in any Declined Offer Securities (as contemplated above) shall be required to make the relevant election and payment at the same time as exercising any right to participate on a *pro rata* basis in the New Securities comprised within the Issuance by making the election in the Participation Form. In respect of applications for Declined Offer Securities only, Qualifying Securityholders are advised that the Company may, in its sole discretion, agree to defer material payments in respect of any such applications to a date after the Funding Date but to be received, in any case, no later than the 5.00 p.m. (London time) on the date immediately prior to the Recapitalisation Effective Date. Qualifying Securityholders are advised to consult with the Information Agent accordingly and any such arrangements will be at the Company's sole discretion and subject to legal documentation in a form reasonably satisfactory to the Company.

Subject to paragraph 6 (*Eligible Securityholders*) below, Qualifying Securityholders wishing to apply for Declined Offer Securities must complete the relevant Participation Form in accordance with the instructions contained therein and, once completed, lodge same, together with proof of payment of the relevant Subscription Price (including in respect of the maximum amount of Declined Offer Securities contained in the Participation Form), with the Information Agent by no later than 5.00 p.m. (London time) on the Funding Date. Allocations of Declined Offer Securities to relevant Participating Securityholders will be determined by the Company in accordance with Electing Shareholder Proportions, subject to scale back. Refund payments in respect of unsuccessful applications by Qualifying Securityholders for Declined Offer Securities will be made to the relevant applicants, to the account for which information is provided in the relevant Participation Form, no later than 5.00 p.m. (London time) on the date which is two Business Days after the Recapitalisation Effective Date (expected to be 23 June 2020). No interest will be paid on monies received in respect of unsuccessful applications for Declined Offer Securities whether before (or after) the Recapitalisation Effective Date.

In respect of each Qualifying Securityholder, if the Participation Form, accompanied by payment in full, is not received by the Information Agent by no later than 5.00 p.m. (London time) on the Funding Date, the relevant Qualifying Securityholder will (unless the Company has exercised its right to treat as valid an acceptance, as set out below) be deemed to have been declined to participate in the Issuance and any pre-emption rights in respect of the Recapitalisation will lapse. The Company may elect, with the agreement of the Underwriters, but shall not be obliged, to treat as valid Participation Forms and accompanying remittances for the full amount due which are received, or due to be received, after 5.00 p.m. (London time) on the Funding Date.

The Company may also (in its sole discretion) treat a Participation Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat as invalid any acceptance or purported acceptance of the New Securities that appears to the Company to have been executed in or despatched from or that provides an address for delivery of definitive certificates for New Securities in the United States or any other Restricted Territories unless the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

A Participating Securityholder is deemed to request that the New Securities to which he or she will become entitled be issued to him or her (and, if applicable, a Nominated Recipient) on the terms and conditions set out in this document and subject to the Articles, the New SSN Indenture and/or the New Warrant Instrument (as the context requires).

A Participating Securityholder who wishes to have all the New Securities to which he or she is entitled registered in his or her name must accept and make payment for such allotment in accordance with the provisions set out in this Part II (*Terms and Conditions of the Recapitalisation*) but need take no further action.

Subject to paragraph 6 (*Eligible Securityholders*) below, a Qualifying Securityholder shall be entitled to assign (in whole or in part) his or her right to participate in the Issuance to (which right shall include, for the avoidance of doubt, in respect of any Underwriter, their rights in respect of the Participation Shares, and, in respect of any G3 Entity, their right in respect of the G3 Shares): (i) any of their Affiliates or; (ii) another person to whom the relevant Qualifying Securityholder has executed a trade in Shares prior to, on or after the Record Date and up to, and including, the Funding Date (but in respect of which the transfer of legal and beneficial ownership has not yet been recorded in the Company's register of members at the Record Date) (a "**Permitted Assignee**"). In order to register the New Securities in the name of someone other than the Qualifying Securityholder(s), the Qualifying Securityholder must make a valid acceptance and make or procure payment in accordance with this Part II (*Terms and Conditions of the Recapitalisation*) and must notify the Information Agent of such Affiliate or Permitted Assignee (other than a person who would otherwise be an Ineligible Securityholder) in whose name the New Securities shall be registered (and unless the Company agrees otherwise in its sole discretion), the Qualifying Securityholder shall provide evidence reasonably satisfactory to the Information Agent and/or the Company to establish that such person is (i) an Affiliate of the Qualifying Securityholder or (ii) a Permitted Assignee. Any such Affiliate or Permitted Assignee shall be required to comply with the requirements of paragraph 5 (*KYC*) below in respect of any verification of identity requirements.

On or promptly following the Funding Date, in any event not later than 5.00 p.m. (London Time) on the date which is two Business Days following the Funding Date, the Information Agent (in consultation with the

Company and the Underwriters) shall determine each Participating Securityholders' (including the Underwriters') participation in the New Securities pursuant to the terms of the Implementation Agreement. The Information Agent shall inform each Participating Securityholder (including the Underwriters') of its participation in the issuance of New Securities.

Evidence of ownership in respect of the New Shares and the New Warrants is expected to be posted on the Securityholder Site on the Recapitalisation Effective Date. Pursuant to section 769(2)(a) of the Companies Act 2006, in connection with the Recapitalisation and in respect of the New Shares only, definitive certificates will not be issued and despatched to Participating Securityholders in respect of the New Shares.

Following completion of the Recapitalisation, each Participating Securityholder will have the right to request, in writing, delivery by the Registrar of definitive certificates in respect of the New Shares and/or the New Warrants held by it, with such certificates to be made available within two months of the written request.

The New SSNs purchased as part of the Issuance will be issued on the Recapitalisation Effective Date pursuant to the New SSN Indenture and delivered to relevant Participating Securityholders or their Nominated Recipient against payment therefor. The New SSNs will be initially issued as one or more global notes, in registered global form without interest coupons, and will be deposited with the Common Depository and credited to relevant accounts within Clearstream and Euroclear of the person(s) entitled to them (or its or their Nominated Recipient(s)) by no later than 5 p.m. (London time) on 23 June 2020.

4 Payments

The relevant Subscription Price payable by any Qualifying Securityholder in respect of any New Securities to be subscribed for as part of the Recapitalisation shall be rounded up to the nearest euro. Any Qualifying Securityholder electing to receive additional New SSNs and New Warrants that are Declined Offer Securities (in accordance with Paragraph 2 (*Participation options*) of this Part II (*Terms and Conditions of the Recapitalisation*)) shall make such election to the nearest euro.

The relevant Subscription Price payable by a Qualifying Securityholder in respect of the New Shares and/or New SSNs (including any New Shares and/or New SSNs constituting Declined Offer Securities) shall be payable in full on acceptance by no later than 5.00 p.m. (London time) on the Funding Date. The Company may elect, with the agreement of the Underwriters, but shall not be obliged, to treat as valid Participation Forms and accompanying remittances for the full amount due which are received, or due to be received, after 5.00 p.m. (London time) on the Funding Date.

All payments must be in euros and made by an electronic funds transfer into the Receiving Account. Qualifying Securityholders must provide proof of payment to the Receiving Account together with the Participation Form that it submits to the Information Agent.

If the New Securities have already been allotted to a Qualifying Securityholder, Nominated Recipient, Affiliate or Permitted Assignee (as applicable) (or prior to any payment being honoured or such acceptances being treated as invalid, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such New Securities on behalf of such Qualifying Securityholder, Nominated Recipient, Affiliate or Permitted Assignee (as applicable) and hold the proceeds of sale (net of the Company's reasonable estimate of any loss it has suffered as a result of the same and of the expenses of the sale, including, without limitation, any stamp duty or SDRT payable on the transfer of such New Securities, and of all amounts payable by such Qualifying Securityholder pursuant to the terms of the Recapitalisation in respect of the acquisition of such New Securities) on behalf of such Qualifying Securityholder, Nominated Recipient, Affiliate or Permitted Assignee (as applicable). Neither the Company nor the Underwriters nor any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying Securityholder, Nominated Recipient, Affiliate or Permitted Assignee as a result.

If the Recapitalisation Effective Date has not occurred before the Long-Stop Date, or if you have made an application for Declined Offer Securities that is unsuccessful (in whole or in part), refund payments will be made to the relevant applicants, to the account for which information is provided in the relevant Participation Form, no later than 5.00 p.m. (London time) on the date which is two Business Days after the Recapitalisation Effective Date (expected to be 23 June 2020). No interest will be paid on monies received in respect of refund payments whether before (or after) the Recapitalisation Effective Date.

If the Implementation Agreement is otherwise terminated, by the Company or the Underwriters, in accordance with its terms (as are described in Paragraph 5 of Part I (*Explanatory note regarding the Recapitalisation*) of this document), the Receiving Agent shall return any funds standing to the credit of the Receiving Account (i) in respect of the relevant Subscription Price payable by a Qualifying Securityholder for New Securities or (ii) (in respect of New Securities not taken up under the Recapitalisation) the relevant Subscription Price payable by an Underwriter, no later than 5.00 p.m. (London time) on the date which is two Business Days after the date of such termination. Any refund made in accordance with the terms of this document or the Implementation Agreement will be subject to satisfactory “know-your-customer” checks (pursuant to paragraph 5 below) having been completed by the Receiving Agent on the Qualifying Securityholder or Underwriter to be refunded.

5 KYC

It is a term of the Recapitalisation that, to ensure compliance with the KYC Regulations, the Registrar, may require at its absolute discretion require verification of the identity of the person by whom or on whose behalf a Participation Form is lodged with payment (which requirements are referred to below as the “verification of identity requirements”).

The person(s) (the “**acceptor**”) who, by lodging a Participation Form with payment, and in accordance with the other terms as described in this Part II (*Terms and Conditions of the Recapitalisation*), shall thereby be deemed to agree to provide the Registrar and/or the Company with such information and other evidence as they or either of them may require to satisfy the verification of identity requirements and agree for the Registrar and/or the Company to make a search using a credit reference agency for the purpose of confirming such identity where deemed necessary. A record of the search will be retained.

If the Registrar and/or the Company determines that the verification of identity requirements apply to an acceptance of an allotment and such requirements have not been satisfied (which the Registrar shall in its absolute discretion determine) by 5.00 p.m. (London time) on the Funding Date, the Company may, in its absolute discretion, and without prejudice to any other rights of the Company, treat the acceptance as invalid, in which event, subject to the requirements of the KYC Regulations, refund payments will be made to the relevant applicants, to the account for which information is provided in the relevant Participation Form, no later than 5.00 p.m. (London time) on the date which is two Business Days after the Recapitalisation Effective Date (expected to be 23 June 2020). The Registrar is entitled in its absolute discretion to determine whether the identity verification requirements apply to any acceptor and whether such requirements have been satisfied. Neither the Company nor the Registrar will be liable to any person for any loss suffered or incurred as a result of the exercise of any such discretion.

Qualifying Securityholders wishing to participate in the Issuance are requested to fill in the KYC forms applicable to it. Qualifying Securityholders can view and download the applicable KYC forms by logging into the Portal at the following link: <http://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/> (the “**KYC Forms**”), and return such KYC Forms to the Registrar (on behalf of the Company) using one of the following methods:

- *By hand or by post:* signed copy to be delivered/sent to Attn. Briony Rea, Crestbridge UK Limited, 8 Sackville Street, London, United Kingdom, W1S 3DG; or
- *By e-mail:* scanned copy of the signed document to be attached to an email and sent to lecta.ldn@crestbridge.com with the subject line Lecta Limited – shareholder written resolutions.

The deadline for providing the Registrar with KYC Forms is 5.00 p.m. (London time) on the Funding Date. Participation in the Recapitalisation is conditional on providing the completed KYC Forms in a form reasonably satisfactory to the Company and/or the Registrar.

The Company and/or the Registrar may share the KYC Forms received with the Information Agent and/or the Receiving Agent as necessary for the purpose of the Recapitalisation and, in particular, any refund payments to be made in connection therewith, provided that such information is shared in accordance with all relevant data protection laws.

6 Eligible Securityholders

For the purposes of this document, “**Ineligible Securityholders**” shall mean:

- Securityholders other than Permitted Restricted Territory Securityholders, with a registered address or located or resident in a Restricted Territory;
- Securityholders that are Retail Investors (as defined below) in the European Economic Area or the United Kingdom (defined as a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (c) not a qualified investor as defined in the Prospectus Regulation (“**Retail Investors**”)); or
- Disqualified Persons.

References to Regulations or Directives include, in relation to the United Kingdom, those Regulations or Directives as they form part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in United Kingdom domestic law, as appropriate.

The making or acceptance of the offer of New Securities may be affected by the laws or regulatory requirements of the relevant jurisdiction. The offer of New Securities under the Recapitalisation may not be capable of acceptance, or purported acceptance, in certain territories. Subject to the provisions set out below (and other than Permitted Restricted Territory Securityholders), Qualifying Securityholders (and, if applicable, any Nominated Recipients) with a registered address, or who are resident of, the United States or any other Restricted Territory are not entitled to accept any offer to acquire New Securities. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to receive New Securities.

The New Securities are not being made available to and should not be made available to any Retail Investor in the European Economic Area or the United Kingdom. Consequently no key information document required by Regulation (EU) No 1286/2014 as amended or supplemented from time to time (the “**PRIPs Regulation**”) for offering or selling the New SSNs or otherwise making them available to Retail Investors in the European Economic Area or the United Kingdom will be prepared and therefore offering or selling the New SSNs or otherwise making them available to any Retail Investor in the European Economic Area or the United Kingdom may be unlawful under the PRIPs Regulation.

No person receiving this document and/or being offered New Securities in any territory may treat the same as constituting an invitation or offer to accept, receive, subscribe for and/or acquire New Securities unless, in the relevant territory, such action could lawfully be performed, implemented or dealt with, without contravention of any registration or other legal requirements. In such circumstances, this document is to be treated as sent for information only and should not be copied or redistributed. It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) wishing to participate in the Recapitalisation to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 6 (*Eligible Securityholders*) are intended as a general guide only and any Qualifying Securityholder who is in doubt as to his or her position should consult his or her independent professional adviser.

The Company reserves the right to treat as invalid and will not be bound to issue any New Securities in respect of any acceptance or purported acceptance of the Issuance which:

- appears to the Company or its agents to have been executed, effected or despatched from the United States or any other Restricted Territory, unless the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement; or
- entails such Qualifying Securityholder specifying in its completed Participation Form an address for delivery of definitive certificates for New Securities in any Restricted Territory, unless the Company is satisfied that delivery to such Restricted Territory would not result in the contravention of any registration or other legal requirement; or

- appears to the Company or its agents to have been executed, effected or despatched in a manner which may involve a breach of laws or regulations of any jurisdiction, or if the Company believes, or its agents believe, that the same may violate applicable legal or regulatory requirements.

