

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you should seek your own personal financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other appropriate independent financial adviser authorised under the FSMA if you are in the United Kingdom, or, if not, another appropriately authorised independent financial adviser. It should be remembered that the price of securities and the income derived from them can go down as well as up.**

If you sell or transfer or have sold or otherwise transferred all of your Existing Ordinary Shares, please immediately forward this document to the purchaser or transferee, or to the stockbroker, bank or other agent through whom or by whom the sale or transfer was effected, for delivery to the purchaser or transferee, except that such documentation should not be sent into any other jurisdiction where to do so may constitute a violation of local securities laws or regulation. If you sell or transfer or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares, please contact your stockbroker, bank or other agent through whom or by whom the sale or transfer was effected immediately.

The total consideration under the Retail Offer will be less than €8 million (or an equivalent amount in pounds sterling). The issue of the New Ordinary Shares will not constitute an offer of transferable securities to the public within the meaning of section 102B of the FSMA, the Act or otherwise. Accordingly, this document does not constitute a prospectus within the meaning of section 85 of the FSMA and has not been drawn up in accordance with the Prospectus Regulation Rules or approved by the FCA, the London Stock Exchange, any securities commission or any other authority or regulatory body nor has it been approved for the purposes of section 21 of FSMA. In addition, this document does not constitute an admission document drawn up in accordance with the AIM Rules.

**The AIM market of the London Stock Exchange is designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the FCA of the United Kingdom. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. The AIM Rules are less demanding than those of the Official List of the FCA. Neither the London Stock Exchange nor the FCA has itself examined or approved the contents of this document. Prospective investors should read this document in its entirety.**

Applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. The New Ordinary Shares will not be admitted to trading on any other investment exchange. It is expected that First Admission will become effective and that dealings in the Fundraising Shares will commence on AIM at 8.00 a.m. on 21 October 2024. The Company intends to apply for admission of the Consideration Shares to trading on AIM separately. The Company will make a further announcement through a RIS when it is expected that Second Admission will become effective. The New Ordinary Shares will, when issued, rank *pari passu* in all respects with the Existing Ordinary Shares.

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# Mpac Group plc

*(incorporated in England and Wales with registered number 00124855)*

**Proposed acquisition of the entire issued and to be issued share capital of CSi Palletising**

**Proposed placing of 7,250,000 new Ordinary Shares at a price of 400 pence per share**

**Proposed retail offer of up to 250,000 new Ordinary Shares at a price of 400 pence per share**

**Proposed issue of 1,039,500 Consideration Shares**

**and**

**Notice of General Meeting**

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This document should be read as a whole. Your attention is drawn to the letter from the Chairman of the Company, which is set out on pages 13 to 21 of this document and contains the Directors' unanimous recommendation that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below.

The Directors, whose names appear on page 12 of this document, and the Company, whose registered office appears on page 12 of this document, accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge of the Directors and the Company, the information contained in this document is in accordance with the facts and this document contains no omission likely to affect the import of such information.

Notice of a General Meeting of the Company, to be held at 2 Argosy Court, Coventry, CV3 4GA on Friday 18 October 2024 at 9.00 a.m., is set out at the end of this document. You can vote electronically by visiting [signalshare.com](http://signalshare.com) where full details of the procedure can be found. You will need your investor code or IVC number which are printed on share certificates or can be obtained by contacting the Company's Registrar, Link Group. You may also request a hard copy proxy form directly from Link Group. Instructions on how to do this are provided on page 24 of this document. Your proxy appointment(s) and instructions, whether submitted by hard copy or made electronically, must be received by Link Group by 9.00 a.m. on Wednesday 16 October 2024 or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting. Any appointments and instructions received after this time, or sent to any address other than that provided, will not be valid. A proxy may also be appointed by CREST members by using the CREST electronic proxy appointment service. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io).

**If you have any questions relating to the appointment of a proxy, please contact the Company's Registrar, Link Group, via email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk) or by telephone on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.**

The Registrar cannot provide advice on the merits of the Resolutions nor give any financial, legal or tax advice. If you hold your Existing Ordinary Shares in uncertificated form (i.e., in CREST), you may appoint a proxy by completing and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the Registrar (under CREST ID: RA10) by no later than 9.00 a.m. on Wednesday 16 October 2024 or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting. The time of receipt will be taken to be the time from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Shore Capital and Corporate Limited, which, in the United Kingdom, is authorised and regulated by the FCA, is acting as nominated adviser to the Company for the purposes of the AIM Rules in connection with the proposed Acquisition, Placing and Admission. Shore Capital Stockbrokers Limited, which is a member of the London Stock Exchange and, in the United Kingdom, is authorised and regulated by the FCA, is acting as joint broker to the Company in connection with the proposed Acquisition, Placing and Admission. Persons receiving this document should note that SCC and SCS will not be responsible to anyone other than the Company for providing the protections afforded to customers of Shore Capital or for advising any other person on the arrangements described in this document. Shore Capital has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Shore Capital for the accuracy of any information or opinions contained in this document or for the omission of any information. It should be noted that SCC, as nominated adviser to the Company, owes certain responsibilities to the London Stock Exchange which are not owed to the Company or the Directors, Shareholders or any other person.

Panmure Liberum Limited, which is a member of the London Stock Exchange and, in the United Kingdom, is authorised and regulated by the FCA, is acting as joint broker to the Company in connection with the proposed Acquisition, Placing and Admission. Persons receiving this document should note that Panmure Liberum will not be responsible to anyone other than the Company for providing the protections afforded to customers of Panmure Liberum or for advising any other person on the arrangements described in this document. Panmure Liberum has not authorised the contents of, or any part of, this document and no liability whatsoever is accepted by Panmure Liberum for the accuracy of any information or opinions contained in this document or for the omission of any information.

This document does not constitute or form part of any offer or instruction to purchase, subscribe for or sell any shares or other securities in the Company nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with any contract therefor. The distribution of this document in jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

Copies of this document will be available free of charge during normal business hours on any weekday (except Saturdays, Sundays and public holidays) from the Company's registered office from the date of this document to the date of the General Meeting. Copies of this document will be available on the Company's website, [www.mpac-group.com](http://www.mpac-group.com).

## IMPORTANT NOTICE

### Cautionary note regarding 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 “targets”, “aims”, “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, “would”, “could” or “should” or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors’ current intentions, beliefs or expectations concerning, amongst other things, the Group’s results of operations, financial condition, liquidity, prospects, growth, strategies and the Group’s markets.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements are not guarantees of future performance and have not been reviewed by the auditors of the Company.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors’ current view with respect to future events, and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information available at the date of this document, they may prove to be incorrect and the posting or receipt of this document shall not give rise to any implication that there have been no changes in the facts set forth herein since such date. Investors should not place undue reliance on such forward-looking statements, and save as required by law or by the AIM Rules or by the UK Market Abuse Regulation, the Company undertakes no obligation to release publicly the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors’ expectations or to reflect events or circumstances after the date of this document. All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above.

