MANDATORY PUBLIC TAKEOVER BID IN CASH POSSIBLY FOLLOWED BY A SQUEEZE-OUT BY

CONGRA SOFTWARE S.À.R.L.
a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg
19-21 Route d'Arlon, L-8009 Strassen, Luxembourg
with registration number B162896
(**Congra** or the **Bidder**)

FOR ALL SHARES NOT YET OWNED BY THE BIDDER (AND ITS AFFILIATES/CONCERT PARTIES) AMOUNTING TO A TOTAL MAXIMUM OF 64.11% OF THE SHARES ISSUED BY

GLOBAL GRAPHICS PLC
a public limited company incorporated under the laws of England and Wales
2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW, United Kingdom
with registration number 10872426
(**Global Graphics** or the **Target**)

at the price of EUR 4.25 per share
(the **Takeover Bid**)

The initial acceptance period will start on 24 January 2019 and end on 25 February 2019 (inclusive) at 4:00 p.m. CET (3:00 p.m. GMT) (the **Initial Acceptance Period**). Acceptance forms (the **Acceptance Forms**) must be deposited with any branch of KBC Bank NV either directly or through a financial intermediary. Any electronic acceptances on CREST must be submitted to Link Asset Services by TTE instruction by 25 February 2019 (inclusive) at 4:00 p.m. CET (3:00 p.m. GMT).

Subject to certain restrictions relating to persons resident in any Restricted Jurisdictions, this prospectus (the **Prospectus**), including the response memorandum prepared by the board of directors of the Target (the **Response Memorandum**) and the Acceptance Form, is available free of charge at the counters of KBC Bank NV or by phone at +32 (0)78 15 21 53 (KBC Bank NV/SA), +32 (0) 800 92 020 (CBC Banque NV/SA) or +32 32 83 29 81 (Bolero by KBC Securities NV/SA). Subject to certain restrictions relating to persons resident in any Restricted Jurisdictions, an electronic version of the Prospectus, including the Response Memorandum and the Acceptance Form, is available on the websites of KBC Securities NV in cooperation with KBC Bank NV (https://www.kbcsecurities.com/prospectus-documents-overviews/prospectus-overview, https://www.kbc.be, https://www.cbc.be and https://www.bolero.be) and the Target (https://www.globalgraphics.com/investors/congra-acquisition).

Financial adviser for the Bidder

KBC Securities

Prospectus dated 22 January 2019

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SUMMARY OF THE PROSPECTUS

Important notice

This summary must be read as an introduction to the Prospectus. It must be read together with, and is qualified in its entirety by, the more detailed information appearing elsewhere in the Prospectus.

Any decision as to whether or not to accept the Takeover Bid must be based on a careful and comprehensive reading of the whole Prospectus. The Shareholders are requested to form their own opinion on the conditions of the Takeover Bid as well as on the advantages and disadvantages which this decision is likely to have on them.

No civil liability can be attributed to anyone solely with respect to this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus.

Terms used in this summary with a capital initial letter that are not expressly defined therein shall have the meaning attributed to them in the Prospectus.

Target

The target company is Global Graphics PLC, a public limited company incorporated under the laws of England and Wales, with its registered office at 2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW, the United Kingdom and registered under number 10872426 (**Global Graphics** or the **Target** and, together with its subsidiaries, the **GG Group**).

The shares of the Target (the **Shares**) are admitted to trading on the Euronext Brussels Market (ISIN code: GB00BYN5BY03).

Bidder

The bidder is Congra Software S.à.r.l., a limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg, with its registered office at 19-21 Route d'Arlon, L-8009 Strassen, Luxembourg and registered under number B162896 (**Congra** or the **Bidder**).

On the date of the Prospectus, Guido Van der Schueren, together with his wife and his three children, owns 67.08% of the shares (approximately) of the Bidder, either directly or indirectly through Stichting Administratiekantoor Graphicus, a private foundation incorporated under the laws of Belgium, with its registered office at 10 Zuylenveld, 9830 Sint-Martens-Latem, Belgium and registered under number 0662.365.884 (**Graphicus**), which in turn controls Powergraph BVBA, a private limited liability company incorporated under the laws of Belgium, with its registered office at 10 Zuylenveld, 9830 Sint-Martens-Latem, Belgium and registered under number 0454.469.744 (**Powergraph**). The main shareholders of the Bidder are Powergraph (which holds 553,479 Shares, 51.32% of the Bidder's issued share capital (approximately)) and Graphicus (which holds 169,948 Shares, 15.76% of the Bidder's issued share capital (approximately)). The remaining 32.92% of the shares of the Bidder are held by third party shareholders as follows: (i) IBTS LLC holds 14.24% of the shares (approximately); (ii) Coussement Patrick holds 5.44% of the shares (approximately); (iii) CG Invest GmbH holds 3.98% of the shares (approximately); (iv) Big Friend NV holds 2.62% of the shares (approximately); (v) Ter Muden BVBA holds 1.16% of the shares (approximately); (vi) Mike Rottenborn holds 1.04% of the shares (approximately); and (vii) 47 other remaining shareholders who each hold less than 1% and, in aggregate, 4.45% of the shares (approximately).

On the date of the Prospectus, the Bidder holds (directly and indirectly through its affiliates/concert parties (together with the Bidder, the **Congra Group**)) an aggregate of 4,134,138 of the outstanding Shares (representing 35.59% of the voting rights in the Target (the **Target Voting Rights**) (approximately)), of which (i) 2,494,138 Shares (representing 21.47% of the Target Voting Rights (approximately)) are held directly by the Bidder and (ii) 1,640,000 Shares (representing 14.12% of the Target Voting Rights (approximately)) are held through Powergraph, as an affiliate (and concert party) of the Bidder. The calculation of these aforementioned percentages exclude the 218,279 Treasury Shares (representing 1.84% of the share capital of the Target).

As set out below, under the UK City Code on Takeovers and Mergers (the **UK Takeover Code**), the Bidder and Powergraph are considered to be "acting in concert" and their respective holdings in the Target are aggregated for the purposes of determining whether the threshold which triggers the requirement for a mandatory takeover bid has been crossed.

Characteristics of the Takeover Bid

Shared jurisdiction offer

As Global Graphics is a company with its registered office in England and Wales that is only admitted to trading on Euronext Brussels, the shared jurisdiction rules pursuant to article 4 of the E.U. Directive 2004/25/EC of 21 April 2004 on Takeover Bids (the **Takeover Directive**) apply to the Takeover Bid. Accordingly, the Takeover Bid falls under the shared jurisdiction of the UK Panel on Takeovers and Mergers in the UK (the **UK Takeover Panel**) and the FSMA in Belgium, who are jointly regulating the Takeover Bid.

The UK Takeover Code applies to the Takeover Bid in respect of matters relating to the information to be provided to the employees of Global Graphics and matters relating to UK company law (in particular, the percentage of voting rights which confers control and any derogation from the obligation to launch an offer, as well as the conditions under which the board of Global Graphics may undertake any action which might result in the frustration of an offer) ("employee information and company law matters"). Such employee information and company law matters are being administered by the UK Takeover Panel.

The Belgian Act of 1 April 2007 on takeover bids (the **Belgian Takeover Act**) and the Belgian Royal Decree of 27 April 2007 on takeover bids (the **Belgian Takeover Decree** and together with the Belgian Takeover Act, the **Belgian Takeover Laws**) will apply to matters relating to the consideration offered in the context of the Takeover Bid (in particular, the Bid Price (as defined below)) and matters relating to the offer procedure (in particular, the information on the Bidder's decision to make a Takeover Bid, the contents of the Prospectus and the disclosure of the Takeover Bid) ("consideration and procedural matters"). Such consideration and procedural matters are being administered by the FSMA.

In the event that the UK withdraws from the EU in a "no deal" scenario (i.e. without a withdrawal agreement and a transition period having been agreed), then the shared jurisdiction rules in section 3(a)(iii) of the Introduction to the UK Takeover Code are likely to be deleted with effect from 12:00 a.m. CET (11.00 p.m. GMT) on 29 March 2019. The Bidder understands that as Global Graphics is not currently considered by the UK Takeover Panel to have its place of central management and control in the United Kingdom, the UK Takeover Code will cease to apply to the Takeover Bid with effect from this time (in the event that the Takeover Bid is still continuing) and thereafter will not apply to Global Graphics for so long as central management and control of Global Graphics remains outside of the UK.

Nature and purpose of the Takeover Bid

Following the decision of the Target and the Bidder not to proceed with the scheme of arrangement under Part 26 of the UK Companies Act 2006 (the **Scheme**), as announced on 13 November 2018, the Bidder entered into two share purchase agreements on 12 November 2018 to acquire a total of 1,973,068 Shares in the Target (representing 16.98% of the Target Voting Rights (approximately)), which were held, respectively, by Clema Capital Sàrl (i.e. 1,517,171 Shares, representing 13.06% of the Target Voting Rights (approximately)) and Johan Volckaerts (i.e. 455,897 Shares, representing 3.92% of the Target Voting Rights (approximately)), for a purchase price in cash of EUR 4.25 per Share (the **GG Share Purchase Agreements**).

On 13 November 2018, the Bidder announced that it had incurred an obligation (under the UK Takeover Code), and accordingly intended, to launch a Takeover Bid as a result of the entry into the GG Share Purchase Agreements. The completion of the acquisition of the respective Shares in the Target pursuant to the GG Share Purchase Agreements (the **Private Acquisition**) took place on 26 November 2018.

Between the date of entry into and the date of completion of the Private Acquisition, the Bidder also acquired an additional holding participation in the Target of 103,317 Shares in total (representing 0.89% of the Target Voting Rights (approximately)) through market orders transactions. Following the completion of the Private Acquisition, the Bidder acquired other additional holding participations in the Target through market orders resulting in an aggregate holding by the Bidder of 417,753 Shares (representing 3.60% of the Target Voting Rights (approximately)). The price per Share paid in these market order transactions amounted to EUR 4.25 or below.

As a result of the Private Acquisition and those market orders transactions, the Bidder holds (directly and indirectly through its affiliates/concert parties) an aggregate of 4,134,138 Shares (representing 35.59% of the Target Voting Rights (approximately)). The aforementioned percentages exclude the 218,279 Treasury Shares (representing 1.84% of the Shares (approximately)).