Despite any other provision of this document or the Participation Form, the Company reserves the right to permit any Qualifying Securityholder to participate in the Issuance and to receive, subscribe for and/or acquire New Securities if the Company in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

7 Representations and warranties

Restricted New Securities

Any person (including, without limitation, custodians, nominees and trustees) subscribing for, accepting or requesting registration of the New Securities comprised within the Issuance who is located in the United States, prior to accepting delivery of the New Securities (such New Securities, the “**Restricted New Securities**”), will be required to represent and warrant to the Company on behalf of itself and each other person or account for which it is acting that:

- (i) it is a QIB or IAI and its receipt of the Restricted New Securities is not part of a plan or scheme to evade the registration requirements of the Securities Act;
- (ii) it understands that the Restricted New Securities are being offered in reliance upon an exemption from, or in a transaction not subject to, registration under the Securities Act and similar provisions under state securities laws for an offer and sale by the Company, not involving a public offering in the United States;
- (iii) it understands that the Restricted New Securities have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States;
- (iv) it represents and warrants that its purchase of the Restricted New Securities is lawful under the laws of the jurisdiction of its incorporation and the jurisdiction in which it operates (if different), and that such acquisition will not contravene any law, regulation or regulatory policy applicable to it;
- (v) as a purchaser of the Restricted New Securities in a private placement not registered under the Securities Act, it is receiving the Restricted New Securities for its own account, or for an account as to which it exercises sole investment discretion, for investment purposes and (subject, to the extent necessary, to the disposition of its or such discretionary accounts’ property being at all times within its or their control) not with a view to any distribution or resale, directly or indirectly, in the United States or otherwise in violation of the securities laws of the United States. Neither it, nor any account for which it is acting (if any), was formed for the specific purpose of acquiring the Restricted New Securities;
- (vi) it understands that the Restricted New Securities issued are “restricted securities” (as defined by Rule 144 under the Securities Act), and that for one year after the latest of the original issue date of the Restricted New Securities, the date of issuance of any additional notes of the same series (in the case of the New SSNs) and the last date on which the Company or any of its affiliates was the owner of the Restricted New Securities, the Restricted New Securities may not be offered, sold, pledged or otherwise transferred except (a) to the issuer or any subsidiary thereof, (b) pursuant to a registration statement that has been declared effective under the Securities Act, (c) for so long as the Restricted New Securities are eligible for resale pursuant to Rule 144A, to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs to whom notice is given that the transfer is being made in reliance on Rule 144A, (d) in an “offshore transaction” in accordance with Rule 903 or Rule 904 of Regulation S (other than an “offshore transaction” to any Retail Investor), or (e) pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act provided by Rule 144 thereunder (if available) in each case in accordance with any applicable securities laws of the United States and any State or other jurisdiction of the United States;
- (vii) it understands that, if an exemption from registration or qualification under the Securities Act or U.S. federal and state securities laws is available, it may be conditional on various requirements including, but not limited to, the time and manner of sale, the holding period for the Restricted New Securities and

the, and requirements relating to the issuer which are outside its control, and which the issuer would not be under any obligation (and may not be able) to satisfy;

- (viii) it understands that the transfer agent for the Restricted New Securities will not be required to accept for registration of transfer any Restricted New Securities acquired by the undersigned or any account of the undersigned, except upon presentation of evidence satisfactory to the issuer of the Restricted Securities, and the transfer agent that the foregoing restrictions on transfer have been complied with. It will give to each person to whom it transfers the Restricted New Securities notice of any restrictions on the transfer of such Restricted New Securities;
- (ix) it and any account for which it is acting (if any) did not become aware of the offering of the Restricted New Securities, and Restricted New Securities were not offered to it or any account for which it is acting (if any), by means of any form of “general solicitation or general advertising” within the meaning of Rule 502(c) of Regulation D under the Securities Act (“Regulation D”), in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act or through any directed selling efforts within the meaning of Regulation S;
- (x) it understands that the Restricted New Securities in certificated form and any evidence as to ownership of such Restricted New Securities (on the Securityholder Site) will bear a legend in or substantially in the following form:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND, ACCORDINGLY, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) AN INSTITUTIONAL “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT OR (C) IT IS ACQUIRING THE SECURITY IN AN “OFFSHORE TRANSACTION” AS DEFINED IN AND IN RELIANCE ON RULE 903 OR 904 OF REGULATION S (OTHER THAN AN OFFSHORE TRANSACTION TO A RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM (DEFINED AS A PERSON WHO IS ONE (OR MORE) OF: (X) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II (DIRECTIVE 2014/65/EU); OR (Y) A CUSTOMER WITHIN THE MEANING OF THE INSURANCE DISTRIBUTION DIRECTIVE (DIRECTIVE 2016/97/EU), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (Z) NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS REGULATION (REGULATION (EU) 2017/1129)), (2) AGREES THAT IT WILL NOT PRIOR TO THE DATE THAT IS ONE YEAR AFTER THE LATEST OF THE ORIGINAL ISSUANCE OF THIS SECURITY, THE DATE OF ISSUANCE OF ANY ADDITIONAL NOTES OF THE SAME SERIES AS THE ORIGINAL ISSUANCE, AND THE LAST DATE ON WHICH THE ISSUER OR ANY OF ITS AFFILIATES WAS THE OWNER OF THIS SECURITY, OFFER, RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY BUYER THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT, AND ANY PERSON ACTING ON ITS BEHALF, REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) OUTSIDE THE UNITED STATES IN AN “OFFSHORE TRANSACTION” AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE SECURITIES ACT TO A PERSON THAT IS NOT A RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM (DEFINED AS A PERSON WHO IS ONE (OR MORE) OF: (X) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II (DIRECTIVE 2014/65/EU); OR (Y) A CUSTOMER WITHIN THE MEANING OF THE

INSURANCE DISTRIBUTION DIRECTIVE (DIRECTIVE 2016/97/EU), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (Z) NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS REGULATION (REGULATION (EU) 2017/1129)); OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS (AS APPLICABLE) PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERM UNITED STATES HAS THE MEANING GIVEN TO IT BY REGULATION S UNDER THE SECURITIES ACT.”

- (xi) it will notify any person to whom it subsequently reoffers, resells, pledges, transfers or otherwise disposes of the Restricted New Securities of the foregoing restrictions on transfer and any certificates evidencing such securities shall contain a legend referring to such restrictions on transferability;
- (xii) it acknowledges and agrees that the Restricted New Securities that are New SSNs may be issued in a global note and that each note will bear appropriate legends;
- (xiii) as a purchaser of the Restricted New Securities in a private placement not registered under the Securities Act, it: (a) has conducted its own investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Company, and the Restricted New Securities and, following such investigation and appraisal and the other due diligence that it deemed necessary and subsequently conducted in connection with the offering of the Restricted New Securities, it has made its own investment decision to acquire the Restricted New Securities; (b) acknowledges that it has had the opportunity to ask and has asked queries regarding an acquisition of the Restricted New Securities, to the Company regarding its affairs and the terms of the Restricted New Securities, and has received satisfactory answers from representatives of the Company; (c) has reviewed all information, including this document, that it believes is necessary or appropriate in connection with its election to receive the Restricted New Securities; (d) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Restricted New Securities (and has sought such accounting, legal, tax and other advice as it has considered necessary to make an informed decision); (e) possesses such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Restricted New Securities; (f) understands that, in the future, Restricted New Securities may significantly increase or decrease in value; and (g) would be able to afford a complete loss of the value of the Restricted New Securities and would be able to bear the economic risk of holding such securities for an indefinite period;
- (xiv) as a purchaser of the Restricted New Securities in a private placement not registered under the Securities Act, it acknowledges that the Company, nor any of its subsidiaries, affiliates or any other person, has made any representation, warranty or undertaking (express or implied) to it with respect to it, the Restricted New Securities or the accuracy, completeness or adequacy of any financial or other information concerning the Company and the Restricted New Securities, other than any representation, warranty or undertaking contained in this document. Furthermore, none of the Company, its subsidiaries or its affiliates, directors, officers, employees, agents, representatives or advisers makes any representation as to the future performance of the Company or any of its subsidiaries or affiliates or their respective securities, including the Restricted New Securities;
- (xv) it understands that there may be certain consequences under United States and other laws resulting from an investment in the Restricted New Securities, and it has made such investigation and has consulted its own independent advisers or otherwise has satisfied itself concerning, without limitation, the effects of the United States federal, state and local income tax laws (including with regard to the Company's

potential status as a “passive foreign investment company” under U.S. tax laws) and foreign tax laws generally, the U.S. Employee Retirement Income Security Act of 1974, as amended, the U.S. Investment Company Act of 1940, as amended, the Company’s potential status as a “covered fund” as defined in Section 13 of the U.S. Bank Holding Company Act, and the Securities Act;

- (xvi) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Restricted New Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Restricted New Securities to it, notify the Company in writing;
- (xvii) it (and each other QIB or IAI, if any, for whose account it is receiving the Restricted New Securities), in the normal course of business, invests in or purchases securities similar to the Restricted New Securities, is aware that there are substantial risks incident to the purchase of the Restricted New Securities and has the ability to bear the economic risk of its investment in the Restricted New Securities, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Restricted New Securities, and is able to sustain a complete loss of its investment in the Restricted New Securities;
- (xviii) it satisfies any and all standards for investors making an investment in the Restricted New Securities imposed by the jurisdiction of its residence or otherwise;
- (xix) it is empowered, authorised and qualified to receive Registered New Securities;
- (xx) if it is receiving the Restricted New Securities for the account of another person, it represents that it has full power and authorisation to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
- (xxi) it acknowledges that the Company may request from it and/or any account for which it is acting (if any) such additional information as the Company may deem necessary to evaluate its eligibility or the eligibility of any account for which it is acting to acquire the Restricted New Securities, and may request from time to time such information as the Company may deem necessary to determine its eligibility or eligibility of any account for which it is acting to hold Restricted New Securities or to enable the Company to comply with applicable regulatory requirements or tax law, and it and each account for which it is acting (if any) shall use reasonable efforts to provide such information as may reasonably be requested; provided that in no event shall any purchaser be obliged to disclose the name (or any other identifying information) of its limited partners, members or shareholders.

Unrestricted New Securities

Any person (including, without limitation, custodians, nominees and trustees) subscribing for, accepting or requesting registration of the New Securities comprised within the Issuance that are not Restricted New Securities (the “**Unrestricted New Securities**”) will be required to represent and warrant to the Company on behalf of itself and each other person or account for which it is acting that:

- (i) it is, or at the time Unrestricted New Securities are purchased will be, the beneficial owner of such Unrestricted New Securities and (a) it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Company or a person acting on behalf of such an affiliate;
- (ii) it understands that the Unrestricted New Securities have not been and will not be registered under the Securities Act and that it will not offer, sell, pledge or otherwise transfer such Unrestricted New Securities except in accordance with applicable securities laws;
- (iii) except where proof has been provided to the Company’s satisfaction that such person’s participation in the Issuance will not result in the contravention of any applicable regulatory or legal requirement in any jurisdiction, (a) such person is not accepting the New Securities, or requesting registration of the relevant New Securities, from within the United States or any other Restricted Territory; (b) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for or receive the New Securities; (c) such person is not acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the United States, any other Restricted Territory or any territory

referred to in (b) above at the time the instruction to accept was given; and (d) such person is not acquiring New Securities with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Securities into the United States, any other Restricted Territory or any territory referred to in (b) above. The Company may treat as invalid any acceptance or purported acceptance of the allotment of New Securities if it (a) appears to the Company to have been executed in or despatched from the United States, any other Restricted Territory or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it believes the same may violate any applicable legal or regulatory requirement; (b) provides an address in the United States, or any other Restricted (or any other jurisdiction in which it would be unlawful to deliver share certificates); or (c) purports to exclude the representations and warranties required by this paragraph 7 (*Representations and warranties*) of this Part II (*Terms and Conditions of the Recapitalisation*);

- (iv) if it is in United Kingdom, it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Criminal Justice Act 1993, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and, if it is making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the regulations;
- (v) it is not a Retail Investor; and
- (vi) as a purchaser of the Unrestricted New Securities in a private placement, it: (a) has conducted its own investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Company, and the Unrestricted New Securities and, following such investigation and appraisal and the other due diligence that it deemed necessary and subsequently conducted in connection with the offering of the Unrestricted New Securities, it has made its own investment decision to acquire the Unrestricted New Securities; (b) acknowledges that it has had the opportunity to ask and has asked queries regarding an acquisition of the Unrestricted New Securities, to the Company regarding its affairs and the terms of the Unrestricted New Securities, and has received satisfactory answers from representatives of the Company; (c) has reviewed all information, including this document, that it believes is necessary or appropriate in connection with its election to receive the Unrestricted New Securities; (d) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Unrestricted New Securities (and has sought such accounting, legal, tax and other advice as it has considered necessary to make an informed decision); (e) possesses such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Unrestricted New Securities; (f) understands that, in the future, Unrestricted New Securities may significantly increase or decrease in value; and (g) would be able to afford a complete loss of the value of the Unrestricted New Securities and would be able to bear the economic risk of holding such securities for an indefinite period.

8 Times and dates

The Company and the Underwriters (acting jointly) shall be entitled to amend the latest date for acceptances under the Recapitalisation and all related dates set out in this document (including, but not limited to, the Funding Date) and in such circumstances the Company shall make an announcement of the new times and dates (and shall upload such announcement to Portal and the Company's website (<https://www.lecta.com/en/investors>)).

9 Governing law

The terms and conditions of the Recapitalisation as set out in this document and any non-contractual obligations arising out of or in relation to the Recapitalisation shall be governed by, and construed in accordance with, English law.

For the avoidance of doubt, the terms and conditions applicable to the New Securities following their Issuance shall be governed by, and construed in accordance with, the relevant constitutional and/or contractual documentation pertaining thereto.

10 Jurisdiction

The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Recapitalisation, this document and any non-contractual obligations arising out of or in connection with it.

By taking up or dealing with rights under the New Securities in accordance with the instructions set out in this document, Qualifying Securityholders (and, if applicable, any Nominated Recipients) and their transferees or renounces irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

For the avoidance of doubt, any dispute which may arise out of or in connection with the rights attaching to the New Securities following their Issuance shall be subject to the relevant dispute resolution procedures contained within the relevant constitutional and/or contractual documentation pertaining thereto.

PART III

PARTICIPATION FORM

IMPORTANT – THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU ARE RECOMMENDED TO SEEK IMMEDIATELY YOUR OWN PERSONAL FINANCIAL ADVICE FROM YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, FUND MANAGER OR OTHER APPROPRIATELY AUTHORISED INDEPENDENT FINANCIAL ADVISER.

This form (the “Participation Form”) should be read in its entirety, together with the document to relevant shareholders dated on or about 8 June 2020 (the “Investor Pack”), which accompanies this Participation Form. The definitions and abbreviations commencing in Part VI (*Definitions*) of the accompanying document apply, *mutatis mutandis*, throughout this Participation Form and capitalised terms will have the meanings ascribed to them in the Investor Pack, unless the context otherwise requires. In the event of any ambiguity or discrepancy between the provisions of this Participation Form and the provisions contained in Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document, the provisions of Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document shall prevail.