### Notice to overseas persons

The distribution of this document in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents come should inform themselves about and observe any such restrictions. This document may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of this document in whole or in part is unauthorised. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document is for information purposes only. The Existing Ordinary Shares and the New Ordinary Shares 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, and the New Ordinary Shares may not be offered, sold, resold, pledged, distributed, transferred or delivered, directly or indirectly, in or into the United States except in transactions exempt from, or 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. The New Ordinary Shares being offered pursuant to the Fundraising are being offered and sold solely outside the United States in “offshore transactions” as defined in and pursuant to Regulation S under the Securities Act. This document does not constitute an offer to issue or sell, or the solicitation of an offer to subscribe for or purchase, any New Ordinary Shares to any person with a registered address, or who is resident or located in, the United States. There will be no public offer of New Ordinary Shares in the United States.

The New Ordinary Shares will not qualify for distribution under the relevant securities laws of Australia, Canada, the Republic of Ireland, the Republic of South Africa or Japan, nor has any prospectus in relation to the New Ordinary Shares been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance. Accordingly, subject to certain exemptions, the New Ordinary Shares may not be offered, sold, taken up, delivered or transferred in, into or from the United States, Australia, Canada, the Republic of Ireland, the Republic of South Africa, Japan or any other

jurisdiction where to do so would constitute a breach of local securities laws or regulations (each a “**Restricted Jurisdiction**”) or to or for the account or benefit of any national, resident or citizen of a Restricted Jurisdiction.

The New Ordinary Shares have not been approved or disapproved by the US Securities and Exchange Commission, or any other securities commission or regulatory authority of the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Ordinary Shares nor have they approved this document or confirmed the accuracy or adequacy of the information contained in this document. Any representation to the contrary is a criminal offence in the US.

### **Basis on which information is presented**

In this document, references to “**pounds sterling**”, “**£**”, “**pence**” and “**p**” are to the lawful currency of the United Kingdom.

In this document, references to “**US dollars**” and “**\$**” are to the lawful currency of the United States of America.

In this document, references to “**Euros**” and “**€**” are to the lawful currency of the Eurozone countries.

Certain data in this document, including financial, statistical and operational information has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetical totals of such data. Percentages in tables have been rounded and, accordingly, may not add up to 100 per cent.

### **Interpretation**

Certain terms used in this document are defined and explained in the section of this document headed ‘*Definitions*’.

All times referred to in this document are, unless otherwise stated, references to London time.

All references to legislation in this document are to the legislation of England and Wales unless the contrary is indicated. Any reference to any provision of any legislation or regulation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

### **No incorporation of website information**

The contents of the Company’s website or any hyperlinks accessible from the Company’s website do not form part of this document and Shareholders should not rely on them.

## CONTENTS

	<b>Page</b>
<b>DEFINITIONS</b>	6
<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b>	10
<b>KEY STATISTICS OF THE FUNDRAISING</b>	11
<b>DIRECTORS, REGISTERED OFFICE AND ADVISERS</b>	12
<b>LETTER FROM THE CHAIRMAN</b>	13
<b>NOTICE OF GENERAL MEETING</b>	22

## DEFINITIONS

The following definitions apply throughout this document (unless the context otherwise requires):

<b>“2024 AGM”</b>	the annual general meeting of the Company held on 15 May 2024;
<b>“Acquisition”</b>	the proposed acquisition by the Company of the entire issued share capital of CSi Palletising pursuant to the terms of the Acquisition Agreement;
<b>“Acquisition Agreement”</b>	the conditional acquisition agreement dated 30 September 2024 between Mpac Bidco and the Sellers, further details of which are set out in paragraph 5 of the letter from the Chairman of the Company contained in this document;
<b>“Act”</b>	the Companies Act 2006 (as amended from time to time);
<b>“Admission”</b>	First Admission and Second Admission, as the context may require;
<b>“AIM”</b>	AIM, the market of that name operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the ‘AIM Rules for Companies’ published by the London Stock Exchange (as amended from time to time);
<b>“BCA”</b>	Boston Conveyor & Automation, Inc., which was acquired by the Company on 18 September 2024;
<b>“BCA Consideration Shares”</b>	the 1,059,349 new Ordinary Shares which were allotted in connection with the acquisition of BCA;
<b>“Bookbuild Platform”</b>	the online capital markets platform developed by BB Technology Limited;
<b>“Cash Consideration”</b>	€41.5 million (plus an additional sum for the agreed cash, debt and working capital adjustments which the Board expects to be covered by cash and any excess working capital inherited at Completion by virtue of the Acquisition) payable in cash by Mpac Bidco to the Sellers in accordance with the Acquisition Agreement;
<b>“certificated form” or “in certificated form”</b>	an Ordinary Share recorded on a company’s share register as being held in certificated form (namely, not in CREST);
<b>“Company” or “Mpac”</b>	Mpac Group plc, a company incorporated and registered in England and Wales with registered number 00124855;
<b>“Completion”</b>	completion of the Acquisition in accordance with the terms of the Acquisition Agreement;
<b>“Consideration”</b>	the consideration payable under the Acquisition Agreement, being the Cash Consideration, the Consideration Shares and the Vendor Loans;
<b>“Consideration Shares”</b>	the 1,039,500 new Ordinary Shares to be issued by the Company to the Sellers in connection with the Acquisition;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations) which facilitates the transfer of title to shares in uncertificated form;

<b>“CREST Manual”</b>	the CREST reference manual as published by Euroclear;
<b>“CREST Member”</b>	a person who has been admitted to Euroclear as a system-member (as defined in the CREST Regulations);
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended from time to time);
<b>“CREST sponsor”</b>	a CREST participant admitted to CREST as a CREST sponsor;
<b>“CREST sponsored member”</b>	a CREST Member admitted to CREST as a sponsored member;
<b>“CSi Palletising”</b>	Elstar International B.V., a private limited liability company incorporated under the laws of the Netherlands, registered with the Dutch trade register under number 17202065, and which operates under the name ‘CSi Palletising’;
<b>“Directors” or “Board”</b>	the directors of the Company whose names are set out on page 13 of this document, or any duly authorised committee thereof;
<b>“EBITDA”</b>	earnings before interest, tax, depreciation and amortisation;
<b>“Enlarged Share Capital”</b>	the issued share capital of the Company following First Admission (including the Fundraising Shares, assuming full take-up under the Retail Offer);
<b>“Euroclear”</b>	Euroclear UK & International Limited, the operator of CREST;
<b>“Existing Ordinary Shares”</b>	21,533,773 ordinary shares of £0.25 (25 pence) each in the capital of the Company in issue at the date of this document, all of which are admitted to trading on AIM;
<b>“Facilities”</b>	the facilities made available to the Group pursuant to the Facilities Agreement;
<b>“Facilities Agreement”</b>	the facilities agreement between, amongst others, the Company (as borrower) and HSBC (as lender), further details of which are set out in paragraph 6 of the letter from the Chairman of the Company contained in this document;
<b>“FCA”</b>	the UK Financial Conduct Authority;
<b>“First Admission”</b>	admission of the Fundraising Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000 (as amended from time to time);
<b>“Fundraising”</b>	the Placing and the Retail Offer;
<b>“Fundraising Shares”</b>	the Placing Shares and the Retail Offer Shares;
<b>“FY24”</b>	financial year ending 31 December 2024;
<b>“FY25”</b>	financial year ending 31 December 2025;
<b>“General Meeting”</b>	the general meeting of the Company to be held at 2 Argosy Court, Coventry, CV3 4GA at 9.00 a.m. on Friday 18 October 2024 (or any adjournment thereof), notice of which is set out at the end of this document;

