

THE NAVIGATOR COMPANY, S.A.

Share capital: € 500,000,000
Corporate Entity: 503 025 798
Registered at the Commercial Register of Setúbal
Headquarters: Mitrena, Freguesia do Sado, Setúbal

PRIVILEGED INFORMATION

Navigator Paper UK Limited is pleased to announce it has launched a public all-cash firm offer ("Offer") to acquire the entire issued and to be issued share capital of Accrol Group Holdings plc ("Accrol"), a tissue paper converter based in the United Kingdom (UK) and listed on the London Stock Exchange (Alternative Investment Market - AIM). The Offer is being implemented pursuant to a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

Accrol (<https://www.accrol.co.uk>) is a leading tissue converter and supplier of toilet tissues, kitchen rolls, facial tissues, and wet wipes to many of the UK's leading discounters and grocery retailers. In the year ended 30 April 2023, Accrol posted revenues of £242 million, Adjusted EA (as defined in Accrol's 2023 annual report) of £15.6 million and Net Debt (pre-IFRS16) of £26.8 million.

Navigator Paper UK Limited is a wholly owned indirect subsidiary of The Navigator Company S.A. ("Navigator"). Navigator (www.thenavigatorcompany.com) is a large Portuguese integrated pulp, paper, tissue, packaging and biomass-based energy company, listed on the Euronext Lisbon Stock Exchange, with a market capitalization of approximately €2.75 billion on 21 March 2024 (being the latest practicable date prior to the announcement of the Offer). In the financial year ended 31 December 2023 Navigator reported consolidated revenues of €1,953 million and consolidated EBITDA of €502 million.

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

In 2014 Navigator made the strategic decision to enter the tissue market, based on a business model comprising: (i) the production of tissue paper parent reels on a large industrial scale with direct integration of pulp into tissue production; (ii) converting facilities located in Navigator's

core consumer markets of Western Europe and the UK; and (iii) serving both "At Home" and "Away from Home" client segments.

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

Navigator now has a total annual production capacity of 165,000 tons of tissue paper and annual tissue converting capacity of 180,000 tons.

Navigator believes that the Offer represents a compelling opportunity to enter the UK market through the acquisition of a leading UK independent tissue paper converter, with competitive advantages, complementary values, and strong alignment with to Navigator. Navigator sees Accrol as a key pillar in its strategy of sustained expansion of its tissue business in the Western European market.

Under the terms of the Offer, Accrol shareholders will be entitled to receive, for each Accrol share, 38 pence in cash (the "Cash Consideration"). The Cash Consideration represents a premium of approximately:

- +11.8% per cent. to the closing price per Accrol share of 34.0 pence on 21 March 2024 (being the latest practicable date prior to announcement of the Offer (the "Latest Practicable Date"));
- +28.7 per cent. to the volume weighted average price per Accrol share of 29.5 pence for the 6-month period ended on the Latest Practicable Date; and
- +23.2 per cent. to the volume weighted average price per Accrol share of 30.8 pence for the 12-month period ended on the Latest Practicable Date.

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

The Accrol Board of Directors is recommending the Offer, which is subject to the conditions and specific further terms set out in the corresponding announcement issued in accordance with Rule 2.7 of the UK City Code on Takeovers and Mergers, available at

<https://www.thenavigatorcompany.com/Investidores/Recommended-cash-offer-for-accrol-group-holdings-plc> and to the full terms and conditions that will be set out in a subsequent document setting out the full terms and conditions of the proposed scheme of arrangement to implement the Offer.

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

Lisbon, 22 March 2024

THE NAVIGATOR BOARD OF DIRECTORS