Given that the shared jurisdiction rules under the Takeover Decree apply to the Target, the threshold triggering the obligation to make a mandatory takeover bid must be calculated by reference to the UK Takeover Code. Treasury shares are not treated as voting securities for this purpose. As the aggregate interests in the Shares held by the Bidder and its concert parties exceeded 30% of the Target Voting Rights as a result of the entry into the GG Share Purchase Agreements and, additionally, as a result of subsequent purchases, the Bidder has incurred obligations under the UK Takeover Code to make a general offer for the rest of the issued share capital of Global Graphics.

In accordance with article 56 of the Belgian Takeover Decree, the Takeover Bid was filed with the FSMA on 28 November 2018 and the announcement of the Takeover Bid was published by the FSMA on 29 November 2018.

Financial Instruments subject to the Takeover Bid

Shares

On the date of the Prospectus, the Target has issued 11,835,707 Shares, representing 11,617,428 Target Voting Rights. The Target holds 218,279 of the outstanding Shares as treasury stock, representing 1.84% of the share capital of the Target (the **Treasury Shares**).

The Takeover Bid relates to all Shares issued by the Target on the date of the Prospectus, except for (i) the Shares already held by the Bidder, (ii) the Shares already held by concert parties of the Bidder (i.e. the Shares held by Powergraph) and (iii) the Treasury Shares of the Target.

As set out above, the Treasury Shares do not form part of the Takeover Bid. However, the Treasury Shares held by the Target which may be transferred out of treasury during the Acceptance Period as a result of the exercise of the Vested Options (as defined below) will form part of the Takeover Bid and are also included in the maximum amount of Shares to which the Takeover Bid relates.

Therefore, the Takeover Bid relates to a total maximum of 7,588,066 Shares (representing in total 64.11% of the issued Shares and 65.32% of the Target Voting Rights (approximately)).

For the avoidance of doubt, this total maximum of Shares to which the Takeover Bid relates, is calculated as follows:

Total number of issued Shares (including SIP Shares)	11,835,707
MINUS	
Number of Shares held by the Bidder	2,494,138
Number of Shares held by concert parties of the Bidder	1,640,000
Number of Treasury Shares	218,279
PLUS	
Number Shares relating to the Vested Options (as defined below)	104,776
Total Maximum of Shares to which the Takeover Bid Relates	**7,588,066**

Share Options and SIP Shares

The Target operates an employee share option arrangement, under which there are outstanding options to acquire an aggregate of 242,776 Shares (the **Share Options**). Share Options in respect of an aggregate of 104,776 Shares (the **Vested Options**) are already vested and exercisable in accordance with their terms, with a nil exercise price. Share Options in respect of an aggregate of 138,000 Shares, with a nil exercise price, have not yet vested in accordance with their terms (the **Unvested Options**). All outstanding Share Options are held by current staff members of the GG Group.

The Takeover Bid does not extend to the Share Options as those are all non-transferrable. However, the Takeover Bid does extend to any Shares issued or transferred during the Acceptance Period to holders of the Share Options as a result of the exercise of the Vested Options.

The Bidder will invite holders of Vested Options to exercise their Share Options and accept the Takeover Bid in respect of the Shares to which the holders become entitled on exercise. Accordingly, the Shares held by the holders of the Share Options who elect to exercise their Vested Options and accept the Takeover Bid will be acquired at the Bid Price and under the terms and conditions of the Takeover Bid. The Treasury Shares held by the Target which will be transferred out of treasury during the Acceptance Period as a result of the exercise of the Vested Options will form part of the Takeover Bid. As such, they are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates.

Vesting of the Unvested Options is not accelerated by the Takeover Bid and the Unvested Options will continue on their terms until their normal vesting date. The Bidder will, following the vesting of any Unvested Options, reopen the Takeover Bid (by way of a private offer) on a voluntary basis during the exercise period of such Share Options, and invite the holders to exercise their Share Options and accept the Takeover Bid in respect of the Shares to which the holders become entitled on exercise.

The Target also operates a Share Incentive Plan (the **SIP**), under which participants have purchased Shares, and have been awarded further Shares (the **SIP Shares**). The SIP Shares are held on behalf of SIP participants in the SIP trust under the terms of the SIP trust deed and SIP rules. There are 40 SIP participants holding an aggregate of 120,265 SIP Shares. In accordance with the SIP rules and SIP trust deed, SIP participants will be notified of the Takeover Bid, and in respect of 59,719 of the SIP Shares, may direct the SIP trustees to accept the Takeover Bid in respect of such SIP Shares (the **Free SIP Shares**).

There are 60,546 SIP Shares in respect of which participants cannot accept the Takeover Bid without, in accordance with the SIP rules and SIP trust deed, either forfeiting the SIP Shares or impacting the beneficial tax treatment afforded to such SIP Shares (the **Restricted SIP Shares**).

The SIP Shares (i.e. both the Free and Restricted SIP Shares) are covered by the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates. The notification to SIP participants will explain the impact under the SIP rules and SIP trust deed of accepting the offer for Restricted SIP Shares.

Due to the impact for SIP participants of accepting the offer for Restricted SIP Shares, it is not anticipated that SIP participants will accept the offer for such SIP Shares. In relation to these Restricted SIP Shares, on the expiry of the applicable holding periods, the Bidder will reopen the Takeover Bid (by way of a private offer) on a voluntary basis for a short period, and invite the participants to accept the Takeover Bid in respect of the relevant SIP Shares.

Squeeze-out

If sufficient acceptances are received and/or sufficient Shares are otherwise acquired or agreed to be acquired, the Bidder intends to apply the provisions of Chapter 3 of Part 28 of the UK Companies Act 2006 to acquire compulsorily any Shares not acquired or agreed to be acquired by or on behalf of the Bidder pursuant to the Takeover Bid or otherwise on the same terms as the Takeover Bid (the **Squeeze-out**). The relevant thresholds for these purposes are that the Bidder has, by virtue of acceptances of the Takeover Bid, acquired or unconditionally contracted to acquire not less than 90% in value of the Shares to which the Takeover Bid relates and 90% of the voting rights carried by those Shares (i.e. 90% in value of and of the voting rights carried by a total maximum of 7,588,066 Shares (representing in total 65.32% of the Target Voting Rights (approximately)). Any Shares already owned by the Congra Group at the date of the publication of this Prospectus and any Shares acquired by the Congra Group before the date of publication of this Prospectus (i.e. an aggregate of 4,134,138 Shares, representing 35.59% of the Target Voting Rights (approximately)) will not be Shares to which the Takeover Bid relates and, therefore will not count towards the 90% in value of the Shares to which the Takeover Bid relates and 90% of the voting rights carried by those Shares.

Bid Price

The bid price per Share is EUR 4.25 (the **Bid Price**).

Payment

Initial Acceptance Period

The Bid Price will be paid, at the latest, on the tenth Business Day following the announcement of the results of the Initial Acceptance Period. The Bidder intends to pay the Bid Price on 8 March 2019.

Reopening of the Takeover Bid

In case of a reopening of the Initial Acceptance Period of the Takeover Bid, the Bid Price for the Shares that will be tendered in the framework of the reopening will be paid, at the latest, on the tenth Business Day following the announcement of the results of the relevant subsequent Acceptance Period.

Squeeze-out

Under Chapter 3 of Part 28 of the UK Companies Act 2006, six weeks after the notices of Squeeze-out are served (and if Squeeze-out is successfully implemented), the Bidder will send a copy of all notices to the Target and pay the Target all the consideration for the Shares to which the notice relates. The Target will be required to hold the consideration on trust for the person who was entitled to those Shares before the Bidder acquired them. If the relevant Shareholder cannot be found after a period of 12 years from when the consideration was received or the Target is wound up and reasonable enquiries have been made at reasonable intervals to find the Shareholder, the trust will be terminated and the consideration together with interest must be paid into court.

Unconditional Takeover Bid

The Takeover Bid is unconditional.

Overseas Shareholders

The Takeover Bid is not being made, directly or indirectly, in or into, and is not capable of acceptance from, any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Takeover Bid is sent or made available to Shareholders in that jurisdiction (a **Restricted Jurisdiction**).

Indicative Timetable

Event	**Contemplated date**
Announcement of obligation and intention of the Bidder to launch a Takeover Bid in accordance with article 8 of the Belgian Takeover Decree	13 November 2018
Completion of the Private Acquisition	26 November 2018
Filing of Takeover Bid with the FSMA	28 November 2018
Announcement Date in accordance with article 7 of the Belgian Takeover Decree	29 November 2018
Approval of the Prospectus by the FSMA	22 January 2019
Approval of the Response Memorandum by the FSMA	22 January 2019
Publication of the Prospectus and Response Memorandum	23 January 2019
Opening of the Initial Acceptance Period	24 January 2019
Closing of the Initial Acceptance Period	25 February 2019
Announcement of the results of the Initial Acceptance Period	1 March 2019
Initial Payment Date	8 March 2019
Mandatory reopening of the Takeover Bid (should the Bidder hold at least 90% of the Shares but cannot proceed with a Squeeze-out)	8 March 2019
Opening of the Squeeze-out period through service of statutory notices (if the mandatory reopening has not had the effect of a Squeeze-out)	8 March 2019
Closing of the Acceptance Period of the mandatory reopening	22 March 2019

Event	Contemplated date
Announcement of the results of the mandatory reopening	28 March 2019
Payment Date of the mandatory reopening	4 April 2019
Sending by the Bidder of a copy of Squeeze-out notices to the Target and payment to the Target of all the consideration for the Shares to which the statutory notices relate (i.e. six weeks from the date of the notices)	19 April 2019

The Bidder may amend the dates and times of the Takeover Bid and the periods indicated in the above timetable. Should the Bidder decide to amend such dates, times or periods, it will notify holders of Shares (the **Shareholders**) through a publication on the website of the Target (www.globalgraphics.com/investors) and/or an announcement. Material amendments to the Prospectus will be published in a press release, a publication in the financial press or a supplement to the Prospectus, as the case may be.