<b>“Group”</b>	the Company, its subsidiaries and its subsidiary undertakings (each as defined in the Act) as at the date of this document;
<b>“H1 2024”</b>	the six month period ended 30 June 2024;
<b>“H2 2024”</b>	the six month period ended 31 December 2024;
<b>“HSBC”</b>	HSBC UK Bank plc, the lender under the Facilities;
<b>“ISIN”</b>	International Securities Identification Number;
<b>“Issue Price”</b>	400 pence per New Ordinary Share;
<b>“Joint Brokers”</b>	SCS and Panmure Liberum;
<b>“London Stock Exchange”</b>	London Stock Exchange plc;
<b>“Mpac Bidco”</b>	Mpac Bidco B.V., a private limited liability company incorporated under the laws of the Netherlands, registered with the Dutch trade register under number 94964823 and which was incorporated for the purposes of the Acquisition;
<b>“New Ordinary Shares”</b>	together, the Placing Shares, the Consideration Shares and the Retail Offer Shares;
<b>“Notice of General Meeting”</b>	the notice convening the General Meeting which is set out at the end of this document;
<b>“Official List”</b>	the Official List of the FCA;
<b>“Ordinary Shares”</b>	the ordinary shares of £0.25 (25 pence) each in the capital of the Company;
<b>“Panmure Liberum”</b>	Panmure Liberum Limited, the Company’s joint broker;
<b>“Participating Directors”</b>	Andrew Kitchingman, Adam Holland, William Wilkins, Sara Fowler and Matthew Taylor;
<b>“Placing”</b>	the conditional placing of the Placing Shares by the Joint Brokers, as agents on behalf of the Company, pursuant to the Placing Agreement, further details of which are set out in paragraph 7 of the letter from the Chairman of the Company contained in this document;
<b>“Placing Agreement”</b>	the conditional agreement dated 1 October 2024 between: (i) SCC; (ii) SCS; (iii) Panmure Liberum; and (iv) the Company relating to the Placing, further details of which are set out in paragraph 7 of the letter from the Chairman of the Company contained in this document;
<b>“Placing Shares”</b>	7,250,000 new Ordinary Shares to be issued, conditional on First Admission, in connection with the Placing;
<b>“Prospectus Regulation Rules”</b>	the prospectus regulation rules made by the FCA pursuant to section 73A of the FSMA;
<b>“RCF”</b>	the revolving credit facility of £35 million made available to the Company pursuant to the Facilities Agreement;
<b>“Registrar”</b>	Link Group Limited, the Company’s registrar;



<b>“Resolutions”</b>	the shareholder resolutions set out in the Notice of General Meeting to be proposed at the General Meeting to grant the Directors the authority to allot and issue the New Ordinary Shares on a non-pre-emptive basis;
<b>“Retail Investors”</b>	retail Shareholders, who are resident in the United Kingdom, and are a customer of one of the intermediaries operating through the Bookbuild Platform;
<b>“Retail Offer”</b>	the separate offer by the Company of the Retail Offer Shares, through the Bookbuild Platform, for Retail Investors, further details of which are set out in paragraph 7 of the letter from the Chairman of the Company contained in this document;
<b>“Retail Offer Shares”</b>	up to 250,000 new Ordinary Shares to be issued, conditional on First Admission, in connection with the Retail Offer;
<b>“RIS”</b>	a regulatory information service operated by the London Stock Exchange as defined in the AIM Rules;
<b>“SCC”</b>	Shore Capital and Corporate Limited, the Company’s nominated adviser for the purposes of the AIM Rules;
<b>“SCS”</b>	Shore Capital Stockbrokers Limited, the Company’s joint broker;
<b>“Second Admission”</b>	admission of the Consideration Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules;
<b>“Securities Act”</b>	the United States Securities Act of 1933, as amended;
<b>“Sellers”</b>	CSitsme B.V., Aseck B.V. and Lust4Life Holding B.V.;
<b>“Shareholders”</b>	holders of the Ordinary Shares of the Company from time to time;
<b>“Shore Capital”</b>	SCC and/or SCS as the case may be;
<b>“Term Loan”</b>	the term loan facility of £12 million provided by HSBC to the Company pursuant to the Facilities Agreement;
<b>“UK”</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>“UK Market Abuse Regulation”</b>	the Market Abuse Regulation (Regulation 596/2014) (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended);
<b>“uncertificated form”</b>	Ordinary Shares recorded on the share register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred within the CREST settlement system;
<b>“US” or “USA”</b>	the United States of America, each State thereof (including the District of Columbia), its territories, possessions and all areas subject to its jurisdiction; and
<b>“Vendor Loans”</b>	loans with an aggregate value of €6 million to be made at Completion by the Sellers to Mpac Bidco in connection with the Acquisition, further details of which are set out in paragraph 5 of the letter from the Chairman of the Company contained in this document.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Announcement of the Acquisition	1 October 2024
Announcement of the Placing	1 October 2024
Announcement of the Retail Offer	1 October 2024
Announcement of the results of the Placing	1 October 2024
Publication of this document	2 October 2024
Announcement of the results of the Retail Offer	8 October 2024
Latest time and date for receipt of completed proxy appointments and CREST voting instructions	9.00 a.m. on 16 October 2024
General Meeting	9.00 a.m. on 18 October 2024
Announcement of results of General Meeting	18 October 2024
First Admission and commencement of dealings in the Fundraising Shares on AIM	8.00 a.m. on 21 October 2024
Where applicable, expected date for crediting of the Fundraising Shares in uncertificated form to CREST accounts	As soon as possible following First Admission
Where applicable, expected date for despatch of share certificates in respect of the Fundraising Shares	Within 10 business days of First Admission
Expected timing for Completion	Approximately December 2024

### Notes:

1. All references to times in this document are to London time.
2. The dates and times set out in the above timetable and in the rest of this document are indicative only and may be subject to change. If any such dates and times should change, the revised times and/or dates will be notified by the Company by announcement via RIS.
3. All events in the above timetable scheduled to take place after the General Meeting are conditional on the approval by the Shareholders of the Resolutions.

## KEY STATISTICS OF THE FUNDRAISING

Number of Existing Ordinary Shares in issue at the date of this document	21,533,773
Issue Price	400 pence

### PLACING STATISTICS

Number of Placing Shares to be issued under the Placing	7,250,000
Gross proceeds of the Placing receivable by the Company	£29 million

### RETAIL OFFER STATISTICS

Maximum number of Retail Offer Shares to be offered pursuant to the Retail Offer	250,000
Maximum gross proceeds of the Retail Offer receivable by the Company <sup>1</sup>	£1 million

### FUNDRAISING STATISTICS

Enlarged Share Capital <sup>1, 2</sup>	29,033,773
Percentage of the Enlarged Share Capital represented by the Fundraising Shares <sup>1, 2</sup>	25.8 per cent.
Maximum gross proceeds of the Fundraising <sup>1</sup>	£30 million
ISIN – Ordinary Shares	GB0005991111

#### Notes:

1. Assuming full take-up under the Retail Offer.
2. Assuming no Ordinary Shares are issued between the date of this document and First Admission.