Before completing this Participation Form, you must read the Information Pack carefully before deciding whether to take up any New Securities and to determine if you are a Qualifying Securityholder. If you are an Ineligible Securityholder, then you should not take any further action and should not complete and/or return this Participation Form.

Subject to the terms and conditions of the Investor Pack, the offer of New Securities contemplated hereby expires at 5.00 p.m. (London time) on 15 June 2020. This Participation Form must be validly completed and presented when payment is made.

Lecta Limited

(the “Company”)

(incorporated and registered under the laws of England and Wales with registered number 12405393)

**Proposed Recapitalisation involving the issue of €50,000,000 New Shares, €55,555,555 New SSNs and New Warrants
and
cancellation in full of the existing €100,000,000 Junior Notes**

Participation Form

Delivery/enquiry addresses and Helpline number

Participation Forms must be delivered electronically to:

- *By email:* scanned copy of the signed document to be attached to an email and sent to LM@glas.agency with the subject line “Lecta Limited – Participation Form”; or
- *By internet:* submit via upload to the portal maintained by the Information Agent (GLAS) at the following link: <http://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>.

Qualifying Securityholders are requested to submit elections to participate in the New Securities via the Portal at <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>. In order to access the Portal, a user must first register for an account by following the “click this link to register” button. When on that page, the user must include its unique shareholder code in the reference field. Each shareholder’s unique code has been provided to it in the email in which it received this Investor Pack. A user may input multiple codes in the reference field separated by a comma. Inputting multiple codes separated by a comma will allow the user the option to complete the participation form once for each Option chosen (rather than completing the form once for each shareholder) in respect of multiple different shareholders of the Company.

The latest time and date for acceptance and payment in full in respect of the Recapitalisation is expected to be to be 5.00 p.m. (London time) on the Funding Date, unless otherwise announced by the Company. The procedure for acceptance and payment is set out in Part II (*Terms and Conditions of the Recapitalisation*) of this document.

All enquiries in relation to the Recapitalisation should be addressed to the Information Agent via telephone on +44 20 3597 2940 or via e-mail to LM@glas.agency (marked for the attention of Trust & Escrow Services - Lecta). Please note that, for legal reasons, this helpline is only able to provide information contained in this document and information relating to the Company’s register of members and is unable to give advice on the merits of the Recapitalisation or to provide financial, tax or investment advice. The Information Agent cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

IMPORTANT:

This document is not a prospectus and has not been prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA (or any corresponding law or regulation in any other jurisdiction). This document does not constitute an offer of New Securities to any person with a registered address, or who is located, in the United States or in any other jurisdiction in which such an offer or solicitation is unlawful. There will be no public offer of the New Securities in the United States or any other jurisdiction. No action has been taken by the Company that would permit an offer of the New Securities or rights thereto or possession or distribution of this document or any other offering or publicity material in any jurisdiction where action for that purpose is required. Securityholders and any person (including, without limitation, a nominee or trustee) who has a contractual or legal obligation to forward this document, if and when received, or other document should read the information set out in paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of the Investor Pack.

Confirmation of your representations: You have received this Participation Form on the basis that you have confirmed that you are:

- either (x) an institutional “accredited investor” as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the U.S. Securities Act of 1933, or (y) a “qualified institutional buyer” as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”);
- a Permitted Restricted Territory Securityholder;
- not a Securityholder that is a retail investor in the European Economic Area or the United Kingdom (defined as a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (c) not a qualified investor as defined in the Prospectus Regulation (“**Retail Investors**”)); or
- not a Disqualified Person.

References to Regulations or Directives include, in relation to the United Kingdom, those Regulations or Directives as they form part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 or have been implemented in United Kingdom domestic law, as appropriate.

The New Securities are not being made available to and should not be made available to any Retail Investor in the European Economic Area or the United Kingdom. Consequently no key information document required by Regulation (EU) No 1286/2014 as amended or supplemented from time to time (the “**PRIIPs Regulation**”) for offering or selling the New SSNs or otherwise making them available to Retail Investors in the European Economic Area or the United Kingdom will be prepared and therefore offering or selling the New SSNs or otherwise making them available to any Retail Investor in the European Economic Area or the United Kingdom may be unlawful under the PRIIPs Regulation.

To the fullest extent permitted by applicable law and regulation, no representation or warranty, express or implied, is made or given by or on behalf of the Company or any of its directors, officers or employees, or any other person, as to the accuracy, completeness or fairness of the information or opinions contained in this document and no such person shall have any responsibility or liability for any such information or opinions or for any errors or omissions. A recipient of this document should conduct his or her own investigation, evaluation and analysis of the business, data and property described in this document. No information included in this document is intended to be a profit forecast projection or prediction. No representations or warranties, express or implied, are given as to the achievement or reasonableness of, and no reliance should be placed on, statements pertaining to financial performance, including (but not limited to) any estimates, forecasts or targets contained herein. Prospective investors are cautioned not to rely on such statements.

The New Securities have not been and will not be registered under Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and, in each case, in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

If you are a Qualifying Securityholder wishing to participate in the Recapitalisation, please deliver the whole of this document completed in accordance with the instructions in the Investor Pack and otherwise contained herein (together with proof of payment for the relevant amount of New Securities, including the maximum amount of Declined Offer Securities that you have elected to receive pursuant to this document) to the Information Agent by no later than **5.00 p.m. (London time) on 15 June 2020**.

All payments must be in euros and made by an electronic funds transfer into the Receiving Account. Such payments will be held by the Receiving Agent in accordance with the terms of its engagement as receiving agent and will not be disbursed to the Company until such time as the Recapitalisation Effective Date has occurred. If the Recapitalisation Effective Date has not occurred before the Long-Stop Date, or if you have made an application for Declined Offer Securities that is unsuccessful (in whole or in part), refund payments will be made to the relevant applicants, to the account for which information is provided in the relevant Participation Form, no later than 5.00 p.m. (London time) on the date which is two Business Days after the Recapitalisation Effective Date (expected to be 23 June 2020). No interest will be paid on monies received in respect of refund payments whether before (or after) the Recapitalisation Effective Date.

None of the Company, the Information Agent or any of their respective Affiliates will be responsible for any loss and/or damage whatsoever in relation to or arising from the late or non-receipt of any Participation Form owing to any Participation Form being incorrectly completed and/or being delivered by any method other than as provided above. Participation Forms shall be deemed to be received on the date reflected in Information Agent's electronic systems. Notwithstanding anything to the contrary, it is the responsibility of Qualifying Securityholders to ensure that their Participation Forms are received in accordance with the requirements set forth in the Investor Pack and in this document.

Dear Qualifying Securityholder,

1. RECAPITALISATION

As further described in the Investor Pack, the Company is undertaking the Recapitalisation, which will involve (*inter alia*) the issue of New Shares, New SSNs and New Warrants.

The New Shares will be offered at a price of €0.023 per New Share and the New SSNs will be issued at a discounted issue price 90 per cent. of face value. The relevant Subscription Price payable by any Qualifying Securityholder in respect of any New Securities to be subscribed for as part of the Recapitalisation shall be rounded up to the nearest euro. Any Qualifying Securityholder electing to receive additional New SSNs and New Warrants that are Declined Offer Securities (in accordance with Paragraph 2 (*Participation options*) of Part II (*Terms and Conditions of the Recapitalisation*) of the Investor Pack) shall make such election to the nearest euro.

There shall be no price payable by Qualifying Securityholders for the New Warrants upon their issuance (although holders of New Warrants will be required to pay a subscription price determined in accordance with the New Warrant Instrument should they elect to exercise the New Warrants at a later date in accordance with the terms of the New Warrant Instrument).

2. PARTICIPATION OPTIONS

The New Shares, New SSNs and New Warrants will be issued as a strip of securities as contemplated in the Articles. Subject to paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document, Qualifying Securityholders shall have the following options to participate in the Issuance:

- Option 1** – Elect not to receive any New Shares, New SSNs or New Warrants;
- Option 2** – Elect:
- not to receive any New Shares; and
 - to receive New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date;
- Option 3** – Elect to receive New Shares, New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date; or
- Option 4** – Elect to receive:
- New Shares *pro rata* to its holdings of Shares as at the Record Date and to receive additional New Shares that are Declined Offer Securities up to an amount to be specified in the Participation Form (subject to scale back); and
 - New SSNs and New Warrants *pro rata* to its holdings of Shares as at the Record Date and to receive additional New SSNs and New Warrants that are Declined Offer Securities up to an amount to be specified in the Participation Form (subject to scale back and provided any such New SSNs and New Warrants that are Declined Offer Securities shall be allocated in a fixed proportion), provided that any such election under this Option 4 for (A) additional New Shares that are Declined Offer Securities and (B) additional New SSNs and New Warrants that are Declined Offer Securities, must be made in the same proportion.

In the event that a Qualifying Securityholder is unable to subscribe for and/or receive New SSNs through Euroclear or Clearstream such Qualifying Securityholder may appoint a maximum of one Nominated Recipient to receive the New SSNs (but not any other New Securities) as part of the Recapitalisation by completing the relevant section contained within the Participation Form.

3. ACCEPTANCE AND PAYMENT

Relevant Qualifying Securityholders wishing to participate in the Issuance must complete the Participation Form and lodge it, together with proof of payment of the relevant Subscription Price, with the Information Agent by no later than 5.00 p.m. (London time) on 15 June 2020 (the "**Funding Date**").

Subject to paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document, any Qualifying Securityholder who wishes to participate in any Declined Offer Securities shall be required to make the relevant election and payment at the same time as exercising any right to participate on a *pro rata basis* in the New Securities comprised within the Issuance by making the election in the Participation Form. In respect of applications for Declined Offer Securities only, Qualifying Securityholders are advised that the Company may, in its sole discretion, agree to defer material payments in respect of any such applications to a date after the Funding Date but to be received, in any case, no later than the 5.00 p.m. (London time) on the date immediately prior to the Recapitalisation Effective Date. Qualifying

Securityholders are advised to consult with the Information Agent accordingly and any such arrangements will be at the Company's sole discretion and subject to legal documentation in a form reasonably satisfactory to the Company.

Qualifying Securityholders wishing to apply for Declined Offer Securities must complete the relevant Participation Form in accordance with the instructions contained therein and, once completed, lodge same, together with proof of payment of the relevant Subscription Price (including in respect of the maximum amount of Declined Offer Securities contained in the Participation Form) with the Information Agent by no later than 5.00 p.m. (London time) on the Funding Date. Allocations of Declined Offer Securities to relevant Participating Securityholders will be determined by the Company in accordance with Electing Shareholder Proportions, subject to scale back.

The relevant Subscription Price payable by any Qualifying Securityholder in respect of any New Securities to be subscribed for as part of the Recapitalisation shall be rounded up to the nearest euro. Any Qualifying Securityholder electing to receive additional New SSNs and New Warrants that are Declined Offer Securities (in accordance with Paragraph 2 (*Participation options*) of this Part II (*Terms and Conditions of the Recapitalisation*)) shall make such election to the nearest euro.

In respect of each Qualifying Securityholder, if the Participation Form, accompanied by payment in full, is not received by the Information Agent by no later than 5.00 p.m. (London time) on the Funding Date, the relevant Qualifying Securityholder will (unless the Company has exercised its right to treat as valid an acceptance, as set out below) be deemed to have been declined to participate in the Issuance and any pre-emption rights in respect of the Recapitalisation will lapse. The Company may elect, with the agreement of the Underwriters, but shall not be obliged, to treat as valid Participation Forms and accompanying remittances for the full amount due which are received, or due to be received, after 5.00 p.m. (London time) on the Funding Date. The Company may also (in its sole discretion) treat a Participation Form as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

Each Qualifying Shareholder electing to participate in the Issuance is also required to provide account details in the event that the Receiving Agent is required to pay any refund either (i) in respect of an unsuccessful application by such Qualifying Securityholder for Declined Offer Securities (in whole or in part), or (ii) as a result of the termination of the Implementation Agreement and/or the Recapitalisation failing to complete in accordance with the terms of the accompanying document. Any refund made in accordance with the terms of the accompanying document or the Implementation Agreement will be subject to satisfactory "know-your-customer" checks (as set out paragraphs 4 (*Payments*) and 5 (*KYC*) of Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document) having been completed by the Receiving Agent on the Qualifying Securityholder or Underwriter to be refunded.

4. ELIGIBLE SECURITYHOLDERS

The attention of Securityholders (and, if applicable, any Nominated Recipients) who have registered addresses in the Restricted Territories, who are citizens or residents of or located in the Restricted Territories, or who are otherwise Retail Investors or Disqualified Persons is drawn to the information in paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document. The Company reserves the right (having consulted with the Underwriters acting reasonably and in good faith) to permit any Securityholder on the register of members at the Record Date to take up his or her entitlement to New Securities issued as part of the Recapitalisation if (in its sole and absolute discretion) it is satisfied that the transaction in question will not violate applicable laws.

The provisions of paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) of the accompanying document will apply generally to Securityholders who cannot or do not take up the New Securities issued as part of the Recapitalisation. A summary of these provisions is included below.

For the purposes of this document, "**Ineligible Securityholders**" shall mean:

- Securityholders other than Permitted Restricted Territory Securityholders, with a registered address or located or resident in a Restricted Territory;
- Securityholders that are Retail Investors (as defined below) in the European Economic Area or the United Kingdom (defined as a person who is one (or more) of: (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (b) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (c) not a qualified investor as defined in the Prospectus Regulation ("**Retail Investors**")); or
- Disqualified Persons.

The making or acceptance of the offer of New Securities may be affected by the laws or regulatory requirements of the relevant jurisdiction. The offer of New Securities under the Recapitalisation may not be capable of acceptance, or purported acceptance, in certain territories. Subject to the provisions of paragraph 6 (*Eligible Securityholders*) of Part II (*Terms and Conditions of the Recapitalisation*) (and other than Permitted Restricted Territory Securityholders), Qualifying Securityholders (and, if applicable, any Nominated Recipients) with a registered address, or who are resident of, the United States or any other Restricted Territory are not entitled to accept any offer to acquire New Securities. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to receive New Securities.

The New Securities are not being made available to and should not be made available to any Retail Investor in the European Economic Area or the United Kingdom. Consequently no key information document required by Regulation (EU) No 1286/2014 as amended or supplemented from time to time (the “**PRIIPs Regulation**”) for offering or selling the New SSNs or otherwise making them available to Retail Investors in the European Economic Area or the United Kingdom will be prepared and therefore offering or selling the New SSNs or otherwise making them available to any Retail Investor in the European Economic Area or the United Kingdom may be unlawful under the PRIIPs Regulation.