Objectives and intentions of the Bidder

Objectives of the Bidder

The acquisition of the GG Group is fully consistent with the Congra Group's strategy to create a world leading software and solutions company for the digital graphics printing sector. The Bidder strongly believes that the GG Group has a number of unique features and provides a compelling opportunity for, inter alia, the following reasons:

- the GG group has a leading position as a supplier of software and industrial inkjet printhead driver solutions to industrial inkjet press manufacturers;
- the GG Group has long-standing relationships with blue-chip companies in the press manufacturing sector across the globe with a deep understanding of their needs; and
- the GG Group has strong capabilities in software development, with a comprehensive set of software solutions to cover the (digital) printing process.

The combination of the Congra Group's and the GG Group's businesses allows more intensified cooperation and resource sharing in software development and product management.

In addition, the combination of the Congra Group's and the GG Group's businesses offers significant opportunities to exploit the future growth of the digital front-end market and the Congra Group believes that it is uniquely positioned to support the GG Group to realise future growth for both businesses by:

- marketing products, services and solutions to both end users and press manufacturers (OEMs), which include global top-tier companies across various regions;
- strengthening the product portfolio and executing more cross-selling and add-on sales opportunities;
- reaching new joint customers and realising an exponential increase in network effects and switching costs; and
- benefitting from the strong research and development capabilities of both businesses for joint product development.

Through their cooperation, the Congra Group and the GG Group will be able to expand the breadth of services offered to customers. Furthermore, the transaction will allow the Congra Group to strengthen its business in Asia.

Intentions of the Bidder

Intentions of the Bidder include notably:

- *Regarding the strategy towards the GG Group*: In general, the intentions of the Bidder are to pursue the strategy to create a world leading software and solutions company for the digital graphics printing sector mainly through its combination with the GG Group.

- *Regarding the position of the GG Group*: The Bidder intends to maintain Global Graphics as a separate legal entity organised and existing under the laws of England and Wales, with its head office in Cambridge. At the date of this Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the GG Group. Certain corporate (group) structure efficiencies may still be realised, as the case may be, in the future, but these are not expected to have an adverse impact on employment within the GG Group.

- *Regarding executive management of the GG Group*: The Bidder believes that maintaining the strong employee culture within the GG Group will be essential to ensuring future success. The Bidder currently does not have any plans to change the executive management.

- *Regarding employment within the GG Group*: The Bidder regards the GG Group's employees as equally important to the future success of the GG Group. The Bidder intends to ensure that the GG Group continues to provide an environment for its employees within which they will be well placed to continue to flourish. At the date of the Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the activities of the GG Group or to amend the current terms and conditions of employment in any significant manner.

- *Regarding composition of the board of directors of the Target*: At the date of the Prospectus, the board of directors of the Target is composed of four directors as follows: Guido Van der Schueren, Johan Volckaerts and the CEO and CFO of the Target (being, respectively, Gary Fry and Graeme Huttley). Johan Volckaerts has confirmed that he will not resign upon completion of the Private Acquisition but intends to remain a member of the board of directors of the Target until the first completion date of the Takeover Bid (i.e. closing of the Initial Acceptance Period) in accordance with the terms of Rule 9.6 of the UK Takeover Code. At the date of the Prospectus, the Bidder does not have any plans to appoint additional representatives as directors to the boards of the GG Group. These plans may change following the completion of the Takeover Bid, as the case may be. The Bidder may seek to appoint additional members of the board of directors of the Target following the completion of the Takeover Bid.

- *Regarding delisting of the Target*: The Bidder believes that the continued listing of the Target is no longer useful to raise capital, finance acquisitions (as relevant), raise the profile of the GG Group or enhance employee retention (via Share based awards). Therefore, upon completion of the Takeover Bid (and, as relevant, the Squeeze-out), the Bidder intends to request that the board of directors of the Target applies for and proceed with the delisting of the Shares and the cancellation of trading from the regulated market of Euronext Brussels to the extent permitted by law and subject to the approval of the board of directors of the Target. Even if the Bidder is not successful in completing a Squeeze-out, it reserves the right to request that the board of directors of the Target (subject to the board's approval thereof) apply for a delisting in order to avoid the costs and burdens related to a continued listing of the Target on Euronext Brussels. In the event of a delisting of the Target, the Bidder will procure that the Target adopts a simpler and lighter corporate governance and management structure.

- *Regarding the dividend policy of the Target*: The Target does not have an active dividend policy in place. The Bidder currently does not intend to change this.

- *Regarding intended amendments to the articles of association of the Target*: In the event of a delisting of the Target, the Bidder will procure that, conditional upon the passing of a special resolution of the Shareholders in accordance with the UK Companies Act 2006, the articles of association of the Target are amended to take into account the non-listed status of the Target.

Justification of the Bid Price

Bid Price

The Bid Price per Share is EUR 4.25 in cash. Article 53 of the Belgian Takeover Decree stipulates that the Bid Price per Share must be at least equal to the higher of the two following amounts:

(1) The highest price paid per Share by the Bidder or a person acting in concert with it during the period of 12 months prior to the announcement of the Takeover Bid, in accordance with article 7 of the Belgian Takeover Decree, on 29 November 2018 (the **Announcement Date**).

- On 5 October 2018, the Bidder and the Target announced that they had reached an agreement on the terms of a proposed all cash acquisition by the Bidder of the entire issued and to be issued share capital of the Target (other than shares already held by the Bidder or its affiliates/concert parties and excluding Treasury Shares) at a price of EUR 4.25 per Share, and that they intended to proceed with this all cash acquisition by implementing the Scheme (the **Scheme Announcement**).

- On 13 November 2018, the Bidder announced that it would not proceed with the Scheme and it had instead entered into the GG Share Purchase Agreements for the purposes of acquiring a total of 1,973,068 Shares in the Target (representing 16.98% of the Target Voting Rights (approximately)), which were held, respectively, by Clema Capital Sàrl (i.e. 1,517,171 shares, representing 13.06% of the Target Voting Rights (approximately)) and Johan Volckaerts (i.e. 455,897 shares, representing 3.92% of the Target Voting Rights (approximately)) at a price of EUR 4.25 per Share.

- Between the entry into the GG Share Purchase Agreements and the Announcement Date, the Bidder acquired an additional stake of 132,028 Shares in total (representing 1.14% of the Target Voting Rights (approximately)) through market order transactions at a price of EUR 4.25 per Share.

Therefore, the highest price paid by the Bidder over the last 12 months prior to the Announcement Date was EUR 4.25 per Share.

(2) The volume weighted average of the Target's trading prices during the last 30 calendar days prior to the date on which the obligation to launch a mandatory public takeover bid has arisen.

Regarding the calculation period for the volume weighted average of the Target's trading prices, the Bidder obtained a derogation from the FSMA, as far as needed and applicable, with a view to making said calculation period end on 5 October 2018, which is the date of the Scheme Announcement (which was followed by an announcement on 13 November 2018 of the decision of the Target and the Bidder to not proceed with the Scheme), and not on 25 November 2018, which is the day preceding the date on which the obligation for the Bidder to launch the Takeover Bid arose.

This derogation was granted in view of the risk of speculative purchases being made on the market such as to artificially push up the price of the Shares and consequently also the price of the Takeover Bid. In the past, in transactions carrying the same kind of risk, the FSMA has granted a derogation from article 53, par. 1, 2° of the Belgian Takeover Decree pursuant to which the end of the calculation period of 30 days would be set on the day before the announcement by the Bidder of the Private Acquisition, in accordance with article 8 of the Belgian Takeover Decree (the **Private Acquisition Announcement**). However, in this context, such derogation would not have mitigated the aforementioned risk, as the price of EUR 4.25 per Share in the context of the Private Acquisition and the Bidder's intention to acquire the Shares was already contained in the Scheme Announcement. This information was already spread in the market and (artificially) reflected in the trading prices of the Shares prior to the Private Acquisition Announcement. Given this, the FSMA agreed that the end of the calculation period should be set on the date of the Scheme Announcement, i.e. on 5 October 2018.

This volume weighted average price of the Shares on Euronext Brussels during the period of 30 calendar days ending on 5 October 2018 amounts to EUR 3.81 per Share. It should therefore be noted that the Bid Price represents an 11.47% premium to the latter.

Although the Target is listed and admitted to trading on Euronext Brussels, it should be noted that the liquidity of the Shares was significantly weak over the 12 months preceding the Announcement Date, with an average of 9,869 Shares that were traded on a daily basis. Based on this average daily trading volume, it would take the Bidder 3.3 years to acquire all the Shares not yet in possession of the Bidder or any person acting in concert with the Bidder. Hence, the Bidder believes that the Takeover Bid provides a unique liquidity opportunity for the Shareholders to monetize their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares.

Valuation approaches applied for the Shares of the Target

This section summarises valuation methods for the Shares of the Target. These frameworks and valuation methods are not intended to be a justification for the Bid Price per Share, as the Bid Price for the Shares is based upon a price negotiated in the context of the GG Share Purchase Agreements (between the parties to those agreements) and the price set forth in the Scheme. This Bid Price also results from the application of the applicable regulations on the minimum bid price in the context of a mandatory public takeover bid. The following valuation methods and reference points may, however, serve as a benchmark for the Shareholders and to give context to the Bid Price offered under the Takeover Bid.

It should be noted that the valuation methods applied were based on forecasts from the Bidder with regard to key financial parameters (e.g. Sales, EBITDA, EBIT and capital expenditures (CAPEX)) as well as publicly available financial information relating to the Target on 13 November 2018, including available historical financial information derived from the Target's public financial statements (annual reports and intermediary financial statements).

The following valuation methods have been applied:

(1) *Discounted cash flow (DCF) analysis*

The DCF valuation framework has been based on financial forecasts from the Bidder over the period 2018E to 2023E. The forecasts are based on estimates detailing Sales, EBITDA, EBIT, tax rate, working capital and capital expenditures over the considered period. Based on the financial forecasts, a weighted average cost of capital of 10.58%, a terminal weighted average cost of capital of 12.33% and a long-term growth rate of 1.50%, the DCF valuation results in a share price value of EUR 3.98. The Bid Price per Share of EUR 4.25 represents a premium of 6.8% to the DCF valuation result.

Based on a sensitivity analysis of the weighted average cost of capital (variation of +/- 1.0%), terminal weighted average cost of capital (variation of +/- 1.0%) and long-term terminal growth rate (range of 1.0% - 2.0%), the discounted cash flows method results in an enterprise value between EUR 38.58 million and EUR 50.32 million, an implied equity value of between EUR 41.15 million and EUR 52.88 million, corresponding to a share price of between EUR 3.54 and EUR 4.55 per Share.