## DIRECTORS, REGISTERED OFFICE AND ADVISERS

<b>Directors</b>	Andrew Kitchingman, <i>Non-executive Chairman</i> Adam Holland, <i>Chief Executive Officer</i> William Wilkins, <i>Group Finance Director</i> Doug Robertson, <i>Non-executive Director</i> Sara Fowler, <i>Non-executive Director</i> Matthew Taylor, <i>Non-executive Director</i>
<b>Company Secretary</b>	Prism Cosec Limited Highdown House Yeoman Way Worthing West Sussex BN99 3HH
<b>Registered Office</b>	Station Estate Tadcaster North Yorkshire LS24 9SG
<b>Nominated Adviser</b>	Shore Capital and Corporate Limited Cassini House 57 St James's Street London SW1A 1LD
<b>Joint Brokers</b>	Shore Capital Stockbrokers Limited Cassini House 57 St James's Street London SW1A 1LD  Panmure Liberum Limited Ropemaker Place Level 12 25 Ropemaker Street London EC2Y 9LY
<b>Solicitors to the Joint Brokers</b>	Pinsent Masons LLP 30 Crown Place London EC2A 4ES
<b>Solicitors to the Company</b>	Osborne Clarke LLP One London Wall London EC2Y 5EB
<b>Registrar</b>	Link Group 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL

## LETTER FROM THE CHAIRMAN

# Mpac Group plc

(incorporated in England and Wales with registered number 00124855)

### Directors:

Andrew Kitchingman	<i>Non-executive Chairman</i>
Adam Holland	<i>Chief Executive Officer</i>
William Wilkins	<i>Group Finance Director</i>
Doug Robertson	<i>Non-executive Director</i>
Sara Fowler	<i>Non-executive Director</i>
Matthew Taylor	<i>Non-executive Director</i>

### Registered office:

Station Estate  
Tadcaster  
North Yorkshire  
LS24 9SG  
United Kingdom

2 October 2024

Dear Shareholders

**Proposed acquisition of the entire issued and to be issued share capital of CSi Palletising**  
**Proposed placing of 7,250,000 new Ordinary Shares at a price of 400 pence per share**  
**Proposed retail offer of up to 250,000 new Ordinary Shares at a price of 400 pence per share**  
**Proposed issue of 1,039,500 Consideration Shares**  
**and**  
**Notice of General Meeting**

## 1. INTRODUCTION

On 1 October 2024, the Board announced that its indirectly wholly owned subsidiary Mpac Bidco, had entered into the Acquisition Agreement with the Sellers to conditionally acquire the entire issued share capital of Elstar International B.V., a private limited liability company incorporated under the laws of the Netherlands that operates under the name CSi Palletising, a leading provider of design, manufacturing and installation services for end-of-line automation and palletising solutions.

The Board believes that CSi Palletising is highly complementary to the existing Mpac business and is in accordance with its stated acquisition strategy to develop its 'fuller' line offering.

The consideration payable to the Sellers for CSi Palletising is an enterprise value of €56 million which is to be satisfied: (a) on Completion as to €41.5 million in cash; as to €5 million through the issue of 1,039,500 Consideration Shares at the Issue Price; and as to €6 million through the Vendor Loans; and (b) by two deferred consideration payments of €1.75 million each which become payable on 1 January 2026 and 1 January 2027. There will also be an additional cash payment to the Sellers at Completion for the agreed cash, debt and working capital adjustments in connection with the Acquisition which the Board expects to be covered by cash and any excess working capital inherited at Completion by virtue of the Acquisition<sup>1</sup>.

The Cash Consideration will be part funded by the Placing at the Issue Price of 400 pence per share which has conditionally raised approximately £29 million for the Company (before fees and expenses). In addition, Mpac is also undertaking the Retail Offer to raise gross proceeds of up to £1 million (before fees and expenses), to allow retail Shareholders an opportunity to participate in the Fundraising at the same price as the Placing. The balance of the Cash Consideration is being satisfied from the Company's new Facilities with HSBC which have been entered into in connection with the Acquisition. The Company will have significant undrawn borrowing facilities within its RCF post Completion.

The Fundraising is conditional upon, amongst other things, the approval by the Shareholders of the Resolutions to be proposed at the General Meeting. The Fundraising will not be underwritten. The Resolutions must be passed by Shareholders at the General Meeting in order for the Fundraising to proceed. The Fundraising is not conditional on the completion of the Acquisition but the Joint Brokers have a right to terminate the Placing Agreement if the Acquisition Agreement terminates before Admission.

<sup>1</sup> Subject also to adjustments to add a daily cash ticker amount for the period from (and including) 1 October 2024 up to (and including) the date of Completion and to deduct any leakage during the period from (and including) 1 March 2024 up to the moment immediately preceding Completion.

If the conditions relating to the issue of the Placing Shares are not satisfied or the Placing Agreement is terminated in accordance with its terms, the Placing Shares will not be issued and the Company will not receive the associated placing monies. In this scenario, the Retail Offer will similarly not proceed and the Acquisition will not complete.

The main purpose of this document is, amongst other things, to set out the reasons for, and details of, the Acquisition and the Fundraising, to explain why the Directors consider the Acquisition and the Fundraising to be in the best interests of the Company and its Shareholders as a whole and to set out why the Directors unanimously recommend that you vote in favour of the Resolutions to be proposed at the General Meeting, notice of which is set out at the end of this document.

## **2. BACKGROUND INFORMATION ON MPAC**

Mpac is a specialist in machine building, i.e. robotics, for clients requiring solutions for packaging machinery, cartoning and case handling, particularly in the food and beverage and healthcare sectors, and now emerging in the field of clean energy. Alongside original equipment manufacture, Mpac has a well established service offering for its customers.

On 10 September 2024, the Company announced its H1 2024 results. In the H1 2024 results, the Company stated in relation to the half year period, that the Company delivered *'a strong financial performance in line with the Board's expectations, with significant revenue, margin and profit growth'*. In the H1 2024 results, the Company also gave the following update in relation to the Group's current trading and outlook:

- *'Current trading is in line with the Board's expectations and the Group has a diverse order book going into H2 2024, providing good revenue coverage supported by a strong prospect pipeline;*
- *Confident in relation to the full year end and, with continued improvement in project margins, in delivering the H2 underlying profit weighting which was announced earlier in the year; and*
- *The Group's balance sheet remains strong and, as predicted, the timing of orders led to an expansion of working capital in H1 which is expected to unwind as the projects complete.'*

On 18 September 2024, the Company announced that it had acquired the entire issued share capital of BCA for a total consideration of \$17 million, before customary adjustments in respect of cash and working capital, of which \$6 million was satisfied through the issue of 1,059,349 new Ordinary Shares. BCA operates upstream of Mpac and CSi Palletising, in the processing and handling of products in the food, life sciences and other general industrial sectors. The Board utilised the Company's existing shareholder authorities granted at the 2024 AGM to allot the BCA Consideration Shares.

## **3. INFORMATION ON CSI PALLETISING**

### ***Overview of CSi Palletising***

CSi Palletising, headquartered in the Netherlands, is a global leader in end-of-line packaging automation, with production facilities in Romania and additional sales presence in the USA, Mexico, Germany, France, Spain and the United Kingdom. It designs, manufactures and installs palletising, pallet handling and case transport systems, including associated aftersales services. As at 31 December 2023, CSi Palletising had, in aggregate, approximately 440 employees. CSi Palletising's sales have grown from €51.3 million in 2021 to €71.5 million in 2023.