The Company reserves the right to treat as invalid and will not be bound to issue any New Securities in respect of any acceptance or purported acceptance of the Issuance which:

- appears to the Company or its agents to have been executed, effected or despatched from the United States or any other Restricted Territory, unless the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement; or
- entails such Qualifying Securityholder specifying in its completed Participation Form an address for delivery of the New Securities (including any share certificates or warrant certificates to be delivered by the Company in respect thereof) in any Restricted Territory, unless the Company is satisfied that delivery to such Restricted Territory would not result in the contravention of any registration or other legal requirement; or
- appears to the Company or its agents to have been executed, effected or despatched in a manner which may involve a breach of laws or regulations of any jurisdiction, or if the Company believes, or its agents believe, that the same may violate applicable legal or regulatory requirements.

Despite any other provision of this Participation Form or the accompanying document, the Company reserves the right to permit any Qualifying Securityholder to participate in the Issuance and to receive, subscribe for and/or acquire New Securities if the Company in its sole and absolute discretion is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question.

5. REPRESENTATIONS AND WARRANTIES

Restricted New Securities

Any person (including, without limitation, custodians, nominees and trustees) subscribing for, accepting or requesting registration of the New Securities comprised within the Issuance who is located in the United States, prior to accepting delivery of the Restricted New Securities, will be required to represent and warrant to the Company on behalf of itself and each other person or account for which it is acting that:

- (i) it is a QIB or IAI and its receipt of the Restricted New Securities is not part of a plan or scheme to evade the registration requirements of the Securities Act;
- (ii) it understands that the Restricted New Securities are being offered in reliance upon an exemption from, or in a transaction not subject to, registration under the Securities Act and similar provisions under state securities laws for an offer and sale by the Company, not involving a public offering in the United States;
- (iii) it understands that the Restricted New Securities have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States;
- (iv) it represents and warrants that its purchase of the Restricted New Securities is lawful under the laws of the jurisdiction of its incorporation and the jurisdiction in which it operates (if different), and that such acquisition will not contravene any law, regulation or regulatory policy applicable to it;
- (v) as a purchaser of the Restricted New Securities in a private placement not registered under the Securities Act, it is receiving the Restricted New Securities for its own account, or for an account as to which it exercises sole investment discretion, for investment purposes and (subject, to the extent necessary, to the disposition of its or such discretionary accounts' property being at all times within its or their control) not with a view to any distribution or resale, directly or indirectly, in the United States or otherwise in violation of the securities laws of the United States. Neither it, nor any account for which it is acting (if any), was formed for the specific purpose of acquiring the Restricted New Securities;
- (vi) it understands that the Restricted New Securities issued are “restricted securities” (as defined by Rule 144 under the Securities Act), and that for one year after the latest of the original issue date of the Restricted New Securities, the date of issuance of any additional notes of the same series (in the case of the New SSNs) and the last date on which the Company or any of its affiliates was the owner of the Restricted New Securities, the Restricted New Securities may not be offered, sold, pledged or otherwise transferred except (a) to the issuer or any subsidiary thereof, (b) pursuant to a registration statement that has been declared effective under the Securities Act, (c) for so long as the Restricted New Securities are eligible for resale pursuant to Rule 144A, to a person that it, and any person acting on its behalf, reasonably believes is a QIB purchasing for its own account or for the account of one or more QIBs to whom notice is given that the transfer is being made in reliance on Rule 144A, (d) in an “offshore transaction” in accordance with Rule 903 or Rule 904 of Regulation S (other than an “offshore transaction” to any Retail Investor), or (e) pursuant to an exemption from, or in a transaction not subject to, registration under the Securities Act provided by Rule 144 thereunder (if available) in each case in accordance with any applicable securities laws of the United States and any State or other jurisdiction of the United States;

- (vii) it understands that, if an exemption from registration or qualification under the Securities Act or U.S. federal and state securities laws is available, it may be conditional on various requirements including, but not limited to, the time and manner of sale, the holding period for the Restricted New Securities and the, and requirements relating to the issuer which are outside its control, and which the issuer would not be under any obligation (and may not be able) to satisfy;
- (viii) it understands that the transfer agent for the Restricted New Securities will not be required to accept for registration of transfer any Restricted New Securities acquired by the undersigned or any account of the undersigned, except upon presentation of evidence satisfactory to the issuer of the Restricted Securities, and the transfer agent that the foregoing restrictions on transfer have been complied with. It will give to each person to whom it transfers the Restricted New Securities notice of any restrictions on the transfer of such Restricted New Securities;
- (ix) it and any account for which it is acting (if any) did not become aware of the offering of the Restricted New Securities, and Restricted New Securities were not offered to it or any account for which it is acting (if any), by means of any form of “general solicitation or general advertising” within the meaning of Rule 502(c) of Regulation D under the Securities Act (“Regulation D”), in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act or through any directed selling efforts within the meaning of Regulation S;
- (x) it understands that the Restricted New Securities, in certificated form and any evidence as to ownership of such Restricted New Securities (on the Securityholder Site) will bear a legend in or substantially in the following form:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND, ACCORDINGLY, NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF WITHIN THE UNITED STATES IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) AN INSTITUTIONAL “ACCREDITED INVESTOR” AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT OR (C) IT IS ACQUIRING THE SECURITY IN AN “OFFSHORE TRANSACTION” AS DEFINED IN AND IN RELIANCE ON RULE 903 OR 904 OF REGULATION S (OTHER THAN AN OFFSHORE TRANSACTION TO A RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM (DEFINED AS A PERSON WHO IS ONE (OR MORE) OF: (X) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II (DIRECTIVE 2014/65/EU); OR (Y) A CUSTOMER WITHIN THE MEANING OF THE INSURANCE DISTRIBUTION DIRECTIVE (DIRECTIVE 2016/97/EU), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (Z) NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS REGULATION (REGULATION (EU) 2017/1129)), (2) AGREES THAT IT WILL NOT PRIOR TO THE DATE THAT IS ONE YEAR AFTER THE LATEST OF THE ORIGINAL ISSUANCE OF THIS SECURITY, THE DATE OF ISSUANCE OF ANY ADDITIONAL NOTES OF THE SAME SERIES AS THE ORIGINAL ISSUANCE, AND THE LAST DATE ON WHICH THE ISSUER OR ANY OF ITS AFFILIATES WAS THE OWNER OF THIS SECURITY, OFFER, RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT (A) TO THE ISSUER OR ANY SUBSIDIARY BUYER THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT, AND ANY PERSON ACTING ON ITS BEHALF, REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) OUTSIDE THE UNITED STATES IN AN “OFFSHORE TRANSACTION” AS DEFINED IN, AND IN RELIANCE ON, REGULATION S UNDER THE SECURITIES ACT TO A PERSON THAT IS NOT A RETAIL INVESTOR IN THE EUROPEAN ECONOMIC AREA OR THE UNITED KINGDOM (DEFINED AS A PERSON WHO IS ONE (OR MORE) OF: (X) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II (DIRECTIVE 2014/65/EU); OR (Y) A CUSTOMER WITHIN THE MEANING OF THE INSURANCE DISTRIBUTION DIRECTIVE (DIRECTIVE 2016/97/EU), WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II; OR (Z) NOT A QUALIFIED INVESTOR AS DEFINED IN THE PROSPECTUS REGULATION (REGULATION (EU) 2017/1129)) OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND TO COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER’S AND THE TRUSTEE’S RIGHTS (AS APPLICABLE) PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (1) PURSUANT TO CLAUSE (E) ABOVE TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A

NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERM UNITED STATES HAS THE MEANING GIVEN TO IT BY REGULATIONS UNDER THE SECURITIES ACT.”

- (xi) it will notify any person to whom it subsequently reoffers, resells, pledges, transfers or otherwise disposes of the Restricted New Securities of the foregoing restrictions on transfer and any certificates evidencing such securities shall contain a legend referring to such restrictions on transferability;
- (xii) it acknowledges and agrees that the Restricted New Securities that are New SSNs may be issued in a global note and that each note will bear appropriate legends;
- (xiii) as a purchaser of the Restricted New Securities in a private placement not registered under the Securities Act, it: (a) has conducted its own investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Company, and the Restricted New Securities and, following such investigation and appraisal and the other due diligence that it deemed necessary and subsequently conducted in connection with the offering of the Restricted New Securities, it has made its own investment decision to acquire the Restricted New Securities; (b) acknowledges that it has had the opportunity to ask and has asked queries regarding an acquisition of the Restricted New Securities, to the Company regarding its affairs and the terms of the Restricted New Securities, and has received satisfactory answers from representatives of the Company; (c) has reviewed all information, including the Investor Pack and this document, that it believes is necessary or appropriate in connection with its election to receive the Restricted New Securities; (d) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Restricted New Securities (and has sought such accounting, legal, tax and other advice as it has considered necessary to make an informed decision); (e) possesses such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Restricted New Securities; (f) understands that, in the future, Restricted New Securities may significantly increase or decrease in value; and (g) would be able to afford a complete loss of the value of the Restricted New Securities and would be able to bear the economic risk of holding such securities for an indefinite period;
- (xiv) as a purchaser of the Restricted New Securities in a private placement not registered under the Securities Act, it acknowledges that the Company, nor any of its subsidiaries, affiliates or any other person, has made any representation, warranty or undertaking (express or implied) to it with respect to it, the Restricted New Securities or the accuracy, completeness or adequacy of any financial or other information concerning the Company and the Restricted New Securities, other than any representation, warranty or undertaking contained in the Investor Pack. Furthermore, none of the Company, its subsidiaries or its affiliates, directors, officers, employees, agents, representatives or advisers makes any representation as to the future performance of the Company or any of its subsidiaries or affiliates or their respective securities, including the Restricted New Securities;
- (xv) it understands that there may be certain consequences under United States and other laws resulting from an investment in the Restricted New Securities, and it has made such investigation and has consulted its own independent advisers or otherwise has satisfied itself concerning, without limitation, the effects of the United States federal, state and local income tax laws (including with regard to the Company’s potential status as a “passive foreign investment company” under U.S. tax laws) and foreign tax laws generally, the U.S. Employee Retirement Income Security Act of 1974, as amended, the U.S. Investment Company Act of 1940, as amended, the Company’s potential status as a “covered fund” as defined in Section 13 of the U.S. Bank Holding Company Act, and the Securities Act;
- (xvi) it understands that the foregoing representations, warranties and agreements are required in connection with United States securities laws and that the Company will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. It agrees that, if any of the acknowledgements, representations and warranties made in connection with its receipt of the Restricted New Securities are no longer accurate, it will promptly, and in any event prior to the issuance of the Restricted New Securities to it, notify the Company in writing;
- (xvii) it (and each other QIB or IAI, if any, for whose account it is receiving the Restricted New Securities), in the normal course of business, invests in or purchases securities similar to the Restricted New Securities, is aware that there are substantial risks incident to the purchase of the Restricted New Securities and has the ability to bear the economic risk of its investment in the Restricted New Securities, has adequate means of providing for its current and contingent needs, has no need for liquidity with respect to its investment in the Restricted New Securities, and is able to sustain a complete loss of its investment in the Restricted New Securities;
- (xviii) it satisfies any and all standards for investors making an investment in the Restricted New Securities imposed by the jurisdiction of its residence or otherwise;
- (xix) it is empowered, authorised and qualified to receive Registered New Securities;
- (xx) if it is receiving the Restricted New Securities for the account of another person, it represents that it has full power and authorisation to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
- (xxi) it acknowledges that the Company may request from it and/or any account for which it is acting (if any) such additional information as the Company may deem necessary to evaluate its eligibility or the eligibility of any account for which it is acting to acquire the Restricted New Securities, and may request from time to time such information as the Company may deem necessary to determine its eligibility or eligibility of any account for which

it is acting to hold Restricted New Securities or to enable the Company to comply with applicable regulatory requirements or tax law, and it and each account for which it is acting (if any) shall use reasonable efforts to provide such information as may reasonably be requested; provided that in no event shall any purchaser be obliged to disclose the name (or any other identifying information) of its limited partners, members or shareholders.

Unrestricted New Securities

Any person (including, without limitation, custodians, nominees and trustees) subscribing for, accepting or requesting registration of the New Securities comprised within the Issuance that are not Restricted New Securities (“**Unrestricted New Securities**”) will be required to represent and warrant to the Company on behalf of itself and each other person or account for which it is acting that:

- (i) it is, or at the time Unrestricted New Securities are purchased will be, the beneficial owner of such Unrestricted New Securities and (a) it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the Company or a person acting on behalf of such an affiliate;
- (ii) it understands that the Unrestricted New Securities have not been and will not be registered under the Securities Act and that it will not offer, sell, pledge or otherwise transfer such Unrestricted New Securities except in accordance with applicable securities laws;
- (iii) except where proof has been provided to the Company’s satisfaction that such person’s participation in the Issuance will not result in the contravention of any applicable regulatory or legal requirement in any jurisdiction, (a) such person is not accepting the New Securities, or requesting registration of the relevant New Securities, from within the United States or any other Restricted Territory; (b) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for or receive the New Securities; (c) such person is not acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the United States, any other Restricted Territory or any territory referred to in (b) above at the time the instruction to accept was given; and (d) such person is not acquiring New Securities with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Securities into the United States, any other Restricted Territory or any territory referred to in (b) above. The Company may treat as invalid any acceptance or purported acceptance of the allotment of New Securities if it (a) appears to the Company to have been executed in or despatched from the United States, any other Restricted Territory or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it believes the same may violate any applicable legal or regulatory requirement; (b) provides an address in the United States, or any other Restricted (or any other jurisdiction in which it would be unlawful to deliver share certificates); or (c) purports to exclude the representations and warranties required by paragraph 7 (*Representations and warranties*) of Part II (*Terms and Conditions of the Recapitalisation*) of the Investor Pack and this document;
- (iv) if it is in United Kingdom, it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Criminal Justice Act 1993, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and, if it is making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the regulations;
- (v) it is not a Retail Investor; and
- (vi) as a purchaser of the Unrestricted New Securities in a private placement, it: (a) has conducted its own investigation and appraisal of the business, results, financial condition, prospects, creditworthiness, status and affairs of the Company, and the Unrestricted New Securities and, following such investigation and appraisal and the other due diligence that it deemed necessary and subsequently conducted in connection with the offering of the Unrestricted New Securities, it has made its own investment decision to acquire the Unrestricted New Securities; (b) acknowledges that it has had the opportunity to ask and has asked queries regarding an acquisition of the Unrestricted New Securities, to the Company regarding its affairs and the terms of the Unrestricted New Securities, and has received satisfactory answers from representatives of the Company; (c) has reviewed all information, including the Investor Pack and this document, that it believes is necessary or appropriate in connection with its election to receive the Unrestricted New Securities; (d) has made its own assessment and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its investment in the Unrestricted New Securities (and has sought such accounting, legal, tax and other advice as it has considered necessary to make an informed decision); (e) possesses such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Unrestricted New Securities; (f) understands that, in the future, Unrestricted New Securities may significantly increase or decrease in value; and (g) would be able to afford a complete loss of the value of the Unrestricted New Securities and would be able to bear the economic risk of holding such securities for an indefinite period.

