



**Pact Group Holdings Ltd**  
ABN 55 145 989 644

PGH

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



22 November 2017

***Not for release or distribution in the United States***

Dear Shareholder

**Pact Group Holdings Ltd - Accelerated Non-renounceable Entitlement Offer - Notification to Ineligible Retail Shareholders**

On Wednesday, 15 November 2017, Pact Group Holdings Ltd ABN 55 145 989 644 (**Pact**) announced that it was conducting an accelerated pro-rata non-renounceable entitlement offer of 1 new fully paid ordinary Pact share (**New Shares**) for every 9 fully paid ordinary Pact shares (**Shares**) held as at the record date, being 7.00 pm (Melbourne time) on Friday, 17 November 2017 (**Record Date**) by Pact shareholders with a registered address in Australia or New Zealand and certain other jurisdictions in which Pact has decided to extend the entitlement offer, at an offer price of \$5.28 per New Share (**Offer Price**) to raise approximately \$176 million (**Offer**).

The Offer is fully underwritten by Credit Suisse (Australia) Limited (**Underwriter**).

The Offer comprises an offer to eligible Pact institutional shareholders (**Institutional Entitlement Offer**) and an offer to eligible Pact retail shareholders to participate on the same terms (**Retail Entitlement Offer**).

The Offer is being made by Pact in accordance with section 708AA of the *Corporations Act 2001* (Cth) (the **Act**), as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84, meaning that the Offer does not require disclosure under Part 6D.2 of the Act and no prospectus or product disclosure statement is required to be prepared in relation to the Offer.

**Retail Entitlement Offer**

The Retail Entitlement Offer, which will raise approximately \$25 million, is being made to Eligible Retail Shareholders (as defined below) on the basis of 1 New Pact Share for every 9 Shares held at 7.00pm (Melbourne time) on the Record Date.

Pact has today lodged a retail offer booklet with the ASX which sets out further details in respect of the Offer, particularly in respect of retail shareholders and the Retail Entitlement Offer (**Retail Offer Booklet**). The Retail Offer Booklet will be mailed to Eligible Retail Shareholders (as defined below) on Wednesday, 22 November 2017.

**Eligibility criteria**

Pact has determined, pursuant to ASX Listing Rule 7.7.1(a) and section 9A of the Act, that it would be unreasonable to make offers to shareholders in all countries outside Australia and New Zealand in connection with the Retail Entitlement Offer. This is due to the legal and regulatory requirements in countries other than Australia and New Zealand and the potential costs to Pact of complying with these requirements, compared with the relatively small number of shareholders in those countries, the relatively small number of Shares they hold and the relatively low value of New Shares to which those shareholders would otherwise be entitled to subscribe for.

Shareholders who are eligible to participate in the Retail Entitlement Offer (**Eligible Retail Shareholders**) are those persons who:

- (a) are registered as a holder of shares as at the Record Date, being 7.00pm (Melbourne time) on 17 November 2017;
- (b) have a registered address on the Pact share register in Australia or New Zealand as at 7.00pm (Melbourne time) on the Record Date;
- (c) are not in the United States and are not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States with respect to their Shares (to the extent such person holds Shares for the account or benefit of such person in the United States);
- (d) were not invited to participate (other than as nominee, in respect of other Shares) under the Institutional Entitlement Offer, and were not treated as an ineligible institutional shareholder under the Institutional Entitlement Offer; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

Unfortunately, according to our records, you do not satisfy the eligibility criteria for an Eligible Retail Shareholder as stated above. Accordingly, in compliance with ASX Listing Rule 7.7.1(b) and section 9A of the Act, Pact wishes to advise you that it will not be extending the Retail Entitlement Offer to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer. You will not be sent the Retail Offer Booklet or be able to subscribe for New Shares under the Retail Entitlement Offer.

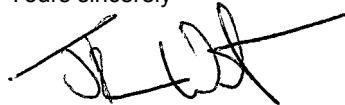
The Offer is non-renounceable. A number of New Shares equal to the number that you would otherwise have been entitled to subscribe for under the Offer (had you not been an ineligible shareholder) will be offered to certain institutional investors at the Offer Price or will be subscribed for by the Underwriter at the Offer Price.

**No action required**

This letter is to inform you that you are not an Eligible Retail Shareholder for the purposes of the Retail Entitlement Offer. This letter is not an offer to issue New Shares to you, nor an invitation to apply for New Shares. You are not required to do anything in response to this letter.

If you have any questions in relation to any of the above matters, please contact the Pact Shareholder Information Line on 1300 145 332 (within Australia) or +61 3 9415 4290 (outside Australia) between 8.30am and 5.00pm (Melbourne time) Monday to Friday.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jonathon West', with a long horizontal stroke extending to the right.

**Jonathon West**  
General Counsel & Company Secretary

## Not for distribution or release in the United States

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which such an offer would be unlawful. The New Shares offered in the Retail Entitlement Offer have not been, and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or the securities laws of any state or other jurisdiction of the United States and may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(k) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

Because of legal restrictions, you must not send copies of this letter or any material in relation to the Retail Entitlement Offer to any person outside Australia and New Zealand. Failure to comply with these restrictions may result in violations of applicable securities laws.

## Forward looking statements

This letter contains certain 'forward looking statements', including but not limited to projections, guidance on future revenues, earnings, margin improvement, other potential synergies and estimates, the timing and outcome of the proposed acquisitions, the outcome and effects of the Offer and the use of proceeds, and the future performance of Pact and the target businesses. Forward looking statements can generally be identified by the use of forward looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'should', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance', 'potential' and other similar expressions within the meaning of securities laws of applicable jurisdictions.

Forward-looking statements, including projections, guidance on future earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. The forward looking statements contained in this letter are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Pact, its directors and management, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the 'Key Risks' section of Pact's investor presentation announced to ASX in connection with the acquisitions for a summary of certain acquisition, business and share and entitlement offer risk factors that may affect Pact. There can be no assurance that actual outcomes will not differ materially from these forward looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in Pact's investor presentation announced to ASX in connection with the acquisitions. Investors should consider the forward looking statements contained in this letter in light of those disclosures. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this letter.

The forward looking statements are based on information available to Pact as at the date of this letter. Except as required by law or regulation (including the ASX Listing Rules), Pact undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements. Nothing in this letter will under any circumstances create an implication that there has been no change in the affairs of Pact since the date of this letter.