CSi Palletising offers customers comprehensive end-of-line solutions from case transport and conveying, to integrated palletising and pallet handling systems. CSi Palletising specialises in fixed-share products such as cases and bags and its machines have a low to medium capacity range of up to a maximum of 120 cases per minute. CSi Palletising has developed integration "know-how" of both internally developed and third-party systems including autonomous robotics technology and specialist in-house software.

CSi Palletising has a longstanding customer base with 100 per cent. customer retention across major "blue chip" groups and its average length of customer relationship is over 15 years, with the top six strategic accounts each having a relationship of more than 30 years. The remaining customers in the top ten strategic accounts of CSi Palletising have an average relationship of 21 years. Key customers include Lamb Weston, Mondelez International, Nestle, PepsiCo and Unilever. CSi Palletising also has a growing global installed base of over 2,500 lines with 80 to 90 solutions being delivered per year as key elements in systems.

### **CSi Palletising financial summary**

The Board believes that CSi Palletising has a strong historical financial track record and is on track to achieve its management budget for 2024 with the remainder of the year underpinned by a strong forward orderbook which amounted to €64.3 million as at June 2024. The results for CSi Palletising for the financial year ending 31 December 2024 are expected to show continuing momentum in revenue and earnings growth compared to the financial year ended 31 December 2023.

Set out below is the unaudited financial summary for CSi Palletising for the year to date to 30 June 2024 and audited financial information for the financial years ended 31 December 2023, 2022 and 2021.

	<b>YTD to 30 June</b>	<b>Financial year ended 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<b>€m</b>	<b>€m</b>	<b>€m</b>	<b>€m</b>
Revenue	44.4	71.5	63.1	51.3
Revenue growth	–	13.3%	19.5%	–
Gross profit	26.0	38.9	33.3	30.4
Operating expense	(19.2)	(31.6)	(28.2)	(26.8)
EBITDA	6.8	7.3	5.1	3.6
EBITDA margin %	15%	10%	8%	7%
Underlying profit before tax	6.3	6.0	3.9	2.4
Operating cash-flow	5.6	16.5	7.5	(0.6)

Source: CSi Palletising

For the financial year ended 31 December 2023, CSi Palletising's top five customers accounted for 80 per cent. of revenue generated, including one very large blue-chip customer which accounted for slightly over 50 per cent. of revenue. The revenue from this largest customer in the financial year ended 31 December 2023 was generated from 47 separate orders and change orders from many different decision makers, across both Original Equipment and Service ranging from €10,000 to €12.3 million in value. In 2023, CSi Palletising won 156 orders across all customers.

Project order intake for the first eight months of 2024 (January to August 2024) has remained strong at €32.4 million, with a broader customer mix than revenue for the financial year ended 31 December 2023, following CSi Palletising management's strategy of diversifying order intake. As a result, the largest customer from the financial year ended 31 December 2023 represents 28 per cent. of the order intake to August 2024 and is no longer the largest contributor to order intake. In addition, this customer placed 38 separate orders and change orders, ranging from €12,000 to €1.4 million, whilst its second largest customer placed 25 separate orders and change orders ranging from €5,000 to €6.9 million. CSi Palletising has won 104 orders in the first eight months of 2024 for palletising alone.

#### **4. BACKGROUND TO AND REASONS FOR THE ACQUISITION**

The Directors believe that the Acquisition is highly complementary to Mpac's existing business, and significantly improves and increases its capability and offering in end-of-line and palletising solutions. The Acquisition is in line with the Company's stated ambition to double revenue in five years from 2023. The Directors believe that the key attractions of CSi Palletising and the Acquisition for the Company are as follows:

- CSi Palletising is a high-quality provider of solutions for palletising and material handling;
- CSi Palletising offers an enhanced package of maintenance and aftermarket services across a growing global installed base;
- CSi Palletising has long-standing, "blue-chip" customer relationships in attractive sectors and its top six customers all exceed 30-year tenures;
- CSi Palletising has strong robotics and systems integration/turnkey capabilities;
- CSi Palletising has long-established, lower-cost manufacturing and assembly facilities in Romania; and
- CSi Palletising has established and self-sufficient leadership teams across all sites.

### **Key synergy opportunities from the Acquisition**

Mpac has developed an integration plan for the Acquisition which it intends to implement on Completion. The Directors believe that the Acquisition presents numerous synergistic opportunities to both CSi Palletising and Mpac across all operating functions, including the opportunity to:

- increase CSi Palletising's product sales in North America by utilising Mpac's existing presence and relationships in the United States and Canada;
- develop a stronger sales presence in Latin America, supported through a Mexico location, and to drive Mpac sales in the region through CSi Palletising's experience and relationships;
- secure access to a lower cost manufacturing and assembly facility in Romania and to drive cost-saving efficiencies within Mpac's existing operations;
- cross sell Mpac's equipment to CSi Palletising's strategic accounts;
- generate pull through sales of CSi Palletising's palletisers to existing Mpac customers; and
- utilise Mpac's experience in after sales service to drive cost-saving synergies.

The Company has detailed knowledge of CSi Palletising's operating markets and overlapping customer relationships. As a result, the Board believes execution risk associated with the Acquisition is mitigated by its integration plan.

### **Financial effects of the Acquisition**

The Acquisition will provide a step change in the Group's earnings and create a significantly larger Group. The Directors expect that the Acquisition will provide strong EPS accretion to the Group over a five year strategic cycle. Following Completion, consolidated FY24 net debt/adjusted EBITDA is expected to be approximately 1.8x. The Board expects the enlarged Group to be highly cash generative which will drive a rapid deleveraging and is expecting leverage to fall to below 1.0x by the end of FY25.

## **5. PRINCIPAL TERMS OF THE ACQUISITION**

On 30 September 2024, Mpac Bidco, an indirectly wholly owned subsidiary of Mpac, incorporated in the Netherlands for the purposes of making the Acquisition, entered into the Acquisition Agreement pursuant to which it agreed conditionally to purchase the entire issued share capital of CSi Palletising, from the Sellers. The Acquisition Agreement is governed by the laws of the Netherlands.

There is €56 million of consideration payable to the Sellers pursuant to the terms of the Acquisition Agreement consisting of:

- €41.5 million in cash, payable at Completion;
- the Vendor Loans which will be put in place at Completion and comprise: (i) a €1.5 million loan from the Sellers to Mpac Bidco which is repayable at any time up to the date falling 12 months following Completion; and (ii) a €4.5 million loan from the Sellers to Mpac Bidco repayable at any time up to the date falling 24 months following Completion, each of which bears interest at 10 per cent. per annum, payable in cash quarterly;
- the issue to the Sellers at Completion of Consideration Shares with a value of €5 million at the Issue Price; and
- two deferred consideration payments of €1.75 million each which become payable on 1 January 2026 and 1 January 2027, respectively.

There is also an additional €21 million (approximately) for the agreed cash, debt and working capital adjustments, payable in cash to the Sellers at Completion which the Board expects to be covered by cash and any excess working capital inherited at Completion by virtue of the Acquisition<sup>2</sup>.