6. GENERAL INSTRUCTIONS

If this Participation Form is signed under a power of attorney, then a certified copy thereof must be sent to the Information Agent for noting unless it has already been noted by the Company or the Information Agent. Where applicable all joint holders of Shares must sign this Participation Form. No receipts will be given for completed Participation Forms and remittances.

Information Agent – address/e-mail for communications:

GLAS Specialist Services Limited
45 Ludgate Hill, London EC4M 7JU, United Kingdom
E-mail: LM@glas.agency
Tel: +44 20 3597 2940

OPTION 1: ELECT NOT TO RECEIVE ANY NEW SHARES, NEW SSNS OR NEW WARRANTS

This form to be completed in respect of the person(s) in whose name(s) Shares are registered on the register of members of the Company at the Record Date.

ONCE THIS FORM HAS BEEN COMPLETED, THESE INSTRUCTIONS WILL NOT BE CAPABLE OF REVOCATION OR AMENDMENT. QUALIFYING SECURITYHOLDERS SHOULD INDICATE THEIR ELECTION FOR THIS OPTION BY MARKING AN "X" IN THE BOX IMMEDIATELY BELOW AND COMPLETING THE REMAINING FIELDS:

To the Directors

Lecta Limited

I/We hereby irrevocably confirm that I/we will not participate in the Issuance and will not receive any New Shares, New SSNs or New Warrants to be issued as part of the Recapitalisation.

Name(s) (in full):

Postal address or registered office of legal person:

Telephone number (office hours) ()

Mobile phone number: ()

E-mail address:

Signed:

Date:

Assisted by (where applicable)(all joint holders must sign):

OPTION 2: ELECT NOT TO RECEIVE ANY NEW SHARES. ELECT TO RECEIVE PRO-RATA ENTITLEMENT TO NEW SSNS AND NEW WARRANTS (TO BE ACCOMPANIED BY PROOF OF PAYMENT)

This form to be completed in respect of the person(s) in whose name(s) Shares are registered on the register of members of the Company at the Record Date.

ONCE THIS FORM HAS BEEN COMPLETED, THESE INSTRUCTIONS WILL NOT BE CAPABLE OF REVOCATION OR AMENDMENT. QUALIFYING SECURITYHOLDERS SHOULD INDICATE THEIR ELECTION FOR THIS OPTION BY MARKING AN "X" IN THE BOX IMMEDIATELY BELOW AND COMPLETING THE REMAINING FIELDS:

To the Directors

Lecta Limited

I/We hereby irrevocably confirm that I/we will not participate in the Issuance of the New Shares, but will participate in the New SSNs and New Warrants to be issued as part of the Recapitalisation on a *pro rata* basis to my/our holdings of Shares as at the Record Date.

I/We authorise you to take such actions in connection with the delivery of the New SSNs to me/us (and/or my/our Nominated Recipient) and to place such name(s) on the register of warrant holders in respect of the New Warrants.

Name(s) (in full):

Postal address or registered office of legal person:

Telephone number (office hours) ()

Mobile phone number: ()

E-mail address:

Securities account no:

Securities held through (SELECT ONE): Euroclear or Clearstream

Refund account details:

Account name:

Account number:

Branch name:

Branch code:

Swift code:

IBAN:

Signed:

Date:

Assisted by (where applicable)(all joint holders must sign):

OPTION 3: ELECT TO RECEIVE PRO-RATA ENTITLEMENT TO NEW SHARES, NEW SSNS AND NEW WARRANTS (TO BE ACCOMPANIED BY PROOF OF PAYMENT)

This form to be completed in respect of the person(s) in whose name(s) Shares are registered on the register of members of the Company at the Record Date.

ONCE THIS FORM HAS BEEN COMPLETED, THESE INSTRUCTIONS WILL NOT BE CAPABLE OF REVOCATION OR AMENDMENT. QUALIFYING SECURITYHOLDERS SHOULD INDICATE THEIR ELECTION FOR THIS OPTION BY MARKING AN "X" IN THE BOX IMMEDIATELY BELOW AND COMPLETING THE REMAINING FIELDS:

To the Directors

Lecta Limited

I/We hereby irrevocably confirm that I/we will participate in the New Shares, New SSNs and New Warrants to be issued as part of the Recapitalisation on a *pro rata* basis to my/our holdings of Shares as at the Record Date.

I/We authorise you to take such actions in connection with the delivery of the New SSNs to me/us (and/or my/our Nominated Recipient) and to place such name(s) on the register of members in respect of the New Shares and on the register of warrant holders in respect of the New Warrants.

Name(s) (in full):

Postal address or registered office of legal person:

Telephone number (office hours) ()

Mobile phone number: ()

E-mail address:

Securities account no:

Securities held through (SELECT ONE): Euroclear or Clearstream

Refund account details:

Account name:

Account number:

Branch name:

Branch code:

Swift code:

IBAN:

Signed:

Date:

Assisted by (where applicable)(all joint holders must sign):

OPTION 4: ELECT TO RECEIVE PRO-RATA ENTITLEMENT TO NEW SHARES, NEW SSNS AND NEW WARRANTS AND SUBMIT EXCESS APPLICATION FOR DECLINED OFFER SECURITIES (TO BE ACCOMPANIED BY PROOF OF PAYMENT)

This form to be completed in respect of the person(s) in whose name(s) Shares are registered on the register of members of the Company at the Record Date.

ONCE THIS FORM HAS BEEN COMPLETED, THESE INSTRUCTIONS WILL NOT BE CAPABLE OF REVOCATION OR AMENDMENT. QUALIFYING SECURITYHOLDERS SHOULD INDICATE THEIR ELECTION FOR THIS OPTION BY MARKING AN “X” IN THE BOX IMMEDIATELY BELOW AND COMPLETING THE REMAINING FIELDS:

To the Directors

Lecta Limited

I/We hereby irrevocably confirm that I/we will participate in the:

- New Shares to be issued as part of the Recapitalisation on a *pro rata* basis to my/our holdings of Shares as at the Record Date and to receive additional New Shares that are Declined Offer Securities up to the aggregate amount specified below; and
- New SSNs and New Warrants to be issued as part of the Recapitalisation on a *pro rata* basis to my/our holdings of Shares as at the Record Date and to receive additional New SSNs and New Warrants that are Declined Offer Securities up to the aggregate amount specified below.

I/We hereby irrevocably confirm that I/we will participate in any Declined Offer Securities up to an amount not exceeding (in aggregate) for all New Securities that are Declined Offer Securities:

€ _____ [INSERT MAXIMUM AMOUNT FOR ALL DECLINED OFFER SECURITIES]

I/We hereby acknowledge that any excess application for Declined Offer Securities:

- shall be made such that any application (A) additional New Shares that are Declined Offer Securities and (B) additional New SSNs and New Warrants that are Declined Offer Securities, must be made be in the same proportion;
- allocations of Declined Offer Securities will be determined by the Company in accordance with Electing Shareholder Proportions; and
- is subject to scale back,

in each case pursuant to the terms and conditions described in the Investor Pack.

I/We authorise you to take such actions in connection with the delivery of the New SSNs to me/us (and/or my/our Nominated Recipient) and to place such name(s) on the register of members in respect of the New Shares and on the register of warrant holders in respect of the New Warrants.

Name(s) (in full):

Postal address or registered office of legal person:

Telephone number (office hours) ()

Mobile phone number: ()

E-mail address:

Securities account no:

Securities held through (SELECT ONE): Euroclear or Clearstream

Refund account details:

Account name:

Account number:

Branch name:

Branch code:

Swift code:

IBAN:

Signed:

Date:

Assisted by (where applicable)(all joint holders must sign):

NOMINATED RECIPIENT NOMINATION FORM

This form to be completed in respect of the person(s) in whose name(s) Shares are registered on the register of members of the Company at the Record Date.

If you would like to appoint a Nominated Recipient to receive the New SSNs, please complete the following details in respect of the Nominated Recipient. Note a maximum of one Nominated Recipient can be appointed.

IMPORTANT NOTE: THE NOMINATED RECIPIENT FOR ANY NEW SSNS MUST HOLD AN ACCOUNT IN EITHER EUROCLEAR OR CLEARSTREAM.

To the Directors

Lecta Limited

I/We hereby irrevocably confirm that I/we nominate the following person as my/our Nominated Recipient to receive the New SSNs to be issued as part of the Recapitalisation:

Name of Nominated Recipient

Address of Nominated Recipient

Securities Account Number of Nominated Recipient

Securities Account held through (SELECT ONE):

Euroclear / Clearstream

Contact name at Nominated Recipient

Contact e-mail of Nominated Recipient

Contact telephone number (with country code) of Nominated Recipient

Name(s) (in full):

Postal address or registered office of legal person:

Telephone number (office hours) ()

Mobile phone number: ()

E-mail address:

Signed:

Date:

Assisted by (where applicable)(all joint holders must sign):

DIRECTION FORM (TO BE ACCOMPANIED BY SUPPORTING EVIDENCE REASONABLY SATISFACTORY TO THE INFORMATION AGENT)

This form to be completed in respect of the person(s) in whose name(s) Shares are registered on the register of members of the Company at the Record Date.

If you would like to assign (in whole or in part) your right to participate in the Issuance to: (i) any of your Affiliates or; (ii) a Permitted Assignee (being a person to whom you have executed a trade in Shares prior to, on or after the Record Date and up to, and including, the Funding Date (but in respect of which the transfer of legal and beneficial ownership has not yet been recorded in the Company's register of members at the Record Date)), you should complete this form.

You should complete one form for each Affiliate or Permitted Assignee to whom you have assigned your right to participate in the Issuance.

IMPORTANT NOTE: WHILST QUALIFYING SECURITYHOLDERS CAN ASSIGN THEIR RIGHTS TO PARTICIPATE IN THE ISSUANCE IN CERTAIN LIMITED CIRCUMSTANCES, THE QUALIFYING SECURITYHOLDERS WILL REMAIN RESPONSIBLE FOR COMPLETING THE RELEVANT PARTS OF THIS PARTICIPATION FORM AND FOR ACCEPTING THE OFFER OF NEW SECURITIES (AND MAKING PAYMENT IN RESPECT THEREOF) IN ACCORDANCE WITH THE TERMS AND CONDITIONS CONTAINED IN THE INVESTOR PACK.

To the Directors

Lecta Limited

I/We hereby irrevocably confirm that I/we assign [all of] / [part of] [*delete as appropriate*] my/our right to participate in the Issuance to the person specified below, being [an Affiliate] / [a Permitted Assignee] [*delete as appropriate*] (the "Assignee"), in the amounts specified below. I/We hereby irrevocably agree and acknowledge that my/our right to participate in the Issuance shall be incapable of assignment in the event that the Assignee would otherwise be an Ineligible Securityholder (in which case, my/our right to participate in the Issuance will lapse unless otherwise agreed with the Company and/or the Information Agent).

I/We hereby enclose evidence that the Assignee is [an Affiliate] / [a Permitted Assignee] [*delete as appropriate*].

I/We hereby irrevocably agree and acknowledge that I/we shall remain responsible for accepting the offer of New Securities (and making or procuring payment in respect thereof) in accordance with the terms and conditions contained in the Investor Pack.

Name of Assignee

Address of Assignee

Securities Account Number of Assignee

Securities Account held through (SELECT ONE):

Euroclear / Clearstream

Contact name at Assignee

Contact e-mail of Assignee

Contact telephone number (with country code) of Assignee

Number of New Shares to be assigned

Number of New SSNs to be assigned

Number of New Warrants to be assigned

Name(s) (in full):	
Postal address or registered office of legal person:	
Telephone number (office hours) ()	Mobile phone number: ()
E-mail address:	
Signed:	Date:
Assisted by (where applicable)(all joint holders must sign):	

PART IV BOARD APPOINTMENTS

1 Board Appointments etc.

In addition to the matters contemplated pursuant to the Recapitalisation, it is separately proposed that the composition of the Board be reconstituted with effect from the Recapitalisation Effective Date. Following the Recapitalisation Effective Date and the strengthening of the Group's balance sheet, working capital and liquidity position, the following candidates are proposed (individually) for appointment to the Board:

Name	Prospective Position	Annual Director Fees
Mr. Dermot Smurfit	Chairman	€275,000 ⁽¹⁾
Mr. Javier Abad	Non-Executive Director	€90,000
Mr. Dominique Binet	Non-Executive Director	€90,000
Mr. Marco Casiraghi	Non-Executive Director	€90,000

Notes:

- (1) Whilst Mr. Dermot Smurfit is not expected to be given an employment role within the Group, it is nonetheless anticipated that he will dedicate significant resources and time to the Group's business and operations in addition to those functions customarily performed by a non-executive Chairman. Accordingly, Mr. Dermot Smurfit's anticipated director fees are higher than for the remaining proposed non-executive directors to reflect his increased role and responsibilities for the Group.

2 Incentive arrangements

Following the Recapitalisation Effective Date, it is anticipated that a long-term management incentive plan will be established to incentivise Directors and members of the Group's management team in a manner that is closely aligned with the interests of the Company's shareholders. In accordance with the requirements of the Articles and Shareholders 'Agreement, the establishment of any new management incentive plan would remain subject to prior approval by the Company's shareholders.

3 Summary biographical details

Summary biographical details for each of the proposed Board Appointments have been provided to the Company and are set out below. CVs for each of the proposed candidates can be found by logging into the Portal at the following link: <https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/>.

Mr. Dermot Smurfit

Dermot was previously Chairman of AustoCel Hallein GmbH, John Menzies plc, Aviation/Distribution and ML Capital, a financial management company, and has spent more than 40 years of his career in the paper and packaging industry, mainly with Jefferson Smurfit Group Plc. In 2005, Dermot was Founder and Chairman of Powerflute Oyj, a virgin fiber paper mill company, which successfully floated on the London AIM market in 2007. He retired in December 2016.

Dermot is a former Chairman of the World Containerboard Organisation and of FEFCO, the European Federation of Corrugated Board Manufacturers and was also Chairman of Eurolink Motorway Services Limited, a Director of ACE Limited (a major worldwide insurance company) and Aon BV (a major insurance broking business). He was a Non-Executive Director of Timber Capital Limited/Forest Company until January 2017.

Dermot has previously worked alongside two of the other proposed Board Appointments:

- Dermot worked with Mr Dominique Binet within the Smurfit Kappa Group from 2000 to 2005 when Dermot stepped down from his position as Chairman of Smurfit Continental Europe.

- Dermot and Mr Marco Casiraghi both worked within the Smurfit Kappa Group from 1994 to 2000 after Marco joined Smurfit Group plc, and subsequently worked together at Powerflute OYJ where Dermot served as Chairman from 2005 to 2016 and Marco as Chief Executive Officer from 2010 to 2018.