As the DCF analysis is the sole fundamental methodology, the Bidder considers this method to be the primary and most relevant valuation method bearing in mind the limitations of the comparable transaction multiples and trading multiples analyses in this particular context.

(2) Transaction multiples of comparable transactions

23 transactions that have occurred in Western Europe and USA since 2007 have been considered. The targets in the comparable transactions are situated within the wide sector scope of technology solution providers with a strong vertical focus on the digital printing industry with both software-related as well as hardware-related products and services. It should be noted that none of the targets in the comparable transactions are fully comparable in terms of activities, size, profitability and growth potential.

The Bid Price represents a premium of 10.0%, 28.0% and 63.7% of the implied share price based on the average of, respectively, EV/Sales (i.e. 2.06x), EV/EBITDA (i.e. 11.61x) and EV/EBIT (i.e. 12.90x) multiples and a premium of 26.3%, 23.5% and 74.0% of the implied share price based on median EV/Sales (i.e. 1.78x), EV/EBITDA (i.e. 12.06x) and EV/EBIT (i.e. 12.06x) multiples, respectively.

However, it should be noted that the reliability of the results of this methodology is limited due to (i) the limited available data points for the EBITDA and EBIT multiples, (ii) the Target’s exceptionally poor financial margins (EBITDA, adjusted EBIT and adjusted net profit) in 2017A compared to historical financial figures and anticipated future financial performance, and (iii) the fact that the transaction sample is based on a long-term timeframe entailing reference points in different economic cycles.

(3) Trading multiples of comparable listed companies

Trading multiples of comparable listed companies are determined on the basis of historical financial data, consensus financial projections from equity research analysts and share prices of comparable companies. In this particular case, there are no equity research analysts following the Target and, as such, financial forecasts of the Bidder are applied.

The Bid Price represents a premium of, respectively, 123.7% and 34.8% on the implied share price based on the median trading EV/Sales multiples of 2017A and 2018E of the listed peers. Based on the median EV/EBITDA multiples of 2017A and 2018E of the listed peers, the Bid Price reflects a premium of, respectively, 50.0% and a discount of 21.2%. Based on the median EV/EBIT multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a premium of 10.1% and a discount of 23.6%. Based on the median P/E multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a discount of 20.3% and 33.6%.

However, the Bidder applies a size and illiquidity discount of 20% due to the very low liquidity of the Shares and small size of the Target in terms of market capitalisation when compared to the peer group. Taken into consideration this size and illiquidity discount, the Bid Price represents a premium of, respectively, 179.6% and 68.5% onto the implied Share price based on the median trading EV/Sales multiples of 2017A and 2018E of the listed peers. Based on the median EV/EBITDA multiples of 2017A and 2018E of the listed peers, the Bid Price reflects a premium of, respectively, 87.5% and a discount of 1.5%. Based on the median EV/EBIT multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a premium of 37.6% and a discount of 4.5%. Based on the median P/E multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a discount of 0.4% and 17.0%.

It should be noted that the peer group companies are not truly comparable to the Target following the discrepancy in (i) size in terms of market capitalisation, revenues and enterprise value, (ii) profitability, (iii) growth potential, and (iv) product mix. In particular, it should be noted that the Target realizes higher margins than the companies in the peer sample.

The Bidder has also considered the following reference points that provide context to the Bid Price:

(1) Historical performance and VWAP of the Shares

As the Target is listed on Euronext Brussels, it is assumed that the share price is a relevant measure to assess the Bid Price per Share. After having initially floated on Easdaq on 23 June 1998 at a price of FRF 190.0, the free float of the Target was later transferred on to Euronext Brussels on 17 April 2001 at a price of EUR 20.0 per Share. The Bid Price represents a 7.9% premium to the closing share price on the Announcement Date (i.e. EUR 3.94) and a premium of 11.5%, 13.3% and 30.0% as compared to the volume-weighted average share price during, respectively, the last 30 days (i.e. EUR 3.81), the last three months (i.e. EUR 3.75) and the last twelve months (i.e. EUR 3.27) up to and including 5 October 2018.

(2) Bid premia for precedent Belgian mandatory public takeover transactions

The mandatory public takeover premia paid on Euronext Brussels since February 2013 have also been reviewed. The median bid premia offered in these selected mandatory public takeovers range from 19.9% of the share price on the day prior to the deal announcement, to a premium of 18.0% and 19.5% when compared to the volume average share price over, respectively, the one month and three month period prior to the offer. With regard to mandatory public takeovers that eventually resulted in delisting, these median premia range from 24.5% of the share price on the day preceding the deal announcement, to a premium of 25.0% and 32.3% when compared to the VWAP over the one month and three month period preceding the offer, respectively. The Bid Price represents a premium of 7.9% to the Target's Share price as of the Announcement Date, and 11.5% and 13.3% when compared to the volume-weighted average share price for the last 30 days and three months up to and including 5 October 2018.

Conclusion

In conclusion, after having analysed the aforementioned different valuation methodologies, the Bidder believes that a Bid Price of EUR 4.25 per Share constitutes an attractive offer to the Shareholders. In particular, in view of the limited liquidity of the Shares over the last year, the Bidder believes that the Takeover Bid provides a unique liquidity opportunity for the Shareholders to monetise their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares.

Centralising Agent

Link Asset Services acts as the Centralising Agent in the context of the Takeover Bid.

Receiving Agents

Link Asset Services and KBC Securities NV in cooperation with KBC Bank NV act as the Receiving Agents in the context of the Takeover Bid.

The Receiving Agents shall collect the Acceptance Forms and/or electronic acceptances in CREST, directly or indirectly.

Acceptance of the Takeover Bid

The Takeover Bid may be accepted free of charge by depositing the duly completed and signed Acceptance Form attached to the Prospectus as an Annex 1 in duplicate with KBC Bank NV. Any costs charged by other financial intermediaries are to be borne by the holders transferring their Shares to the Bidder.

Shareholders who hold their Shares in the United Kingdom on CREST will need to submit their acceptance of the Takeover Bid electronically in CREST by TTE instruction to Link Asset Services as described in the CREST Manual in Annex 4.

Any Acceptance Form and/or TTE instruction sent from or appearing to the Bidder or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid acceptance of the Takeover Bid.

The Prospectus

The English language version of the Prospectus has been approved by the FSMA on 22 January 2019 in accordance with article 19 §3 of the Belgian Takeover Act. The FSMA's approval of the Prospectus does not imply any opinion by the FSMA on the merits and the quality of the Takeover Bid or of the position of the persons who are making the Takeover Bid.

The Prospectus has been prepared in an English language version only, which is the official version. Pursuant to article 16 §1 par. 2 of the Belgian Takeover Act, the Bidder has demonstrated to the FSMA that the Target, as a UK company, usually publishes its financial information in English only and English is also a language customary in the sphere of international finance. Given this, the FSMA has confirmed that the Prospectus is not required to be drawn up in both French and Dutch under article 16 §1 par. 1 of the Belgian Takeover Act. The Bidder will prepare a Dutch translation of both the summary of the Prospectus and the announcements under article 11 of the Belgian Takeover Act.

Subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, an electronic version of the Prospectus, including the Response Memorandum and the Acceptance Form, is available on the websites of KBC Securities NV in cooperation with KBC Bank NV: https://www.kbcsecurities.com/prospectus-documents-overviews/prospectus-overview, https://www.kbc.be, https://www.cbc.be and https://www.bolero.be) and the Target (https://www.globalgraphics.com/investors/congra-acquisition).

Subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, a hard copy of the Prospectus, including the Response Memorandum and the Acceptance Form, is available free of charge (i) at the counters of KBC Bank NV or (ii) by phone at +32 (0)78 15 21 53 (KBC Bank NV/SA), +32 (0) 800 92 020 (CBC Banque NV/SA) or +32 32 83 29 81 (Bolero by KBC Securities NV/SA).

Response Memorandum

The board of directors of the Target has prepared the Response Memorandum in reply to the Takeover Bid in accordance with the Belgian Takeover Laws. The Response Memorandum has been approved by the board of directors of the Target on 16 January 2019.

The English language version was approved by the FSMA on 22 January 2019. The FSMA's approval of the Response Memorandum does not imply any opinion by the FSMA on the merits and the quality of the Takeover Bid. A copy of this document is attached as Annex 2 to the Prospectus.

The Response Memorandum has been prepared in an English language version only. Pursuant to article 26 par. 2 of the Belgian Takeover Act, the Target has demonstrated to the FSMA that the Target, as a UK company, usually publishes its financial information in English only and English is also a language customary in the sphere of international finance. Given this, the FSMA has confirmed that the Response Memorandum is not required to be drawn up in both French and Dutch under article 26 par. 1 of the Belgian Takeover Act.

The Response Memorandum contains as an annex a copy of the opinion rendered by Cattaneo Corporate Finance Solutions Limited (**Cattaneo**) to the board of directors of the Target in which Cattaneo states that it considers, having taken into account the commercial assessments of the directors of the Target, that the financial terms of the Takeover Bid are equitable as far as Shareholders are concerned (the **Equitableness Opinion**). Cattaneo was appointed by the board of directors of the Target to issue the Equitableness Opinion for the benefit of the Target's board of directors only and, in doing so, Cattaneo did not act as an independent expert within the meaning of articles 20 to 23 of the Belgian Takeover Decree.

Tax on stock exchange transactions

The Bidder will pay the tax on stock exchange transactions to the extent that such tax is due by Shareholders that transfer their Shares to the Bidder within the context of the Takeover Bid.

Governing law and jurisdiction

The Court of Appeal of Brussels has exclusive jurisdiction to settle any disputes relating to the present Takeover Bid.

1. DEFINITIONS

For the purpose of the Prospectus, the following definitions shall apply:

"**Acceptance Form**" means the form attached as Annex 1 to the Prospectus, which must be completed by the persons wishing to offer their Shares in the Takeover Bid.

"**Acceptance Period**" means the Initial Acceptance Period and the subsequent acceptance period(s) of any reopening(s) of the Takeover Bid during which Shareholders can offer their Shares in the Takeover Bid.