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<sup>1</sup> Subject also to adjustments to add a daily cash ticker amount for the period from (and including) 1 October 2024 up to (and including) the date of Completion and to deduct any leakage during the period from (and including) 1 March 2024 up to the moment immediately preceding Completion.



In relation to the Consideration Shares, the Sellers have undertaken that, subject to certain limited exceptions, they will not dispose of any interest they hold in the Consideration Shares during the period from the date of issue of the Consideration Shares until and including the date 24 months after Completion.

The Acquisition is conditional upon, amongst other things, the Placing Agreement having become unconditional in all respects, the Acquisition having been unconditionally authorised from a national security perspective by a decision of the Romanian Competition Council on terms that are reasonably satisfactory to Mpac Bidco, the Resolutions being duly passed and the consultation procedures with the works council established at the level of CSi Industries B.V. in accordance with article 25 of the Dutch Works Council Act (*Wet op de ondernemingsraden*) having been complied with. The Company has already submitted a notification to the Romanian Competition Council for its authorisation of the Acquisition from a national security perspective and, based on advice it has received, the Company expects a decision to be made within two to three months.

The Acquisition Agreement contains certain customary warranties (including tax warranties) given by the Sellers in favour of Mpac Bidco, subject to certain customary limitations, as well as other customary undertakings and restrictive covenants given by the Sellers.

Mpac Bidco has obtained a buy-side warranty and indemnity insurance policy which, subject to certain exceptions, provides cover for claims against the Sellers under the business and tax warranties and the tax indemnity in the Acquisition Agreement of up to €16.8 million and under the fundamental warranties in the Acquisition Agreement of up to €52.5 million, subject to an aggregate cap for all claims under the insurance policy of €52.5 million. The Sellers have agreed to bear the vast majority of the premium payable for the insurance policy.

## **6. PRINCIPAL TERMS OF THE FACILITIES**

### ***Facilities Agreement***

On 30 September 2024, the Company (as borrower), Mpac Corporate Services Limited, Mpac Overseas Holdings Limited and Mpac Lambert Limited (as guarantors) (together the “**Obligors**”) and HSBC (as lender) entered into the Facilities Agreement, pursuant to which HSBC has agreed to provide the Company with a term loan facility of £12 million (the “**Term Loan**”) and a revolving credit facility of £35 million (the “**RCF**”), replacing the Group’s existing bank facilities. Certain other subsidiaries of the Company incorporated in Canada, the US and the Netherlands have acceded to the Facilities Agreement in order to provide guarantees and indemnities immediately after the Company’s entry into the Facilities Agreement, and certain members of CSi Palletising’s group will also accede to the Facilities Agreement after Completion.

Amounts borrowed under the Term Loan are to be used for funding the acquisition of CSi Palletising and amounts borrowed under the RCF are to be used for funding the Acquisition and for general corporate and working capital purposes, including for permitted acquisitions and refinancings.

The Term Loan is repayable quarterly in instalments of £1 million of principal plus any related interest due on such repayment instalments. The final repayment instalment (covering the balance of all amounts outstanding in relation to the Term Loan) will be due on 30 September 2027.

Amounts borrowed under the RCF are repayable quarterly, unless rolled over into the following quarter at the option of the Company, with the final repayment due on 30 September 2027.

The Company has the option to extend the provision of the RCF until 30 September 2028 and again until 30 September 2029, with the consent of HSBC (subject to an agreed extension fee at the relevant time). There are also options for the Company to request increase or incremental facilities up to a maximum of £12 million if the Term Loan is not drawn (subject to fees to be agreed at the time).

The Facilities Agreement contains adjusted leverage and interest cover financial covenants, each to be tested quarterly in respect of each period of 12 months ending on or about the last day of each financial quarter.

The Facilities Agreement also contains terms relating to default and mandatory repayment, as well as covenants and undertakings that are customary for agreements of this type.

The Facilities Agreement is governed by English law.

## **Security**

On 30 September 2024, the Obligors also entered into a debenture and security confirmation deed in favour of HSBC, both of which are governed by English law.

Under the terms of the debenture, each Obligor has granted security over all of its assets, including the shares of certain subsidiaries owned by the Company. The security is granted to secure all present and future obligations owing to HSBC by any of the Obligors.

Pursuant to the terms of the security confirmation deed, the Obligors confirm that various guarantees and security provided to HSBC under previous financings will remain in full force and effect and will secure the debt outstanding under the Facilities Agreement.

## **7. DETAILS OF THE FUNDRAISING**

### ***Placing***

The Company has conditionally placed with institutional and other investors 7,250,000 Placing Shares in aggregate at the Issue Price to raise gross proceeds of £29 million (before commissions and expenses). The Placing Shares, when issued, will represent approximately 25.0 per cent. of the Enlarged Share Capital immediately following First Admission (assuming full take up of the Retail Offer) and the Issue Price represents a discount of approximately 3.6 per cent. to the closing mid-market price of 415 pence per Existing Ordinary Share on 30 September 2024, being the latest practicable date prior to the publication of the placing launch announcement.

The Board believes that raising equity finance using the flexibility provided by a non-pre-emptive placing is the most appropriate and optimal structure for the Company at this time. This allows certain existing institutional holders and new institutional and other investors the opportunity to participate in the Placing.

The Placing (which is not being underwritten) is conditional upon, amongst other things, the Acquisition Agreement having been entered into by the parties thereto, the Resolutions being passed at the General Meeting, the Placing Agreement not having been terminated in accordance with its terms and First Admission of the Placing Shares becoming effective on or before 8.00 a.m. on 21 October 2024 (or such later date as the Company and the Joint Brokers may agree, being not later than 8.00 a.m. on 28 October 2024). The Placing Shares are not subject to clawback.

**Shareholders and potential investors should note the Placing is not conditional on completion of the Acquisition. In the unlikely event the Placing completes and the Acquisition does not complete, the Company may, at its option, decide to use the funds for alternative investments or consider a tax efficient way to return the net proceeds to Shareholders.**

### ***Placing Agreement***

Pursuant to the terms of the Placing Agreement, the Joint Brokers have conditionally agreed to use their reasonable endeavours, as agents for the Company, to procure subscribers for the Placing Shares at the Issue Price. The Placing Agreement contains customary warranties from the Company in favour of the Joint Brokers in relation to, amongst other things, the accuracy of the information in this document and other matters relating to the Group and its business. In addition, the Company has agreed to provide a customary indemnity in favour of the Joint Brokers in relation to certain liabilities they may incur in respect of the Fundraising.

The Joint Brokers have the right to terminate the Placing Agreement in certain circumstances prior to First Admission, in particular, in the event of any of the warranties given in the Placing Agreement being untrue, inaccurate or misleading, there being a breach by the Company of any of its material obligations under the Placing Agreement and/or the occurrence of a force majeure event or a material adverse change affecting, amongst other things, the Placing or dealings in the Fundraising Shares in the secondary market. The Joint Brokers also have the right to terminate the Placing Agreement if any party to the Acquisition Agreement terminates, or has given notice to terminate the Acquisition Agreement. The Joint Brokers may also terminate the Placing Agreement if they become aware that the Company has breached any of its material obligations under the Retail Offer. The Joint Brokers also have the ability to terminate the Placing Agreement if the Retail Offer is terminated. The Placing Agreement includes provisions that if one of the Joint Brokers terminates its obligations under the Placing Agreement, the other Joint Broker may elect to continue with the Placing.