In November 2014, Dermot was awarded with The Knight, First Class of the Order of the Lion of Finland in for Services to Business. He is also a vice-President of the Royal National Institute of Blind People (RNIB) and a member of the Provost's Council at Trinity College, Dublin. In 1998, Dermot became an honorary Doctor of Business Administration for the International Management Centres.

Mr. Javier Abad

Javier is an experienced investment advisor with 30 years of professional experience in consulting and private equity. He has managed large international portfolios and led investments with accelerated international growth and requiring significant business transformation. His experience includes c.€10bn of M&A transactions across EU and USA, and Board positions in public and private companies in several European countries.

Javier is also currently advising the JP Morgan International Infrastructure Fund, Noatum Maritime Holdings, Wills Towers Watson and Norax Green Capital.

Mr. Dominique Binet

Dominique has 18 years of experience as the Vice President of Global Procurement for the Smurfit Kappa Group, one of the world leaders in packaging. Dominique has also served eight years as the Vice President of Global Procurement at Arjo Wiggins, a world front-runner in fine, coated and speciality papers.

Dominique has further experience sitting on a Board as Company Secretary for Arjomari, and led the global procurement, human resources, legal department and corporate communications. Dominique also has a Master's degree in Economics from Nancy University.

Dominique also has a Master's degree from the Paris Institute of Political Sciences (Sciences Po).

Mr. Marco Casiraghi

Marco is a Non-Executive Director for Monacair, Fres-Co and Map Global, and is the Chairman of Engeco and FPMC.

Marco has 26 years of experience as a Chief Executive Officer, for world-leading companies in the manufacturing, paper, packaging and automated machinery industries. As the Chief Executive Officer in Italy for Smurfit Group Plc, Marco was responsible for fourteen paper and packaging plants and was the Chairman of the Key Performance Indicators Committee for Smurfit Group plants.

Marco was also the Chief Executive Officer for Powerflute OYJ, a virgin fiber paper mill company listed on the London Stock Exchange, and Coseia Group, a world leader in automated machinery design and manufacturing.

**PART V
RESOLUTIONS**

LECTA LIMITED

(the “Company”)

(incorporated and registered under the laws of England and Wales with registered number 12405393)

dated 8 June 2020 (the “Circulation Date”)

**WRITTEN RESOLUTIONS OF THE HOLDERS OF
ORDINARY SHARES IN THE COMPANY**

(the “Resolutions”)

We, the undersigned, being a shareholder of the Company who, at the date when the following resolutions are deemed passed, would be entitled to vote on such resolutions if the same were proposed at a duly convened general meeting of the Company, pursuant to section 288 of the Companies Act 2006, the articles of association of the Company (the “Articles”) and the shareholders’ agreement dated 4 February 2020 between the Company and certain other parties thereto (as amended or supplemented from time to time) (the “Shareholders’ Agreement”), **HEREBY RESOLVE** that the following resolutions of the Company be passed.

Capitalised terms used, but not otherwise defined in these Resolutions, shall have the meanings given to them in the notice to shareholders published on or around the Circulation Date and uploaded to the Portal and the Company’s website (<https://www.lecta.com/en/investors>).

Resolutions 2, 4, 5 and 6 will be proposed as special resolutions in accordance with applicable laws and regulation and Resolutions 1 and 3 will be proposed as ordinary resolutions, provided that Resolution 2 will separately be proposed as a matter requiring an Enhanced Shareholder Majority Consent (as defined in the Shareholders’ Agreement). Resolutions 7, 8 and 9 will be proposed as matters requiring an Enhanced Shareholder Majority Consent. Resolutions 10 to 16 (inclusive) will be proposed as matters requiring an Original Holder Majority Consent (as defined in the Articles).

Resolutions 1 to 9 (inclusive) are being proposed as inter-conditional Resolutions. **Shareholders in favour of the Recapitalisation Resolutions should indicate their agreement by marking an “X” in the box immediately beneath Resolutions 8 headed “FOR”.**

Recapitalisation Resolutions

- 1 THAT**, subject to and conditional upon the passing of the remaining Recapitalisation Resolutions, the Write-down and cancellation of the entire outstanding principal amount of the Junior Notes in connection with the Recapitalisation be approved and instruction to the Trustee be given to effect such Write-down and cancellation of the entire outstanding principal amount of the Junior Notes;

This Resolution is being proposed as the cancellation of the entire outstanding principal amount of the Junior Notes constitutes a Shareholder Reserved Matter (as defined in the Articles).

- 2 THAT**, subject to and conditional upon the passing of the remaining Recapitalisation Resolutions, the Recapitalisation (including the issue and allotment of a strip of securities comprising the New Shares, New SSNs, New Warrants and any New Warrant Shares arising upon conversion of the New Warrants), together with the issuance of the Participation Shares and the G3 Shares) be approved, and **THAT** the Directors be authorised to issue and allot any such equity or debt securities in accordance with the terms and conditions of the Recapitalisation as if any pre-emptive rights arising as a matter of applicable laws or regulation did not apply to such issue and allotment;

This Resolution is being proposed as the issue of the New Securities constitutes a Shareholder Reserved Matter (as defined in the Articles).

- 3 THAT**, subject to and conditional upon the passing of the remaining Recapitalisation Resolutions, the issue and allotment of the Participation Shares and the G3 Shares be approved for the purposes of paragraph 12 and paragraph 13 of Schedule 2 of the Articles and paragraph 12 and paragraph 13 of Schedule 2 of the Shareholders' Agreement;

This Resolution is being proposed as the payment of the issue and allotment of the Participation Shares and the G3 Shares constitutes a Shareholder Reserved Matter (as defined in the Articles).

- 4 THAT**, subject to and conditional upon the passing of the remaining Recapitalisation Resolutions, article 36 of the Articles be deleted in its entirety and replaced with the following:

“36 *The Company may pay a commission to any person who (a) subscribes or agrees to subscribe for Shares or (b) procures or agrees to procure subscriptions for Shares, in each case either conditionally or unconditionally. Such payment may be in cash, by allotting fully or partly paid Shares or other securities, or partly in one way and partly in the other.*”

This Resolution is being proposed as the payment of a participation fee to the Underwriters in respect of the underwriting of the issuance, which is to be settled in kind by way of the issuance of 180,000,000 (in aggregate) new Shares fully paid to the Underwriters in accordance with their agreed underwriting proportions on the Recapitalisation Effective Date, would otherwise be prohibited under the Articles and applicable laws and regulation.

- 5 THAT**, subject to and conditional upon the passing of the remaining Recapitalisation Resolutions articles 78.1 and 79.1(e) of the Articles shall be deleted in their entirety and replaced with the wording set out below:

“78.1 *Subject to these articles, anything sent or supplied by or to the Company under the articles may be sent or supplied:*

- a. in any way in which the Companies Act provide for Documents or information which are authorised or required by any provision of the Companies Act to be sent or supplied by or to the Company; and*
- b. in the case of being sent or supplied by the Company to Shareholder(s), to the extent that the Company has not been provided with the email address of any Shareholder(s), by being made available to such Shareholder(s) as an announcement on the investor page of the Company's website.”*

“[79.1]e *by making it available on the Company's website in accordance with article 78.1(b), shall be deemed to have been received on the date on which it is first made available on the website.”*

This Resolution is being proposed in order to enable the Company to provide valid notice to certain shareholders (e.g. those in respect of which it does not have email notice details) pursuant to the Articles by uploading relevant materials to the Company's website, as currently contemplated in article 79.1(e).

- 6 THAT**, subject to and conditional upon the passing of the Remaining Recapitalisation Resolutions, articles 39.1(a), 39.4 and 39.5 of the Articles shall be deleted in their entirety and replaced with the wording set out below; and new article 39.8 shall be inserted with the wording set out below; the definition of “Recapitalisation” shall be inserted with the wording set out below; and the definition of “Senior Secured Notes” shall be deleted in its entirety and replaced with the wording set out below, and, as a result of which, **THAT** Directors be authorised to issue and allot any such equity or debt securities in accordance with the terms and conditions of the Recapitalisation as if any pre-emptive rights arising as a matter of applicable laws or regulation did not apply to such issue and allotment:

“[39.1](a) *the Company has first, or has procured that the relevant Group Company has first offered to each Shareholder (other than the Holding Period Trustee, or in the case of the Recapitalisation,*

those Shareholders who would otherwise be prohibited from subscribing for such New Issue in breach of applicable securities laws and regulations) the right (the “**Pre-Emptive Right**”) to subscribe for and purchase its Relevant Proportion of each type and class of Security comprising such New Issue, provided that if the New Issue (other than any New Issue in respect of the Recapitalisation) comprises more than one type of class of Securities, each Shareholder (other than the Holding Period Trustee) shall only be entitled to participate in such New Issue pursuant to this article 39 if such Shareholder subscribes for its Relevant Proportion of each type and class of Security (in each case, a Shareholder’s “**New Issue Proportion**”). For the avoidance of doubt, notwithstanding the fact that the Recapitalisation comprises of a New Issue of more than one type of class of Securities, being Shares, Senior Secured Notes and new warrants issued in the capital of the Company, Shareholders participating in the Recapitalisation shall be permitted to subscribe for Senior Secured Notes and new warrants without also subscribing for Shares; and”

“39.4 Other than in respect of the Recapitalisation, a Shareholder that wishes to exercise its Pre-Emptive Right must give notice to the Company in writing within 15 Business Days after the date that such Pre-Emptive Notice is deemed given pursuant to article 78 (the “**Subscription Period**”), or in connection with the Recapitalisation, such shorter period of time which the Company may determine is reasonably required in order to effect such Recapitalisation provided that the Company has provided prior Notice to Shareholders of such period of time, indicating the number of each class/type of Offer Securities for which the Shareholder wishes to subscribe (the “**Pre-Emptive Reply**”), provided that to the extent that any New Issue comprises an issuance of Shares and Junior Notes, such Shares and Junior Notes (as applicable) must be subscribed for in the Stapled Proportion. Any Shareholder who fails to deliver a Pre-Emptive Reply within the Subscription Period shall be deemed to have declined to exercise its Pre-Emptive Right under this article 39”

“39.5 Any Offer Securities which other Shareholders decline, or are deemed to have declined, to acquire pursuant to their respective Pre-Emptive Right (the “**Declined Offer Securities**”) shall be offered to those Shareholders who have exercised their Pre-Emptive Right (the “**Electing Shareholders**”), on the same terms as originally offered, and each Electing Shareholder shall be entitled to offer, within five Business Days of receiving the offer for the Declined Offer Securities, or in connection with the Recapitalisation, such shorter period of time which the Company may determine is reasonably required in order to effect such Recapitalisation provided that the Company has provided prior Notice to Shareholders of such period of time, to acquire any and all of the Declined Offer Securities by notice in writing to the Board (each such offer a “**Rump Offer**”) provided that to the extent that any Declined Offer Securities comprise any Shares and Junior Notes, such Shares and Junior Notes (as applicable) must be subscribed for in the Stapled Proportion.”

“39.8 In respect of the Recapitalisation, the Company shall be permitted to deal with any fractional entitlements of any New Issue in its sole discretion.”

“**Recapitalisation** means the write-down and cancellation in full of the Junior Notes and the offer to certain Shareholders to subscribe for new securities (comprising Shares, Senior Secured Notes and new warrants in the capital of the Company) on the terms and conditions agreed between the Company and certain Shareholders participating in such transaction;”

“**Senior Secured Notes** means the senior secured notes issued by Holdco 2 from time to time;”

This Resolution is being proposed in order to enable Qualifying Securityholders who are unable or unwilling to subscribe for the New Shares, to be able to, under the Articles, subscribe for New SSNs and New Warrants

only in respect of the Recapitalisation, and to entitle the Company to deal with fractional entitlements in respect of the issuance of the New Securities in its sole discretion.

- 7 **THAT**, subject to and conditional upon the passing of the remaining Recapitalisation Resolutions Clauses 27.1, 27.2 and 27.3 of the Shareholders' Agreement shall be deleted in their entirety and replaced with the wording set out below; a new Clause 27.4 shall be inserted with the wording set out below; a new Clause 27.5(e) (formerly Clause 27.3) shall be inserted with the wording set out below; and the definition of "Company Secretary" and "Notice" shall be inserted with the wording set out below:

"27.1 Notices to be in writing

Any notice, communication and/or information to be given under this Agreement (each a "Notice") shall only be effective if it is in writing.

"27.2 Addresses

Any Notice(s) shall either be delivered by hand or sent by first class post or email:

- a. *in the case of any Shareholder which is a corporate entity:*
 - (i) *to its registered office for the attention of the individual set out on such Shareholder's signature page to this Agreement or its deed of adherence, as applicable; or*
 - (ii) *to such Shareholder's email address as notified in accordance with Clause 27.3;*
- b. *in the case of any Shareholder who is not a corporate entity:*
 - (i) *to the Company Secretary for onward distribution to the address of that Shareholder shown on the register of shareholders of the Company maintained by the Company Secretary; or*
 - (ii) *to such Shareholder's email address as notified in accordance with Clause 27.3;*
- c. *to the Holding Period Trustee at: Tankerton Works, 12 Argyle Walk, London, WC1H 8HA or to lecta@lucid-is.com for the attention of Oliver Slyfield; and*
- d. *to the Company at: 8 Sackville Street, London, United Kingdom, W1S3DG or to legal@lecta.com, for the attention of Andrea Minguzzi and Ana Castro,*

in each case with a copy to:

- (i) *the Agent at: Tankerton Works, 12 Argyle Walk, London, WC1H 8HA or to lecta@lucid-is.com for the attention of Oliver Slyfield; and*
- (ii) *the Company Secretary at: 8 Sackville Street, London W1S 3DG or to lecta.ldn@crestbridge.com for the attention of Briony Rea."*

"27.3 *A Party may change its Notice details on giving Notice to each other Party of the change in accordance with this Clause 27. Such change in Notice details shall be effective on receipt of the Notice in accordance with Clause 27.5 below, or at such later date as may be specified in the Notice."*

"27.4 *Notwithstanding Clause 27.2, to the extent the Company has not been provided with the email address of any Shareholder(s), any Notice to be sent by the Company to such Shareholder(s) may, at the Company's election, be delivered by making such Notice available as an announcement on the investor page of the Company's website."*

"[27.5](e) *if made available on the Company's website in accordance with Clause 27.4, the date on which it is first made available on the website,"*

“Company Secretary means Crestbridge UK Limited (registered number 09822915) with its registered address at 8 Sackville Street, London W1S 3DG or such other company secretary as approved by the Board from time to time”

“Notice has the meaning given in Clause 27.1”

This Resolution is being proposed in order to enable the Company to provide valid notice to certain shareholders (e.g. those in respect of which it does not have email notice details) pursuant to the Shareholders’ Agreement by uploading relevant materials to the Company’s website, as currently contemplated in Article 79.1(e), and to provide more clarity as to the provision of Notices under the Shareholders’ Agreement.