"**Annex**" means an annex to the Prospectus, which forms an integral part thereof.

"**Announcement Date**" means 29 November 2018, i.e. the date on which the FSMA announced, in accordance with article 7 of the Belgian Takeover Decree, that it had received the Bidder's notice of its intention to launch the Takeover Bid.

"**Belgian Act of 2 May 2007**" means the Belgian Act of 2 May 2007 on the disclosure of substantial shareholdings in companies whose shares are admitted to trading on a regulated market and other miscellaneous provisions.

"**Belgian Act of 21 November 2017**" means the Belgian Act of 21 November 2017 on the infrastructures of the markets for financial instruments and the transposition of Directive 2014/65/EU.

"**Belgian Companies Code**" means the Belgian Companies Code of 7 May 1999, as amended from time to time.

"**Belgian Investor**" means (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium.

"**Belgian Takeover Act**" means the Belgian Act of 1 April 2007 on public takeover bids, as amended from time to time.

"**Belgian Takeover Decree**" means the Royal Decree of 27 April 2007 on public takeover bids, as amended from time to time.

"**Belgian Takeover Laws**" means the Belgian Takeover Act and the Belgian Takeover Decree.

"**Bidder**" means Congra Software S.à.r.l., a private limited liability company ("*besloten vennootschap met beperkte aansprakelijkheid*"/"*société à responsabilité limitée*") incorporated under the laws of Luxembourg, with registered office at 19-21 Route d'Arlon, L-8009 Strassen, Luxembourg and registered under number B162896.

"**Bid Price**" means the consideration which will be paid in cash by the Bidder for each Share sold in the Takeover Bid, as set out in section 7.1(e) of the Prospectus.

"**Business Day**" means any day on which the Belgian banks are open to the public, excluding Saturdays and Sundays, as defined in article 3, §1, 27° of the Belgian Takeover Act.

"**CAGR**" means compound annual growth rate.

"**CAPEX**" means capital expenditures.

"**CAPM**" means capital asset pricing model.

"**Cattaneo**" means Cattaneo Corporate Finance Solutions Limited.

"**CET**" means central European time.

"**Centralising Agent**" means Link Asset Services.

"**Congra**" means Congra Software S.à.r.l., a private limited liability company ("*société à responsabilité limitée*") incorporated under the laws of Luxembourg, with its registered office at 19-21 Route d'Arlon L-8009 Strassen, Luxembourg and registered under number B162896.

"**Congra Group**" means Congra and its affiliates.

"CREST" means the relevant system (as defined in the regulations) in respect of which Euroclear is the operator.

"CREST Manual" means the instruction manual attached as Annex 4 to the Prospectus, which must be followed by persons wishing to electronically tender their Shares in the Takeover Bid on CREST.

"**CRS**" means the Common Reporting Standard.

"**DAC2**" means the Directive 2014/107/EU on administrative cooperation in direct taxation.

"**DCF**" means discounted cash flow.

"**EBIT**" means earnings before interest and tax.

"**EBITDA**" means earnings before interest, tax, depreciation and amortisation.

"**Escrow Agent**" means Link Asset Services in its capacity as escrow agent for the purposes of the Takeover Bid.

"Euroclear" means Euroclear UK & Ireland Limited.

"**EV**" means enterprise value.

"**EV/EBIT**" reflects the relation between the enterprise value of a company and the EBIT the company is able to realise. Such a ratio allows for comparison between different companies.

"**EV/EBITDA**" reflects the relation between the enterprise value of a company and the EBITDA the company is able to realise. Such a ratio allows for comparison between different companies.

"**EV/Sales**" reflects the relation between the enterprise value of a company and the Sales that the company can generate. Such a ratio allows for comparison between different companies.

"**Equitableness Opinion**" means the opinion rendered by Cattaneo to the board of directors of the Target in relation to the equitableness of the Bid Price.

"**Forecast Period**" means the period from 30 September 2018 up to and including 31 December 2023.

"**Free SIP Shares**" means the 59,719 SIP Shares which may direct the SIP Trustees to accept the Takeover Bid in respect of such SIP Shares.

"**FSMA**" means the Belgian Financial Services and Markets Authority ("*Autorité des Services et Marchés Financiers*"/"*Autoriteit voor Financiële Diensten en Markten*").

“**GG Group**” means Global Graphics and its subsidiaries.

“**GG Share Purchase Agreements**” means the share purchase agreements entered into on 12 November 2018 by the Bidder with Clema Capital S.à.r.l. and Mr. Johan Volckaerts pursuant to which the Bidder agreed to acquire 1,973,068 Shares.

“**Global Graphics**” means Global Graphics plc, a public limited company incorporated under the laws of England and Wales, with its registered office at 2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW, United Kingdom and registered under number 10872426.

“**GMT**” means Greenwich Mean Time.

“**Graphicus**” means Stichting Administratiekantoor Graphicus, a private foundation incorporated under the laws of Belgium, with its registered office at 10 Zuylenveld, 9830 Sint-Martens-Latem, Belgium and registered under number 0662.365.884.

“**Initial Acceptance Period**” means the initial period during which Shareholders may offer their Shares pursuant to the Takeover Bid, starting on 24 January 2019 and ending on 25 February 2019 (inclusive) at 4:00 p.m. CET.

“**Link Asset Services**” means a trading name of Link Market Services Limited.

“**MCAA**” means the multilateral competent authority agreement.

“**OEMs**” means original equipment manufacturers.

“**P/E**” reflects the relation between the share price of a company (or market capitalisation) and the earnings per share (or net income) the company is able to realise. Such a ratio allows for comparison between different companies.

“**Payment Date**” means a date on which the Bid Price will be paid to the Shareholders selling their Shares pursuant to the Takeover Bid during the Acceptance Period.

“**Powergraph**” means Powergraph BVBA, a private limited liability company incorporated under the laws of Belgium, with its registered office at 10 Zuylenveld, 9830 Sint-Martens-Latem, Belgium and registered under number 0454.469.744.

“**Private Acquisition**” means the completion of the acquisition of the relevant Shares in the Target pursuant to the GG Share Purchase Agreements.

“**Private Acquisition Announcement**” means the announcement by the Bidder of the Private Acquisition in accordance with article 8 of the Belgian Takeover Decree.

“**Prospectus**” means the present prospectus, setting out the terms and conditions of the Takeover Bid, including the Annexes and any supplement, as the case may be, published during the Acceptance Period.

“**Receiving Agents**" means Link Asset Services and KBC Securities NV.

“**Response Memorandum**” means the response memorandum in reply to the Takeover Bid ("*mémoire en réponse*"/"*memorie van antwoord*") that has been prepared by the board of directors of the Target in accordance with the Belgian Takeover Laws and which is included in this Prospectus.

“**Restricted Jurisdiction**’’ means any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Takeover Bid is sent or made available to Shareholders in that jurisdiction.

“**Restricted SIP Shares**” means the 60,546 SIP Shares in respect of which participants cannot accept the Takeover Bid without, in accordance with the SIP rules and trust deed, either forfeiting the SIP Shares or impacting the beneficial tax treatment afforded to such SIP Shares.

“**Sales**” means the revenue that a company derives from the sale of its products and services.

“**Scheme**” means the cash acquisition by the Bidder of the entire issued and to be issued share capital of the Target intended to be implemented by means of a scheme of arrangement under Part 26 of the UK Companies Act 2006.

“**Scheme Announcement**” means the announcement by the Target of the intention to proceed with the Scheme.

“**Share**” means any of the issued shares of the Target.

“**Shareholder**” means a holder of Shares, from time to time.

“**Share Options**” means the options to subscribe for Shares outstanding in the Target.

“**SIP**” means the share incentive plan operated by the Target.

“**SIP Shares**” means the Shares awarded under the SIP.

“**Squeeze-out**” means a squeeze-out process under the provisions of Chapter 3 of Part 28 of the UK Companies Act 2006 to acquire compulsorily any Shares not acquired or agreed to be acquired by or on behalf of the Bidder pursuant to the Takeover Bid (or deemed to be so acquired, as the case may be).

“**Stock Exchange Tax Representative**” means a stock exchange tax representative in Belgium.

“**Takeover Bid**” means the mandatory public takeover bid in cash, launched by the Bidder, for the Shares, in accordance with the Takeover Directive, the Belgian Takeover Laws and the UK Takeover Code, as set out in detail in section 7 of the Prospectus.

“**Takeover Directive**” means the EU Directive 2004/25/EC of 21 April 2004 on takeover bids.

“**Target**” means Global Graphics.

“**Target Voting Rights**” means the voting rights attached to the Shares in the Target.

“**Tax on Securities Account**” has the meaning set out in section 8.4 of this Prospectus.

“**Tax on Securities Accounts Representative**” has the meaning set out in section 8.4 of this Prospectus.

“**Treasury Shares**” means the Shares held as treasury shares by the Target.

“TTE” means a transfer to escrow instruction (as described in the CREST Manual attached as Annex 4 to this Prospectus).

“**TV-WACC**” has the meaning set out in section 7.2(c)(i) of this Prospectus.

"**UK Takeover Code**" means the UK City Code on Takeovers and Mergers.

"**UK Takeover Panel**" means the UK Panel on Takeovers and Mergers.

"**Unvested Options**" means the Share Options in respect of an aggregate of 138,000 Shares, with a nil exercise price, not yet vested in accordance with their terms.

"**US GAAP**" means the generally accepted accounting principles in the United States.

"**Vested Options**" means the Share Options in respect of an aggregate of 104,776 Shares vested and exercisable in accordance with their terms, with a nil exercise price.

"**VWAP**" means volume weighted average price.

"**WACC**" means weighted average cost of capital.

2. IMPORTANT NOTICES

2.1 Information contained in the Prospectus

This Prospectus is intended to provide information to the Shareholders in the context of and for the sole purpose of evaluating a possible acceptance to tender their Shares in the Takeover Bid. It contains selected and summarised information, does not express any commitment or acknowledgement or waiver and does not create any right, express or implied, towards anyone other than a person tendering Shares in the Takeover Bid.

The Prospectus contains the only authorised information in relation to the Takeover Bid. The Bidder has not authorised any person to provide any information to the Shareholders other than the information contained in this Prospectus. No one is permitted to supply information or make statements concerning the Takeover Bid other than those contained in the Prospectus, and no one may claim that such information or statements were authorised by the Bidder.