The Placing Shares have not been made available to the public and have not been offered or sold in any jurisdiction where it would be unlawful to do so.

### **Retail Offer**

The Retail Offer allows Retail Investors who are resident in the United Kingdom and who have not participated in the Placing to participate in the Fundraising by subscribing for Retail Offer Shares through the financial intermediaries which are listed, subject to certain access restrictions, on the Bookbuild Platform.

The Retail Offer remains conditional on the Placing being or becoming wholly unconditional, including the passing of the Resolutions and First Admission of the Placing Shares.

The Retail Offer is not underwritten. The Retail Offer will close at 4.30 p.m. on 7 October 2024 and will conditionally raise up to approximately £1 million (before expenses) through the issue of a maximum of 250,000 Retail Offer Shares. It is expected that the results of the Retail Offer will be announced at 7.00 a.m. on 8 October 2024.

The net proceeds from the Retail Offer are expected to be used for general working capital purposes including reducing the Company's debt levels.

The Retail Offer Shares, when issued, will represent approximately 0.9 per cent. of the Enlarged Share Capital immediately following First Admission (assuming full take up of the Retail Offer).

The Company is relying on an available exemption from the need to publish a prospectus approved by the FCA in connection with the Retail Offer.

**Shareholders should note the Retail Offer is not conditional on completion of the Acquisition. In the unlikely event the Retail Offer completes and the Acquisition does not complete the Company may, at its option, decide to use the funds for alternative investments or consider a tax efficient way to return the net proceeds to Shareholders.**

### **Settlement and dealings**

Subject to, amongst other things, the passing of the Resolutions, applications will be made to the London Stock Exchange for the New Ordinary Shares to be admitted to trading on AIM. It is expected that First Admission will become effective and dealings in the Fundraising Shares will commence on AIM at 8.00 a.m. on 21 October 2024. As the Consideration Shares cannot be admitted to trading until Completion, the Company will make a further announcement through RIS confirming when it is expected that Second Admission will become effective and dealings in the Consideration Shares will commence.

The New Ordinary Shares will, on the relevant Admission, rank *pari passu* in all respects with the Existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of the relevant Admission.

## **8. DIRECTORS' PARTICIPATION IN THE PLACING**

The following Directors have participated in the Placing as set out below:

<b>Director</b>	<b>Position</b>	<b>Amount (£)</b>	<b>Number of Placing Shares</b>
Andrew Kitchingman	Non-executive Chairman	10,000	2,500
Adam Holland	Chief Executive Officer	20,000	5,000
William Wilkins	Group Finance Director	20,000	5,000
Sara Fowler	Non-executive Director	20,000	5,000
Matthew Taylor	Non-executive Director	20,000	5,000
<b>Total</b>		<b>90,000</b>	<b>22,500</b>

## 9. RELATED PARTY TRANSACTION

Schroders, a substantial shareholder of the Company for the purposes of the AIM Rules, has subscribed for 1,207,000 Placing Shares at the Issue Price.

The above participation by Schroders in the Placing is deemed to be a related party transaction for the purposes of AIM Rule 13. The Directors, having consulted with SCC, the Company's nominated adviser, consider that the terms of Schroders' participation in the Placing are fair and reasonable insofar as Shareholders are concerned.

## 10. GENERAL MEETING

The Board utilised the majority of the Company's existing shareholder authorities granted at the 2024 AGM to allot the BCA Consideration Shares. As such, the Directors do not have the necessary authority to allot the New Ordinary Shares. Accordingly, the Board is seeking the approval of Shareholders to provide the authority to allot New Ordinary Shares in respect of the Fundraising and the Acquisition.

Set out at the end of this document is a notice convening the General Meeting to be held at 2 Argosy Court, Coventry, CV3 4GA at 9.00 a.m. on Friday 18 October 2024, at which the Resolutions will be proposed for the purposes of implementing the Fundraising, the Acquisition and Admission.

Resolution 1, which will be proposed as an ordinary resolution, is to authorise the Directors to allot the New Ordinary Shares pursuant to the Fundraising and the Acquisition and otherwise to allot relevant securities up to £2,419,481 in nominal value (representing approximately one third of the issued share capital following First Admission) provided that such authority shall expire on the date falling 15 months after the date of the resolution or on the date of the next annual general meeting of the Company, whichever is the earlier.

Resolution 2, which will be proposed as a special resolution and which is conditional upon the passing of Resolution 1, disapplies Shareholders' statutory pre-emption rights in relation to the issue of the New Ordinary Shares pursuant to the Fundraising and the Acquisition but subject to such exclusions or other arrangements, such as fractional entitlements and overseas shareholders as the Directors consider necessary. Resolution 2 grants further authority to allot equity securities for cash on a non-pre-emptive basis up to an aggregate nominal amount of £725,844 (representing approximately 10 per cent. of the issued share capital following First Admission), provided that such authority shall expire on the date falling 15 months after the date of the resolution or on the date of the next annual general meeting of the Company, whichever is the earlier.

The authorities conferred by the Resolutions are in addition to the existing authorities conferred on the Directors by Shareholders at the 2024 AGM, which are due to expire at the conclusion of the annual general meeting of the Company to be held in 2025 (or, if earlier, at the close of business on 15 August 2025).

An ordinary resolution requires the approval of a simple majority of Shareholders who vote at the General Meeting and a special resolution requires the approval of at least 75 per cent. of Shareholders who vote at the General Meeting, in order to be passed.

## 11. ACTION TO BE TAKEN

**You can vote electronically by visiting [www.signalshares.com](http://www.signalshares.com) where full details of the procedure can be found. You will need your investor code or IVC number which are printed on share certificates or can be obtained by contacting the Company's Registrar, Link Group. You may also request a hard copy proxy form directly from Link Group. Instructions on how to do this are provided on page 24 of this document. Your proxy appointment(s) and instructions, whether submitted by hard copy or made electronically, must be received by Link Group by 9.00 a.m. on Wednesday 16 October 2024 (or, if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting). Any appointments and instructions received after this time, or sent to any address other than that provided, will not be valid.**

**A proxy may also be appointed by CREST members by using the CREST electronic proxy appointment service.**

**If you are an institutional investor you may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io).**

**The appointment of a proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.**

**The Fundraising is conditional, amongst other things, upon the passing of the Resolutions at the General Meeting. Shareholders should be aware that, if the Resolutions are not passed at the General Meeting, then the Fundraising will not proceed.**

If you have any questions relating to the appointment of a proxy, Link Group can be contacted via email at [shareholderenquiries@linkgroup.co.uk](mailto:shareholderenquiries@linkgroup.co.uk) or by calling +44 (0)371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. The Registrar cannot provide advice on the merits of the Resolutions nor give any financial, legal or tax advice.