- 8 THAT**, subject to and conditional upon the passing of the Remaining Recapitalisation Resolutions, Clauses 8.1(a)(i), 8.1(d) and 8.1(e) of the Shareholders’ Agreement shall be deleted in their entirety and replaced with the wording set out below; and new Clause 8.1(i) shall be inserted with the wording set out below; the definition of “Recapitalisation” shall be inserted with the wording set out below; and the definition of “Senior Secured Notes” shall be deleted in its entirety and replaced with the wording set out below, and, as a result of which, **THAT** the Directors be authorised to issue and allot any such equity or debt securities in accordance with the terms and conditions of the Recapitalisation as if any pre-emptive rights arising as a matter of applicable laws or regulation did not apply to such issue and allotment:

*“[8.1(a)](i) the Company has first, or has procured that the relevant Group Company has first offered to each Shareholder (other than the Holding Period Trustee, or in the case of the Recapitalisation, those Shareholders who would otherwise be prohibited from subscribing for such New Issue in breach of applicable securities laws and regulations) the right (the “**Pre-Emptive Right**”) to subscribe for and purchase its Relevant Proportion of each type and class of Security comprising such New Issue, provided that if the New Issue (other than any New Issue in respect of the Recapitalisation) comprises more than one type of class of Securities, each Shareholder (other than the Holding Period Trustee) shall only be entitled to participate in such New Issue pursuant to this Clause 8.1 if such Shareholder subscribes for its Relevant Proportion of each type and class of Security (in each case, a Shareholder’s “**New Issue Proportion**”). For the avoidance of doubt, notwithstanding the fact that the Recapitalisation comprises of a New Issue of more than one type of class of Securities, being Shares, Senior Secured Notes and new warrants issued in the capital of the Company, Shareholders participating in the Recapitalisation shall be permitted to subscribe for Senior Secured Notes and new warrants without also subscribing for Shares; and”*

*“[8.1](d) Other than in respect of the Recapitalisation, a Shareholder that wishes to exercise its Pre-Emptive Right must give notice to the Company in writing within 15 Business Days after the date that such Pre-Emptive Notice is deemed given pursuant to Clause 27, or in connection with the Recapitalisation, such shorter period of time which the Company may determine is reasonably required in order to effect such Recapitalisation provided that the Company has provided prior Notice to Shareholders of such period of time (the “**Subscription Period**”), indicating the number of each class/type of Offer Securities for which the Shareholder wishes to subscribe (the “**Pre-Emptive Reply**”), provided that to the extent that any New Issue comprises an issuance of Shares and Junior Notes, such Shares and Junior Notes (as applicable) must be subscribed for in the Stapled Proportion. Any Shareholder who fails to deliver a Pre-Emptive Reply within the Subscription Period shall be deemed to have declined to exercise its Pre-Emptive Right under this Clause 8.”*

*“[8.1](e) Any Offer Securities which other Shareholders decline, or are deemed to have declined, to acquire pursuant to their respective Pre-Emptive Right (the “**Declined Offer Securities**”) shall be offered to those Shareholders who have exercised their Pre-Emptive Right (the “**Electing Shareholders**”), on the same terms as originally offered, and each Electing Shareholder shall*

be entitled to offer, within five Business Days of receiving the offer for the Declined Offer Securities, or in connection with the Recapitalisation, such shorter period of time which the Company may determine is reasonably required in order to effect such Recapitalisation provided that the Company has provided prior Notice to Shareholders of such period of time, to acquire any and all of the Declined Offer Securities by notice in writing to the Board (each such offer a “**Rump Offer**”) provided that to the extent that any Declined Offer Securities comprise any Shares and Junior Notes, such Shares and Junior Notes (as applicable) must be subscribed for in the Stapled Proportion.”

“[8.1](i) In respect of the Recapitalisation, the Company shall be permitted to deal with any fractional entitlements of any New Issue in its sole discretion.”

“**Recapitalisation** means the write-down and cancellation in full of the Junior Notes and the offer to certain Shareholders to subscribe for new securities (comprising Shares, Senior Secured Notes and new warrants in the capital of the Company) on the terms and conditions agreed between the Company and certain Shareholders participating in such transaction;”

“**Senior Secured Notes** means the senior secured notes issued by Holdco 2 from time to time;”

This Resolution is being proposed in order to enable Qualifying Securityholders who are unable or unwilling to subscribe for the New Shares, to be able to, under the Shareholders’ Agreement, subscribe for New SSNs and New Warrants only in respect of the Recapitalisation, and to entitle the Company to deal with fractional entitlements in respect of the issuance of the New Securities in its sole discretion.

- 9 **THAT**, subject to and conditional upon the passing of the Remaining Recapitalisation Resolutions, references to “Paper Industries Topco Limited” in the Shareholders’ Agreement shall be deleted in their entirety and replaced with the Company’s new name, “Lecta Limited”; and party (3) in the recitals to the Shareholders’ Agreement shall be deleted in its entirety and replaced with the wording set out below:

“(3) **LECTA LIMITED**, a company incorporated in England and Wales under registered number 12405393 whose registered office is 8 Sackville Street, London, United Kingdom, W1S 3DG (the “**Company**”),”

This Resolution is being proposed in order to update the Shareholders’ Agreement to reflect the change to the name and registered office of the Company that took effect on 7 February 2020.

Please indicate whether you wish to vote for or against the Recapitalisation Resolutions by marking an “X” in the box immediately beneath the Recapitalisation Resolutions headed “FOR” or “AGAINST”:

FOR

AGAINST

Board Resolutions

- 10 **THAT** Mr. Dermot Smurfit be appointed as Chairman of the Board of the Company with effect from Recapitalisation Effective Date in accordance with Articles 21.2 and 22.2 of the Articles, **THAT** the compliance with the requirements of Article 22.1 of the Articles be approved and **THAT** director fees of €275,000 per annum in relation to the appointment of Mr. Dermot Smurfit to the Board be approved with effect from the effective date of their appointment in accordance with Article 25.2 of the Articles;

FOR

AGAINST

This Resolution is being proposed as the appointment of directors of the Company (and any related directors’ fees) require approval under the Articles and the Shareholders’ Agreement.

- 11 **THAT** Mr. Javier Abad be appointed as a non-executive Director of the Board of the Company and an Independent Director (as defined in the Shareholders' Agreement) with effect from Recapitalisation Effective Date in accordance with Article 21.2 of the Articles, and **THAT** director fees of €90,000 per annum in relation to the appointment of Mr. Javier Abad to the Board be approved with effect from the effective date of their appointment in accordance with Article 25.2 of the Articles;

FOR AGAINST

This Resolution is being proposed as the appointment of directors of the Company (and any related directors' fees) require approval under the Articles and the Shareholders' Agreement.

- 12 **THAT** Mr. Dominique Binet be appointed as a non-executive Director of the Board of the Company and an Independent Director (as defined in the Shareholders' Agreement) with effect from Recapitalisation Effective Date in accordance with Article 21.2 of the Articles, and **THAT** director fees of €90,000 per annum in relation to the appointment of Mr. Dominique Binet to the Board be approved with effect from the effective date of their appointment in accordance with Article 25.2 of the Articles;

FOR AGAINST

This Resolution is being proposed as the appointment of directors of the Company (and any related directors' fees) require approval under the Articles and the Shareholders' Agreement.

- 13 **THAT** Mr. Marco Casiraghi be appointed as a non-executive Director of the Board of the Company and an Independent Director (as defined in the Shareholders' Agreement) with effect from Recapitalisation Effective Date in accordance with Article 21.2 of the Articles, and **THAT** director fees of €90,000 per annum in relation to the appointment of Mr. Marco Casiraghi to the Board be approved with effect from the effective date of their appointment in accordance with Article 25.2 of the Articles;

FOR AGAINST

This Resolution is being proposed as the appointment of directors of the Company (and any related directors' fees) require approval under the Articles and the Shareholders' Agreement.

- 14 **THAT**, Mr. Jason Clarke cease to be a non-executive Director of the Board of the Company with effect from the Recapitalisation Effective Date in accordance with Article 21.2 of the Articles, and **THAT** director fees not exceeding €108,000 (plus costs and expenses) in relation to the role of Mr. Jason Clarke as Director between 19 February 2020 (being the date of appointment of Mr. Jason Clarke to the Board) and the earlier of the Recapitalisation Effective Date and 4 July 2020 be approved in accordance with Article 25.2 of the Articles (in substitution for the resolutions circulated by the Company on or around 11 February 2020 and approved by Shareholders subsequent thereto);

FOR AGAINST

This Resolution is being proposed to formally effect the retirement of the above-mentioned individual as a director of the Company. In addition, the payment of directors' fees require approval under the Articles and the Shareholders' Agreement.

- 15 **THAT**, Mr. Eugene Davis cease to be a non-executive Director of the Board of the Company with effect from the Recapitalisation Effective Date in accordance with Article 21.2 of the Articles, and **THAT** director fees not exceeding €108,000 (plus costs and expenses) in relation to the role of Mr. Eugene Davis as Director between 19 February 2020 (being the date of appointment of Mr. Eugene Davis to the Board) and the earlier of the Recapitalisation Effective Date and 4 July 2020 be approved in accordance with Article 25.2 of the

**EXECUTION PAGE
TO THE RESOLUTIONS**

Before signifying your agreement to the Resolutions, please read the explanatory notes immediately below. The undersigned being a person entitled to vote on the Resolutions on the Circulation Date hereby irrevocably agrees to the Resolutions.

SIGNATURE _____

PRINT NAME _____

DATE _____

FOR AND ON BEHALF OF _____
*(please note the full name(s) of the shareholder/
joint shareholders)*

EXPLANATORY NOTES TO THE RESOLUTIONS

- 1** If you agree to the Recapitalisation Resolutions and/or the Board Resolutions (together, the Resolutions), please indicate your agreement by signing and dating this document as indicated and returning it to the Registrar (on behalf of the Company) using one of the following methods:

 - *By hand or by post:* signed copy to be delivered/sent to Attn. Briony Rea, Crestbridge UK Limited, 8 Sackville Street, London, United Kingdom, W1S 3DG; or
 - *By e-mail:* scanned copy of the signed document to be attached to an email and sent to lecta.ldn@crestbridge.com with the subject line Lecta Limited – shareholder written resolutions.
- 2** Please indicate whether you wish to vote for or against each Resolution by marking an “X” in the box immediately beneath the relevant Resolution headed “FOR” or “AGAINST”, then sign and date this document where indicated above and return it to the Company using one of the methods outlined above.
- 3** You are requested to complete the Resolutions and return them as soon as possible and in any case so as to be received by no later than 5.00 p.m. (London time) on the Funding Date in accordance with one of the prescribed methods outlined above. If you do not agree to the Resolutions, you do not need to do anything; you will not be deemed to agree if you fail to reply. Your agreement to the Resolutions, once indicated, may not be revoked.
- 4** In respect of the Recapitalisation Resolutions only, if sufficient agreement has not been received by 5.00 p.m. (London time) on the Funding Date (or if the Recapitalisation Effective Date has not occurred before the Long-Stop Date), then the Recapitalisation Resolutions will lapse.
- 5** In respect of the Board Resolutions only, if sufficient agreement has not been received by the end of the period of 28 days beginning with the date of circulation of this document, then the Board Resolutions will lapse.
- 6** In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 7** If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.
- 8** As noted in paragraph 6 (*Conditions Precedent*) of Part I (*Explanatory note regarding the Recapitalisation*) of the document pursuant to which these Resolutions are circulated, to the extent that the one or more of the Recapitalisation Consents is not received (or otherwise waived in accordance with the terms of the Lock-Up Agreement and Implementation Agreement), the Company shall not take any of the steps otherwise approved in the other Recapitalisation Consents.

PART VI DEFINITIONS

In this document the following expressions have the following meaning unless the context otherwise requires:

“Affiliates”	means, with respect to any Person: (a) any other Person directly or indirectly Controlling or Controlled by, or under direct or indirect common Control with, that Person; (b) or any Related Funds of that Person, provided that any Person serving as the investment manager or adviser of another Person (and vice versa) shall be deemed to be an Affiliate of such other Person;
“Apollo”	means ACSMF (Lux) S.à r.l., Apollo A-N Credit Fund (Delaware), L.P., Apollo Centre Street Partnership, L.P., Apollo Moultrie Credit Fund, L.P., Apollo Tactical Value SPN Investments, L.P., Franklin Alternative Strategies Funds - Franklin K2 Alternative Strategies Fund, Franklin K2 Long Short Credit Fund, Franklin Templeton Investment Funds - Franklin K2 Alternative Strategies Fund, FTIF Franklin K2 Long/Short Credit Fund and K2 Apollo Credit Master Fund Ltd.;
“Articles”	means the articles of association of the Company (as amended, supplemented or adopted from time to time);
“ARA Effective Date”	means the date on which the amendment and restatement agreement to the SSFA to effect the amendments required in connection with the Recapitalisation becomes effective;
“BlueBay”	means Bayern Invest Alternative Loan Fonds, BlueBay High Yield Bond Fund, Destra International & Event-Driven Credit Fund, JNL Multi-Manager Alternative Fund, RBC Investor Services Trust (BlueBay European High Yield Bond Fund (Canada)), Stichting Bedreijfstakpensioenfondsvoor het Beroepsvervoer over de Weg and The Bluebay Event Driven Credit (Master) Fund Limited;
“Board Appointments”	means the proposed appointments of Mr. Dermot Smurfit (as Chairman of the Board) and Mr. Javier Abad, Mr. Dominique Binet and Mr. Marco Casiraghi (as non-executive Directors of the Board) with effect from the Recapitalisation Effective Date;
“Board Resolutions”	means the resolutions of the Company in connection with the Board Appointments and certain related matters, as set out in paragraphs 10 to 16 (inclusive) of Part V (<i>Resolutions</i>) of this document;
“Cheyne Capital”	means Cheyne European Strategic Value Credit Fund SCS SICAV-SIF;
“Circulation Date”	means the date of this document;
“Clearstream”	Clearstream Banking, <i>société anonyme</i> as current in effect or any successor securities clearing agency;
“Common Depository”	Deutsche Bank AG, London Branch
“Company”	means Lecta Limited, a company incorporated and existing under the laws of England and Wales (with company number 12405393) and

	having its registered office at 8 Sackville Street, London, United Kingdom, W1S 3DG;
“Control”	means, when used with respect to any specified Person, the direct or indirect power to manage or govern such Person or to appoint the majority of the constitution of the managing and governing bodies of such Person, whether through the ownership of voting securities, by contract or otherwise, and the terms “Controlling” and “Controlled” shall be construed accordingly;
“Declined Offer Securities”	shall have the meaning given to such term in the Articles;
“Deed of Termination”	means a deed of termination executed by the Company in respect of the extinguishment and cancellation of the Existing Warrants issued under the Existing Warrant Instrument;
“Directors” or “Board”	means the directors of the Company (from time to time);
“Disqualified Person”	means a person who is a citizen of, or domiciled or resident in, or subject to the laws of, any jurisdiction where the offer to issue to or subscribe by, such person of any New Securities is prohibited by law or would, or would be likely to, result in the Company being required to comply with any filing, registration, disclosure or other onerous (as may be decided by the Company in its sole discretion acting reasonably) requirement in such jurisdiction;
“Electing Shareholder Proportions”	shall have the meaning given to such term in the Articles;
“EURIBOR”	shall have the meaning given to such term in the New SSN Indenture;
“Euroclear”	means Euroclear Bank SA/NV as currently in effect or any successor securities clearing agency;
“Existing Shares”	means the existing Shares in issue immediately preceding the issue of the Recapitalisation Shares;
“Existing SSNs”	means €200,000,000 floating rate senior secured notes due 2025 issued by the SSN Issuer, by way of issuance under the Existing SSN Indenture;
“Existing SSN Indenture”	means the indenture dated 4 February 2020 entered into by, amongst others, the SSN Issuer and the Trustee (as trustee), as amended or supplemented from time to time;
“Existing Warrants”	means existing warrants which the Company issued pursuant to the Existing Warrant Instrument, on the terms and conditions set out therein;
“Existing Warrant Instrument”	means the warrant instrument dated 4 February 2020 pursuant to which the Company issued the Existing Warrants issued as part of the Restructuring, as amended or supplemented from time to time;
“FCA”	means the United Kingdom Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA;
“FSMA”	means the Financial Services and Markets Act 2000, as amended;