The information contained in the Prospectus is correct as of the date of the Prospectus. Any new significant fact or material error or inaccuracy concerning the information contained in the Prospectus that is such as to influence the assessment of the Takeover Bid and which arises or is announced between the date of the Prospectus and the closing of the final Acceptance Period for the Takeover Bid shall be made public in Belgium, by means of a supplement to the Prospectus in accordance with article 17 of the Belgian Takeover Act.

Shareholders must carefully read the Prospectus in its entirety and must base their decision on their own analysis of the terms and conditions of the Takeover Bid, taking into account the advantages and disadvantages that the Takeover Bid entails. Any summary or description included in the Prospectus of statutory provisions, corporate transactions, restructuring operations or contractual relations is provided for information purposes only and should not be construed as legal, business, financial or tax advice as to the interpretation or enforceability of such provisions. In the event of doubt concerning the substance or meaning of information included in the Prospectus, the Shareholders should consult a licensed adviser or professional specialised in providing advice on the sale and purchase of financial instruments.

With the exception of the FSMA, no other authority of any other jurisdiction has approved the Prospectus or the contemplated Takeover Bid. The Takeover Bid is only made in Belgium and no steps whatsoever have been or will be taken in order to make a public offer outside Belgium.

2.2 Restrictions

This Prospectus does not constitute an offer to purchase or sell securities, or a solicitation of an offer to purchase or sell securities (i) in any other jurisdiction in which such offer or solicitation is unlawful or not authorised, or (ii) to any person to whom it is unlawful to make such offer or solicitation. It is the responsibility of any person in possession of this Prospectus to obtain information on the existence of any such restrictions and to be sure to conform therewith where appropriate.

It is prohibited to copy or distribute all or part of this Prospectus and to disclose its content or use the information contained herein for any purpose other than assessment of the Takeover Bid, unless the information is already publicly available in another form. Receipt by a Shareholder of this Prospectus indicates that Shareholder’s agreement with the foregoing and the following provisions.

This Prospectus has been prepared for the purposes of complying with Belgian law and regulation, and the information disclosed may not be the same as that which would have been disclosed if this

Prospectus had been prepared in accordance with the laws and regulations of jurisdictions outside of Belgium.

Unless otherwise determined by the Bidder or required under Belgian rules, and permitted by applicable law and regulation, the Takeover Bid is not being made, directly or indirectly, in, into or from, by use of the mails of, or by any other means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of foreign or interstate commerce of, or any facilities of a national, state or other securities exchange of, any Restricted Jurisdiction, and shall not be capable of acceptance by any such use, means, instrumentality or facility or from or within any Restricted Jurisdiction. Accordingly, copies of this Prospectus and the Acceptance Form and any related documents are not being (unless determined otherwise by the Bidder in its sole discretion or required by Belgian rules, and permitted by applicable law and regulation), and must not be, directly or indirectly mailed, transmitted or otherwise forwarded, distributed, sent or otherwise made available (including, without limitation, by agents, custodians, nominees or trustees) in, into or from a Restricted Jurisdiction, and persons receiving this Prospectus, the Acceptance Form and/or any related documents (including, without limitation, agents, custodians, nominees and trustees) should observe these restrictions and must not mail or otherwise forward, distribute, send or otherwise make them available in, into or from such jurisdiction. Doing so may render any purported acceptance of the Takeover Bid invalid.

Any person (including, without limitation, agents, custodians, nominees and trustees) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Prospectus and the Acceptance Form and/or any related documents to a jurisdiction outside Belgium should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

2.3 Forward-looking statements

This Prospectus includes forward-looking statements, including statements containing the following words: “believe”, “plan”, “expect”, “anticipate”, “intend”, “continue”, “seek”, “may”, “can”, “will”, “should” or the negative of such terms, and similar expressions. Such forward-looking statements involve uncertainties and other factors that may cause the actual results, financial condition, performance or achievements of the Bidder and the Target, their subsidiaries or affiliated entities or industry results to be materially different from future results, financial condition, performance or achievements expressed or implied in such forward-looking statements. None of the Bidder, its associates, directors, officers or advisers provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement in this document will actually occur. Given these uncertainties, the Shareholders should only rely to a reasonable extent on such forward-looking statements. These forward-looking statements speak only as of the date of the Prospectus. The Bidder expressly disclaims any obligation to update any such forward-looking statements in this Prospectus to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based, except where such update is required pursuant to article 17 of the Belgian Takeover Act.

2.4 Notice to US Shareholders of the Target

The Takeover Bid will qualify for “Tier I” exemption from the tender offer rules included in Regulation 14E under the US Securities Exchange Act of 1934 and otherwise will be made in accordance with the requirements of the Belgian Takeover Laws and the UK Takeover Code. Accordingly, the Takeover Bid will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that may be different from those applicable under US domestic tender offer procedures and law.

The Takeover Bid will be made for the securities of a UK company and is subject to UK and Belgian disclosure requirements, which are different from those of the United States. The financial information relating to the Target included in this document has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States (**US GAAP**). US GAAP differs in certain significant respects from accounting standards applicable in Belgium or the United Kingdom. None of the financial information in this document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

It may be difficult for US Shareholders to enforce their rights and any claims they may have arising under the US federal securities laws in connection with the Takeover Bid since the Target is located outside the United States, and some or all of their officers and directors may be residents of countries other than the United States. US Shareholders may not be able to sue the Target or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel the Target and its affiliates to subject themselves to the jurisdiction or judgment of a US court.

To the extent permitted by applicable law, in accordance with normal Belgian practice and pursuant to Rule 14e-5(b) of the US Securities Exchange Act of 1934, the Bidder and its members or their respective nominees, or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Shares other than pursuant to the Takeover Bid such as in open market or privately negotiated purchases outside the United States during the period in which the Takeover Bid remains open for acceptance. In accordance with the requirements of Rule 14e-5(b) such purchases, or arrangements to purchase, must comply with the Belgian Takeover Laws. Any information about such purchases will be, to the extent required, disclosed by way of announcement.

Neither the Takeover Bid nor this document has been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document or the merits of the Takeover Bid. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Takeover Bid by a US Shareholder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each holder of Shares is urged to consult his independent professional adviser immediately regarding the tax consequences of acceptance of the Takeover Bid.

3. GENERAL INFORMATION

3.1 Approval by the FSMA

The English language version of the Prospectus has been approved by the FSMA on 22 January 2019 in accordance with article 19, §3 of the Belgian Takeover Act. The FSMA's approval of the Prospectus does not imply any opinion by the FSMA on the merits and the quality of the Takeover Bid or of the position of the persons who are making the Takeover Bid.

In accordance with the Belgian Takeover Decree, the Bidder formally notified the launch of its Takeover Bid with the FSMA on 28 November 2018. This notification was published by the FSMA on 29 November 2018. Preceding this, on 13 November 2018, the Bidder made the Private Acquisition Announcement in accordance with article 8, §1 of the Belgian Takeover Decree. This Private Acquisition Announcement publicly announced the Bidder's intention to proceed with the Takeover Bid following completion of the GG Share Purchase Agreements.

With the exception of the FSMA, no other authority of any other jurisdiction has approved the Prospectus as the contents of the Prospectus and offer procedure are regulated by the Belgian Takeover Laws. The Takeover Bid is only made in Belgium and no steps whatsoever have been or will be taken in order to make a public offer outside Belgium. The Takeover Bid itself has been approved by the FSMA.

3.2 Responsibility for the Prospectus

In accordance with article 21, §1 and §2 of the Belgian Takeover Act, the Bidder, represented by its board of directors, accepts responsibility for the information contained in this Prospectus, with the exception of the following documents, the responsibility for which is with the authors of such information: (a) the Response Memorandum, which has been prepared in accordance with articles 22 to 30 of the Belgian Takeover Act and articles 26 to 29 of the Belgian Takeover Decree, and is attached to this Prospectus as Annex 2; and (b) the documents incorporated in this Prospectus by way of reference as set out in section 5.11 of this Prospectus.

The Bidder, represented by its board of directors, confirms that, to the best of its knowledge, the content of the Prospectus is true, not misleading and consistent with reality and does not comprise any omission susceptible of altering the scope of the Prospectus.

Unless indicated otherwise, the information contained in the Prospectus about the Target and the GG Group is based on information that is publicly available.

3.3 Availability of the Prospectus

The Prospectus has been prepared in an English language version only, which is the official version. Pursuant to article 16 §1 par. 2 of the Belgian Takeover Act, the Bidder has demonstrated to the FSMA that the Target, as a UK company, usually publishes its financial information in English only and English is also a language customary in the sphere of international finance. Given this, the FSMA has confirmed that the Prospectus is not required to be drawn up in both French and in Dutch under article 16 §1 par. 1 of the Belgian Takeover Act. The Bidder will prepare a Dutch translation of both the summary of the Prospectus and the announcements under article 11 of the Belgian Takeover Act. Subject to certain restrictions relating to persons resident in any Restricted Jurisdictions, an electronic version of the Prospectus, including the Response Memorandum and the Acceptance Form, is available on the websites of KBC Securities NV in cooperation with KBC: https://www.kbcsecurities.com/prospectus-documents-overviews/prospectus-overview, https://www.kbc.be, https://www.cbc.be and https://www.bolero.be) and the Target https://www.globalgraphics.com/.

Subject to certain restrictions relating to persons resident in any Restricted Jurisdictions, a hard copy of the Prospectus, including the Response Memorandum and the Acceptance Form, is available free of charge (i) at the counters of KBC Bank NV or (ii) by phone at +32 (0)78 15 21 53 (KBC Bank NV/SA), +32 (0) 800 92 020 (CBC Banque NV/SA) or +32 32 83 29 81 (Bolero by KBC Securities NV/SA).

The posting of this Prospectus or any summary thereof on the internet does not constitute an offer to purchase or a solicitation of an offer to sell any of the Shares from or to any person in any jurisdiction in which it is unlawful to make such offer or solicitation to such person. The electronic version of this Prospectus may not be copied, made available or printed for distribution. This Prospectus is valid only if circulated in compliance with applicable laws.