## **12. RECOMMENDATION**

**The Directors consider the Acquisition and the Fundraising to be in the best interests of the Company and its Shareholders as a whole and accordingly unanimously recommend Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting as those Directors who hold Ordinary Shares intend to do in respect of their beneficial holdings amounting, in aggregate, to 140,007 Existing Ordinary Shares as at 1 October 2024 (being the last practicable date prior to the publication of this document), representing 0.65 per cent. of the Company's existing issued share capital.**

Yours faithfully,

**Andrew Kitchingman**  
*Chairman*

## NOTICE OF GENERAL MEETING

# Mpac Group plc

*(incorporated in England and Wales with registered number 00124855)*

**Notice is hereby given** that a general meeting (the “**Meeting**”) of Mpac Group plc (the “**Company**”) will be held at 2 Argosy Court, Coventry, CV3 4GA on Friday 18 October 2024 at 9.00 a.m., for the purpose of considering and, if thought fit, passing the following resolutions (“**Resolutions**”), of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution of the Company.

In this Notice of General Meeting, words and defined terms shall have the same meanings as words and defined terms in the circular to Shareholders of the Company dated 2 October 2024 of which this Notice of General Meeting forms part.

### Ordinary Resolution

1. THAT, in addition to all existing authorities given to them pursuant to section 551 of the Companies Act 2006 (the “**Act**”) prior to the date of the passing of this resolution, the directors of the Company (the “**Directors**”) be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Act to exercise all of the powers of the Company to allot shares in the Company, and to grant rights to subscribe for, or to convert any security into, shares in the Company (such shares, and rights to subscribe for or to convert any security into shares of the Company being “**relevant securities**”) provided that this authority shall be limited to:

- (a) the allotment of up to 7,250,000 new ordinary shares of £0.25 each in the capital of the Company (“**Ordinary Shares**”) in connection with the Placing;
- (b) the allotment of up to 250,000 new Ordinary Shares in connection with the Retail Offer;
- (c) the allotment of 1,039,500 new Ordinary Shares in connection with the Acquisition; and
- (d) the allotment (otherwise than pursuant to sub-paragraphs (a) to (c) above) of relevant securities up to an aggregate nominal value equal to £2,419,481,

and unless previously renewed, revoked, varied or extended, this authority shall expire at the earlier of the date which is 15 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this authority had not expired.

### Special Resolution

2. THAT, conditional on the passing of Resolution 1 and in addition to all existing authorities given to the Directors pursuant to section 570 of the Act prior to the passing of this resolution, the Directors be and they are empowered pursuant to section 570(1) and 571(1) of the Act, as applicable, to allot equity securities (as defined in section 560 of the Act) of the Company for cash pursuant to the authority of the Directors under section 551 conferred by Resolution 1 above, and/or where such allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotment provided that the power conferred by this resolution shall be limited to:

- (a) the allotment of up to 7,250,000 new Ordinary Shares in connection with the Placing;
- (b) the allotment of up to 250,000 new Ordinary Shares in connection with the Retail Offer;
- (c) the allotment of 1,039,500 new Ordinary Shares in connection with the Acquisition;
- (d) the allotment of equity securities in connection with an invitation or offer of equity securities to the holders of ordinary shares in the capital of the Company (excluding any shares held by the Company as treasury shares (as defined in section 724(5) of the Act)) on a fixed record date in proportion (as nearly as practicable) to their respective holdings of such shares or in accordance with the rights attached to such shares (but subject to such exclusions or other arrangements as

the directors may deem necessary or expedient in relation to fractional entitlements or as a result of legal or practical problems under the laws of, or the requirements of any regulatory body or any stock exchange in any territory or otherwise howsoever); and

- (e) the allotment (otherwise than pursuant to sub-paragraphs (a) to (d) above) of equity securities up to an aggregate nominal value equal to £725,844,

and unless previously renewed, revoked, varied or extended, this power shall expire at the earlier of the date which is 15 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such an offer or agreement as if this power had not expired.

2 October 2024

**BY ORDER OF THE BOARD**

Prism Cosec Limited  
*Company Secretary*

*Registered office:*

Station Estate  
Tadcaster  
North Yorkshire  
LS24 9SG

**Notes:**

The following notes explain your general rights as a shareholder and your right to vote at the Meeting or to appoint someone else to vote on your behalf.

- (a) To be entitled to vote at the Meeting (and for the purpose of the determination by the Company of the number of votes they may cast), shareholders must be registered in the register of members of the Company at close of trading on Wednesday 16 October 2024, or if the meeting is adjourned, close of business on the day which is two days prior to the adjourned meeting. In each case, changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Meeting.
- (b) Voting at the Meeting will be by way of poll rather than on a show of hands. This is a more transparent method of voting as shareholder votes are counted according to the number of shares held and will help to ensure an exact and definitive result. If you will not be participating in the meeting in person and wish to vote in advance, you may appoint a proxy as further detailed in notes (g) to (i) below.
- (c) Shareholders are entitled to appoint another person as a proxy to exercise all or part of their rights to vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided that each proxy is appointed to exercise the rights attached to a different ordinary share or ordinary shares held by that shareholder. A proxy need not be a shareholder of the Company. If you wish your proxy to speak at the Meeting, you should appoint a proxy other than the chairman of the Meeting and give your instructions to that proxy.
- (d) Appointing a proxy will not prevent you from attending the Meeting and voting in person. However, if you decide to do so, any proxy previously appointed by you will not also be able to attend, speak and vote on your behalf.
- (e) In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first named being the most senior).
- (f) A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- (g) In order to reduce the Company's environmental impact, our intention is to remove paper from the voting process as far as possible. You are therefore asked to appoint a proxy to vote on your behalf at the Meeting in one of the following ways:
  - (i) Online – You can register your vote online through the Registrar's portal – [www.signalshares.com](http://www.signalshares.com). You will need your investor code which is printed on your share certificate or may be obtained by calling the Company's Registrar, Link Group, on 0371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.
  - (ii) CREST – CREST members may use the CREST electronic proxy appointment service as detailed in note (i) below.
  - (iii) Proxymity Voting – If you are an institutional investor, you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar.  
For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.
  - (v) Hard copy – If you prefer, you may request a hard copy proxy form from the Company's Registrar using the telephone number shown above and return it to Link Group, PXS 1, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

To be valid, all proxy appointments, whether in electronic or hard copy form, must be received by the Company's Registrar by 9.00 a.m. on Wednesday 16 October 2024 or, if the Meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the time fixed for the adjourned meeting.

- (h) If you return more than one proxy appointment, whether in electronic or hard copy form, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.
- (i) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from [www.euroclear.com/site/public/EUI](http://www.euroclear.com/site/public/EUI)). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent (ID RA10) by the latest time for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular message. Normal system timings



and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

- (j) Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that no more than one corporate representative exercises powers in relation to the same shares.
- (k) As at the date of this Notice of General Meeting, the Company's issued ordinary share capital comprises 21,533,773 ordinary shares of £0.25 each. The Company does not hold any ordinary shares in treasury. Each ordinary share carries one vote and therefore the total number of voting rights at 1 October 2024 was 21,533,773.
- (l) We always welcome questions from our shareholders and we request that shareholders submit their questions to the Board before the Meeting. We will ensure that answers to questions are placed on the Company's website. You can submit questions up until 9.00 a.m. on Wednesday 16 October 2024 by emailing them to [cosec@mpac-group.com](mailto:cosec@mpac-group.com).
- (m) None of the email addresses referred to in this document may be used for any purpose other than those specified.
- (n) A copy of this document will be available on the Company's website at [www.mpac-group.com](http://www.mpac-group.com).