“Funding Date”	means 15 June 2020 (unless otherwise amended by the Company and the Majority Underwriters (acting jointly) in accordance with the terms and conditions set out in this document);
“Group”	means the Company and its subsidiary undertakings and, where the context requires, its associated undertakings;
“G3 Entities”	means Apollo, Cheyne and Tikehau;
“G3 Shares”	means 120,000,000 new Shares which the Company will allot and issue fully paid to the G3 Entities in accordance with their agreed proportions pursuant to the Recapitalisation, on the terms and conditions set out in this document;
“Holdco”	means Paper Industries Holding, a private limited liability company (<i>société à responsabilité limitée</i>) incorporated in the Grand Duchy of Luxembourg having its registered office at 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand-Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (<i>Registre de commerce et des sociétés, Luxembourg</i>) under number B-240952;
“Hudson Bay”	means Hudson Bay Master Fund;
“IAI”	means institutional “accredited investors,” as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act,
“Implementation Agreement”	means the implementation agreement dated 7 June 2020 between the Company and, amongst others, the Underwriters in respect of the Recapitalisation;
“Ineligible Securityholders”	has the meaning given in paragraph 6 (<i>Eligible Securityholders</i>) of Part II (<i>Terms and Conditions of the Recapitalisation</i>);
“Information Agent”	means GLAS Specialist Services Limited, a company incorporated and existing under the laws of England and Wales (with company number 10784614) and having its registered office at 45 Ludgate Hill, London, United Kingdom, EC4M 7JU;
“Insurance Distribution Directive”	means Directive 2016/97/EU, as amended or supplemented from time to time;
“Intercreditor Agreement”	means the intercreditor agreement dated 4 February 2020 between, amongst others, the SSN Issuer, the JN Issuer, Global Loan Agency Services Limited, the Trustee and the Security Agent, as amended or supplemented from time to time;
“ISIN”	International Securities Identification Number;
“Issuance”	means the issuance of a strip of securities comprising the New Shares, New SSNs and New Warrants;
“JN Issuer”	means Paper Industries Financing, a private limited liability company (<i>société à responsabilité limitée</i>) incorporated in the Grand Duchy of Luxembourg having its registered office at 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand-Duchy of Luxembourg and registered with the Luxembourg Register of

	Commerce and Companies (<i>Registre de commerce et des sociétés, Luxembourg</i>) under number B-240342;
“Junior Notes”	means the €100,000,000 subordinated junior notes due 2028, issued by the JN Issuer pursuant to the Junior Notes Trust Deed;
“Junior Notes Trust Deed”	means the trust deed constituting subordinated floating rate PIK notes due 2028 dated 4 February 2020 between the JN Issuer as issuer and the Trustee as trustee;
“KYC Form”	means the form to be completed by applicable Qualifying Securityholders in accordance with paragraph 5 of Part II (<i>Terms and Conditions of the Recapitalisation</i>) of this document, which may be found through the Portal at the following link: http://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/ ;
“KYC Regulations”	means money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Criminal Justice Act 1993, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any equivalent law or regulations in any applicable jurisdiction;
“Lock-Up Agreement”	means the commitment and lock-up agreement originally dated 1 May 2020 between, amongst others, the Company, the Underwriters and certain other Securityholders in respect of the Recapitalisation;
“Long-Stop Date”	means 30 June 2020 (or such other date as may otherwise be agreed in accordance with the terms of the Lock-Up Agreement and Implementation Agreement);
“Majority Underwriters”	means those Underwriters whose holding of Existing Shares represents at least a majority in aggregate principal amount of the Existing Shares held by all of the Underwriters at that time;
“Man GLG”	means Man GLG High Yield Opportunities Fund, a sub-fund of Man Fixed Interest ICVC, Man GLG Credit Multi-Strategy Master Fund, Man GLG High Yield Opportunities, a sub-fund of Man Funds VI plc and Man GLG Credit Multi-Strategy Alternative, a sub-fund of Man Funds VI plc;
“MiFID II”	means Directive 2014/65/EU, as amended or supplemented from time to time;
“New Confirming Lines”	means a new Spanish confirming line facility for an amount not less than €40,000,000 to be entered into between one or more Spanish banking institutions and Torraspapel;
“New Securities”	means New Shares, New SSNs and/or New Warrants (as the context requires);
“New Shares”	means 2,175,000,000 new Shares which the Company will allot and issue to relevant Participating Securityholders pursuant to the Recapitalisation on the terms and conditions set out in this document;
“New Spanish Term Facility”	means a new Spanish law term facility for an amount not less than €40,000,000 to be entered into between one or more Spanish banking

	institutions and Torraspapel prior to the Recapitalisation Effective Date for a minimum term of 3 years;
“New SSNs”	means €55,555,555 new floating rate senior secured notes due 2025 (to be issued at a discounted issue price of 90 per cent. of face value) for an aggregate amount of €50,000,000, by way of issuance under the New SSN Indenture;
“New SSN Indenture”	means a new indenture to be entered into by, amongst others, the SSN Issuer and the Trustee (as trustee), on substantially the same terms as the Existing SSNs, on the terms and conditions set out in this document;
“New Warrants”	means 55,555,555 new warrants which the Company will issue pursuant to the New Warrant Instrument, on the terms and conditions set out in this document;
“New Warrant Exercise Period”	means the period commencing from (but excluding) the 1 st anniversary of the Recapitalisation Effective Date to (and including) the 5 th anniversary of the Recapitalisation Effective Date
“New Warrant Instrument”	means warrant instrument pursuant to which the Company will issue the New Warrants and which will entitle the holders thereof to subscribe for Shares, on the terms and conditions set out in this document;
“New Warrant Shares”	means new Shares which the Company will allot and issue fully paid, on the terms and conditions set out in the New Warrant Instrument;
“Nominated Recipient”	means a person (or persons) nominated by a Qualifying Securityholder in writing to the Company to subscribe on its behalf for the New SSNs and receive the entitlements to such New SSNs, provided that such person would not be an Ineligible Securityholder if such person were a holder of Shares on the register of members of the Company at the Record;
“Participating Securityholder”	means a Qualifying Securityholder who makes (or is treated as making) a valid acceptance of some/all of the New Securities in accordance with the terms and conditions set out in Part II (<i>Terms and Conditions of the Recapitalisation</i>) of this document (including, but not limited to, in respect of payment of the relevant Subscription Price and completion of applicable KYC Forms);
“Participation Form”	means the form set out in Part III (<i>Participation Form</i>) of this document;
“Participation Shares”	means 180,000,000 new Shares which the Company will allot and issue fully paid to the Underwriters in accordance with their agreed underwriting proportions pursuant to the Recapitalisation, on the terms and conditions set out in this document;
“Permitted Assignee”	means a person to whom a Qualifying Securityholder has executed a trade in Shares on, prior or after the Record Date and up to, and including, the Funding Date (but in respect of which the transfer of legal and beneficial ownership has not yet been recorded in the Company’s register of members at the Record Date);

“Permitted Restricted Territory Securityholders”	means Securityholders with registered addresses in, or who are resident in any of, the Restricted Territories who have satisfied the Company, by no later than 5.00 p.m. (London time) on the Funding Date, that their exercise, sale and/or subscription for New Securities would not result in the contravention of any registration or other legal requirement in any jurisdiction;
“Person”	means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organisation, or other corporate entity and/or a governmental, quasi-governmental, judicial or regulatory entity (or any department, agency or political sub-division of any such entity), in each case whether or not having a separate legal personality;
“Portal”	means the portal for Securityholders maintained by the Information Agent at the following link: https://glas.agency/2020/05/21/lecta-limited-proposed-recapitalisation-investor-pack/ ;
“Pre-Emptive Rights”	shall have the meaning given to such term in the Articles;
“Prospectus Regulation Rules”	means the prospectus rules made by the FCA under Part VI of the FSMA, as amended;
“Q1 Results”	means the interim condensed consolidated financial statements in respect of the Group for the 3 months ended 31 March 2020;
“QIB”	means a “qualified institutional buyer” within the meaning of Rule 144A under the Securities Act;
“Qualifying Securityholders”	means Shareholders on the register of members of the Company at the Record Date (with the exclusion of Ineligible Securityholders);
“Recapitalisation”	means the write-down and cancellation in full of the Junior Notes and the offer to Qualifying Securityholders to subscribe for New Securities, in each case on the terms and conditions set out in this document;
“Recapitalisation Effective Date”	means the date on which the Recapitalisation becomes effective in accordance with the terms and conditions set out in the Implementation Agreement;
“Recapitalisation Resolutions”	means the resolutions of the Company in connection with the Recapitalisation set out in paragraphs 1 to 9 (inclusive) of Part V (<i>Resolutions</i>) of this document;
“Recapitalisation Shares”	means the New Shares, the G3 Shares and the Participation Shares;
“Receiving Account”	means the account managed by the Receiving Agent having the following details: Account name: GLAS re Paper Industries Fin EA Account number: 69733166 Branch name: Barclays Bank PLC Branch code: B22

	Swift code: BARCGB22
	IBAN: GB56BARC20199069733166
“Receiving Agent”	means GLAS Trustees Limited, a company incorporated and existing under the laws of England and Wales (with company number 08466032) and having its registered office at 45 Ludgate Hill, London, EC4M 7JU;
“Record Date”	means 11.00 a.m. (London time) on 26 May 2020 or (if later) the date on which this document is communicated by (or on behalf of) the Company to the Securityholders;
“Registrar”	means Crestbridge UK Limited, a company incorporated and existing under the laws of England and Wales (with company number 09822915) and having its registered office at 8 Sackville Street, London, United Kingdom, W1S 3DG;
“Regulation S”	means Regulation S under the Securities Act;
“Related Funds”	means, in relation to a fund (the “first fund”), a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed or advised by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund;
“Resolutions”	means the Recapitalisation Resolutions and the Board Resolutions set out in Part V (<i>Resolutions</i>) of this document;
“Restricted New Securities”	means any New Securities that are subscribed for, accepted or requested registration for within the Issuance by an investor located in the United States (as defined in Regulation S);
“Restricted Territories”	means the United States, Australia, Canada and Japan and any other jurisdiction where the extension or making of the offer of the New Securities would be unlawful or in contravention of certain regulations;
“Restructuring”	means the restructuring completed by the Group on 4 February 2020 and implemented via a scheme of arrangement in respect of the Company pursuant to Part 26 of the Companies Act 2006;
“Retail Investors”	has the meaning given in paragraph 6 (<i>Eligible Securityholders</i>) of Part II (<i>Terms and Conditions of the Recapitalisation</i>);
“Securities Act”	means the United States Securities Act of 1933, as amended;
“Securityholders”	means existing Shareholders on the register of members of the Company at the Record Date;
“Security Agent”	means GLAS Trust Corporation Limited, a company incorporated and existing under the laws of England and Wales (with company number 07927175) and having its registered office at 45 Ludgate Hill, London, United Kingdom, EC4M 7JU;
“Securityholder Site”	means the site for Securityholders maintained by Lucid Issuer Services at the following link www.connect.fluid.io/ ;

“Shareholders”	means holders of Shares;
“Shareholders’ Agreement”	means the shareholders’ agreement dated 4 February 2020 between the Company (previously named “Paper Industries Topco Limited”) and certain other parties thereto (as amended or supplemented from time to time);
“Shares”	means ordinary shares of €0.01 each in the capital of the Company;
“SSFA”	means the term and revolving facilities agreement dated 27 January 2020, as varied, novated, amended and/or amended and restated from time to time, between, amongst others, the SSN Issuer as parent, Holdco as original borrower, Global Loan Agency Services Limited as agent and the Security Agent;
“SSN Issuer”	means Paper Industries Intermediate Financing, a private limited liability company (<i>société à responsabilité limitée</i>) incorporated in the Grand Duchy of Luxembourg on December 9, 2019, having its registered office at 48, Boulevard Grande-Duchesse Charlotte, L-1330 Luxembourg, Grand-Duchy of Luxembourg and registered with the Luxembourg Register of Commerce and Companies (<i>Registre de commerce et des sociétés, Luxembourg</i>) under number B-240830;
“Subscription Price”	means, in respect of a Qualifying Securityholder, the aggregate Issue Price payable for the New Securities (including any Declined Offer Securities in respect of which excess applications have been made) to be subscribed for (or potentially subscribed for) by the relevant Qualifying Securityholder;
“Tikehau”	means Tikehau Special Opportunities, a sub-fund of Tikehau Investment SCS, SICAV-SIF, acting by its investment manager Tikehau Investment Management S.A.S. and Tikehau Special Opportunities II Master Fund, acting by its investment manager Tikehau Investment Management S.A.S.;
“Torraspapel”	means Torraspapel, S.A. a company incorporated and existing under the laws of Spain (registered with the Commercial Registry of Barcelona under CIF A58781402) and having its registered office at calle Llull n ^o . 331, 08019 Barcelona, Spain;
“Trustee”	means GLAS Trustees Limited, a company incorporated and existing under the laws of England and Wales (with company number 08466032) and having its registered office at 45 Ludgate Hill, London, United Kingdom, EC4M 7JU;
“Underwriters”	means Apollo, BlueBay, Cheyne Capital, Hudson Bay, Man GLG, Tikehau and Zetland;
“Unrestricted New Securities”	means any New Securities that are not Restricted New Securities;
“Write-down”	means the cancellation of the entire outstanding principal amount of the €100,000,000 Junior Notes on the terms and conditions set out in this document;
“Zetland”	means Zetland Special Situations Fund I LP.