Although certain references are made to the website of the Target (https://www.globalgraphics.com/) and the Congra Group (www.hybridsoftware.com) in this Prospectus, no information on such websites (other than the Prospectus) is part of this Prospectus, except for the documents and information incorporated by reference in this Prospectus (as listed in section 5.11).

3.4 Financial and legal advisers to the Bidder

KBC Securities NV advised the Bidder on certain financial aspects in connection with the Takeover Bid. These services have been rendered exclusively to the Bidder and no other party can rely on them. KBC Securities NV does not accept any liability for the information in the Prospectus, and nothing in the Prospectus can be considered as advice, a promise or guarantee given by KBC Securities NV.

Allen & Overy LLP has advised the Bidder on certain legal aspects in connection with the Takeover Bid. These services have been rendered exclusively to the Bidder and no other party can rely on them. Allen & Overy LLP does not accept any liability for the information in the Prospectus, and nothing in the Prospectus can be considered as advice, a promise or guarantee given by Allen & Overy LLP.

3.5 Financial and legal advisers to the Target

Cattaneo has advised the Target on certain financial aspects in connection with the Takeover Bid, in particular in view of the Response Memorandum. These services have been rendered exclusively to the Target and no other party can rely on them. Cattaneo does not accept any liability for the information in the Prospectus, and nothing in the Prospectus can be considered as advice, a promise or guarantee given by Cattaneo.

Mills & Reeve LLP has advised the Target on certain UK law-related aspects and Liedekerke Wolters Waelbroeck Kirkpatrick BV CVBA has advised the Target on certain Belgian law-related aspects in connection with the Takeover Bid. These services have been rendered exclusively to the Target and no other party can rely on them. Mills & Reeve LLP and Liedekerke Wolters Waelbroeck Kirkpatrick BV CVBA each do not accept any liability for the information in the Prospectus, and nothing in the Prospectus can be considered as advice, a promise or a guarantee given by them.

3.6 Response Memorandum

The board of directors of the Target has prepared the Response Memorandum in reply to the Takeover Bid in accordance with the Belgian Takeover Laws. The Response Memorandum has been approved by the board of directors of the Target on 16 January 2019.

The English language version was approved by the FSMA on 22 January 2019. The FSMA's approval of the Response Memorandum does not imply any opinion by the FSMA on the merits and the quality of the Takeover Bid. A copy of this document is attached as Annex 2 to the Prospectus.

The Response Memorandum has been prepared in an English language version only. Pursuant to article 26 par. 2 of the Belgian Takeover Act, the Target has demonstrated to the FSMA that the Target, as a UK company, usually publishes its financial information in English only and English is also a language customary in the sphere of international finance. Given this, the FSMA has confirmed that the Response Memorandum is not required to be drawn up in both French and in Dutch under article 26 par. 1 of the Belgian Takeover Act.

The Response Memorandum contains as an annex a copy of the Equitableness Opinion in which Cattaneo states that it considers, having taken into account the commercial assessments of the directors of the Target, that the financial terms of the Takeover Bid are equitable as far as Shareholders are concerned. Cattaneo was appointed by the board of directors of the Target to issue the Equitableness Opinion for the benefit of the Target's board of directors only and, in doing so, Cattaneo did not act as an independent expert within the meaning of articles 20 to 23 of the Belgian Takeover Decree.

3.7 Governing law and jurisdiction

The Court of Appeal of Brussels has the exclusive jurisdiction to settle any disputes relating to the present Takeover Bid.

4. THE BIDDER AND POWERGRAPH

4.1 The Bidder

(a) Identification of the Bidder

The table below summarises the main corporate information regarding the Bidder:

Corporate name	**Congra Software S.à.r.l.**
Registered Office	19-21 route d'Arlon, L-8009 Strassen, Luxembourg
Date of Incorporation	3 August 2011
Chambers of Commerce (Luxembourg)	B162896
Legal form	Private limited liability company ("société à responsabilité limitée")
Financial year	1 January – 31 December
Date of annual general shareholders' meeting	Third Thursday of June
Statutory auditor	None

(b) Corporate purpose of the Bidder

According to article 3 of the Bidder's articles of association, the Bidder has the following corporate purpose:

"The purpose of the company is the development, marketing, distribution and implementation of software, primarily for the graphics industry, and the management of intellectual property rights pertaining thereto. The company will perform these activities itself or through its subsidiaries, other entities in which it holds an interest or joint ventures.

The company may acquire, hold and transfer interests in companies or other entities, in Luxembourg and abroad, and may manage such ownership interests. The company may acquire by subscription, purchase, exchange and in any other manner, shares, bonds, certificates of deposit, trust units and more generally any type of securities and financial instruments issued by a public or private entity, including partnerships. It may participate in the development, management and control of any company or enterprise. It may acquire and manage portfolios of intellectual property rights.

The company may borrow funds by contracting loans or issuing notes, bonds and any other kind of debt securities, including but not limited to preferred equity certificates and warrants, whether convertible or not; borrowing by the public issue of debt instruments is, however, excluded.

The company may lend funds, including, without limitation, the proceeds of any borrowings, to affiliated companies as well as to any other company or entity. It may give guarantees and pledge, mortgage, transfer, encumber or otherwise create and grant security over all or some of its assets in favour of third parties to secure its obligations, the obligations of its affiliated companies or any other company.

The company may employ techniques and utilize instruments to protect the company against any type of risk, including credit, interest rate and currency risk.

The company may be appointed as director or liquidator of any corporate or other entity.

The company may carry out any commercial, financial or industrial operations and any transactions with respect to real estate or movable property, which directly or indirectly, enhance or relate to its purpose.

The company will not enter into any transaction or activity, which implies prior authorization or recognition by a regulator unless it has obtained such authorization or recognition."

(c) Activities of the Bidder

The Bidder is a holding company which, through its subsidiaries, develops and sells enterprise resource software and productivity tools for graphic arts companies. The operating subsidiaries trade primarily under the name of HYBRID Software (https://www.hybridsoftware.com), selling their solutions including Cloudflow and Packz.

(d) Shareholders and capital structure of the Bidder

On the date of this Prospectus, the share capital of the Bidder amounts to EUR 36,915,431.19. The share capital is fully paid up and is represented by 924,882 class A ordinary Shares without nominal value and 153,583 class B ordinary Shares without nominal value.

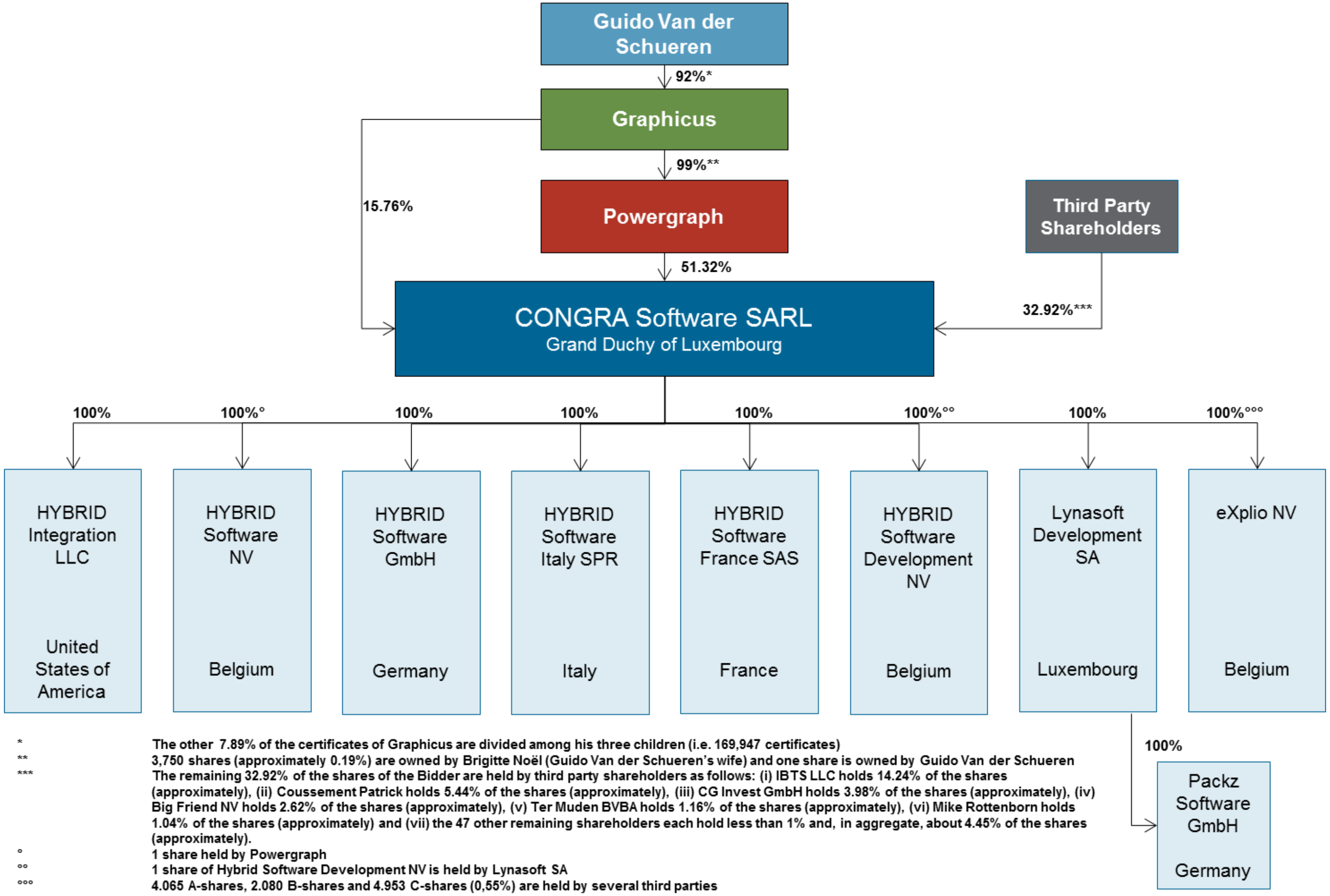
On the date of this Prospectus, Guido Van der Schueren, together with his wife and his three children, owns 67.08% of the shares of the Bidder (approximately), either directly or indirectly through Graphicus, which in turn controls Powergraph. The main shareholders of the Bidder are Powergraph (which holds 553,479 Shares, 51.32% of the Bidder's issued share capital (approximately)) and Graphicus (which holds 169,948 Shares, 15.76% of the Bidder's issued share capital (approximately)).

The remaining 32.92% of the shares of the Bidder are held by third party shareholders as follows: (i) IBTS LLC holds 14.24% of the shares (approximately); (ii) Coussement Patrick holds 5.44% of the shares (approximately); (iii) CG Invest GmbH holds 3.98% of the shares (approximately); (iv) Big Friend NV holds 2.62% of the shares (approximately); (v) Ter Muden BVBA holds 1.16% of the shares (approximately); (vi) Mike Rottenborn holds 1.04% of the shares (approximately) and (vii) 47 other remaining shareholders who each holds less than 1% and, in aggregate, about 4.45% of the shares (approximately).

Guido Van der Schueren is a director of Powergraph. Powergraph has issued 1,989,025 shares, of which 1,985,274 shares (approximately 99.81%) are owned by Graphicus, 3,750 shares (approximately 0.19%) are owned by Guido Van der Schueren's wife, Brigitte Noël, and one share is owned by Guido Van der Schueren.

Guido Van der Schueren is also a director of Graphicus, along with Brigitte Noël and Marc Ecker. Graphicus has issued 2,155,222 certificates (granting the holders both economic and voting rights with respect to those certificates, at the level of Graphicus) in total. Of these 2,155,222 certificates, 1,985,275 certificates are held by Guido Van der Schueren and 169,947 certificates are divided among his three children Tom, Hannah and Sarah Van der Schueren.

The Congra Group structure is as follows:



* The other 7.89% of the certificates of Graphicus are divided among his three children (i.e. 169,947 certificates)

** 3,750 shares (approximately 0.19%) are owned by Brigitte Noël (Guido Van der Schueren's wife) and one share is owned by Guido Van der Schueren

*** The remaining 32.92% of the shares of the Bidder are held by third party shareholders as follows: (i) IBTS LLC holds 14.24% of the shares (approximately), (ii) Coussement Patrick holds 5.44% of the shares (approximately), (iii) CG Invest GmbH holds 3.98% of the shares (approximately), (iv) Big Friend NV holds 2.62% of the shares (approximately), (v) Ter Muden BVBA holds 1.16% of the shares (approximately), (vi) Mike Rottenborn holds 1.04% of the shares (approximately) and (vii) the 47 other remaining shareholders each hold less than 1% and, in aggregate, about 4.45% of the shares (approximately).

° 1 share held by Powergraph

°° 1 share of Hybrid Software Development NV is held by Lynasoft SA

°°° 4.065 A-shares, 2.080 B-shares and 4.953 C-shares (0,55%) are held by several third parties

(e) Board of directors

On the date of this Prospectus, the board of directors of the Bidder is composed of the following persons:

Name	Position
Guido Van der Schueren	Manager
Ingrid Hoolants	Manager
Marc Ecker	Manager
Luca Gallinelli	Manager
Stéphane Vandervelde	Manager

The board of directors of the Bidder has no separate committees. There is also no separate executive management.

4.2 Shareholding in the Target

(a) Shares owned by the Bidder and concert parties

On the date of the Prospectus, the Bidder holds (directly and indirectly through its affiliates/concert parties) an aggregate of 4,134,138 of the outstanding Shares (representing 35.59% of the Target Voting Rights) (approximately), of which (i) 2,494,138 Shares (representing 21.47% of the Target Voting Rights (approximately)) are held directly by the Bidder and (ii) 1,640,000 Shares (representing 14.12% of the Target Voting Rights (approximately)) are held through Powergraph, as an affiliate (and concert party) of the Bidder. The calculation of these aforementioned percentages excludes the 218,279 Treasury Shares (representing 1.84% of the share capital of the Target).

Under the UK Takeover Code, Powergraph and the Bidder are considered to be acting in concert (see section 5.9 of the Prospectus) and their respective holdings in the Target are aggregated for the purposes of determining whether the threshold which triggers the requirement for a mandatory takeover bid has been crossed.

(b) Overview of acquisitions by the Bidder

The table below provides a detailed overview of the number of Shares acquired by the Bidder, its affiliates, concert parties or persons acting as intermediaries within the meaning of article 7 §2 of the Belgian Companies Code over the past 12 months, detailing the date of acquisition and the applicable purchase price. The applicable purchase price was each time paid in cash.

Shareholder	Number of Shares	Percentage of total Target Voting Rights	Date of Acquisition	Acquisition price per Share
Bidder	85,000[(1)]	0.73%	20 November 2018	EUR 4.25
Bidder	16,637[(2)]	0.14%	22 November 2018	EUR 4.25
Bidder	680[(3)]	0.01%	23 November 2018	EUR 4.25
Bidder	1,973,068[(4)]	16.98%	26 November 2018	EUR 4.25
Bidder	1,000[(5)]	0.01%	26 November 2018	EUR 4.25
Bidder	1,500[(6)]	0.01%	27 November 2018	EUR 4.25
Bidder	27,211[(7)]	0.23%	28 November 2018	EUR 4.25
Bidder	76,778[(8)]	0.66%	3 December 2018	EUR 4.25
Bidder	44,877[(9)]	0.39%	4 December 2018	EUR 4.25
Bidder	28,094[(10)]	0.24%	5 December 2018	EUR 4.25
Bidder	6,618[(11)]	0.06%	6 December 2018	EUR 4.25
Bidder	4,897[(12)]	0.04%	7 December 2018	EUR 4.25
Bidder	21,609[(13)]	0.19%	10 December 2018	EUR 4.25
Bidder	11,250[(14)]	0.10%	11 December 2018	EUR 4.25
Bidder	5,079[(15)]	0.04%	12 December 2018	EUR 4.25
Bidder	5,503[(16)]	0.05%	13 December 2018	EUR 4.25
Bidder	8,832[(17)]	0.08%	14 December 2018	EUR 4.25
Bidder	5,462[(18)]	0.05%	17 December 2018	EUR 4.25
Bidder	11,755[(19)]	0.10%	18 December 2018	EUR 4.25
Bidder	12,500[(20)]	0.11%	19 December 2018	EUR 4.25
Bidder	6,023[(21)]	0.05%	20 December 2018	EUR 4.25
Bidder	5,000[(22)]	0.04%	21 December 2018	EUR 4.25
Bidder	25,000[(23)]	0.22%	24 December 2018	EUR 4.25
Bidder	26,987[(24)]	0.23%	27 December 2018	EUR 4.25
Bidder	3,821[(25)]	0.03%	28 December 2018	EUR 4.25
Bidder	2,893[(26)]	0.02%	31 December 2018	EUR 4.25
Bidder	2,305[(27)]	0.02%	3 January 2019	EUR 4.25
Bidder	14,150[(28)]	0.12%	4 January 2019	EUR 4.25
Bidder	4,896[(29)]	0.04%	7 January 2019	EUR 4.25
Bidder	17,602[(30)]	0.15%	8 January 2019	EUR 4.25
Bidder	12,041[(31)]	0.10%	9 January 2019	EUR 4.25
Bidder	3,000[(32)]	0.03%	10 January 2019	EUR 4.25
Bidder	5,882[(33)]	0.05%	11 January 2019	EUR 4.25
Bidder	12,149[(34)]	0.10%	14 January 2019	EUR 4.25

Bidder	1[35]	0.00%	15 January 2019	EUR 4.25
Bidder	38[36]	0.00%	16 January 2019	EUR 4.25
Bidder	4,000[37]	0.03%	17 January 2019	EUR 4.25
TOTAL	2,494,138	21.47%	17 January 2019	EUR 4.25

Notes:

(1) The Shares were acquired by the Bidder on 20 November 2018 through market orders.
(2) The Shares were acquired by the Bidder on 22 November 2018 through market orders.
(3) The Shares were acquired by the Bidder on 23 November 2018 through market orders.
(4) The Shares were acquired by the Bidder pursuant to the completion of the GG Share Purchase Agreements on 26 November from Johan Volckaerts and Clema Capital S.à.r.l.
(5) The Shares were acquired by the Bidder on 26 November 2018 through market orders.
(6) The Shares were acquired by the Bidder on 27 November 2018 through market orders.
(7) The Shares were acquired by the Bidder on 28 November 2018 through market orders.
(8) The Shares were acquired by the Bidder on 3 December 2018 through market orders.
(9) The Shares were acquired by the Bidder on 4 December 2018 through market orders.
(10) The Shares were acquired by the Bidder on 5 December 2018 through market orders.
(11) The Shares were acquired by the Bidder on 6 December 2018 through market orders.
(12) The Shares were acquired by the Bidder on 7 December 2018 through market orders.
(13) The Shares were acquired by the Bidder on 10 December 2018 through market orders.
(14) The Shares were acquired by the Bidder on 11 December 2018 through market orders.
(15) The Shares were acquired by the Bidder on 12 December 2018 through market orders.
(16) The Shares were acquired by the Bidder on 13 December 2018 through market orders.
(17) The Shares were acquired by the Bidder on 14 December 2018 through market orders.
(18) The Shares were acquired by the Bidder on 17 December 2018 through market orders.
(19) The Shares were acquired by the Bidder on 18 December 2018 through market orders.
(20) The Shares were acquired by the Bidder on 19 December 2018 through market orders.
(21) The Shares were acquired by the Bidder on 20 December 2018 through market orders.
(22) The Shares were acquired by the Bidder on 21 December 2018 through market orders.
(23) The Shares were acquired by the Bidder on 24 December 2018 through market orders.
(24) The Shares were acquired by the Bidder on 27 December 2018 through market orders.
(25) The Shares were acquired by the Bidder on 28 December 2018 through market orders.
(26) The Shares were acquired by the Bidder on 31 December 2018 through market orders.
(27) The Shares were acquired by the Bidder on 3 January 2019 through market orders.
(28) The Shares were acquired by the Bidder on 4 January 2019 through market orders.
(29) The Shares were acquired by the Bidder on 7 January 2019 through market orders.
(30) The Shares were acquired by the Bidder on 8 January 2019 through market orders.
(31) The Shares were acquired by the Bidder on 9 January 2019 through market orders.
(32) The Shares were acquired by the Bidder on 10 January 2019 through market orders.
(33) The Shares were acquired by the Bidder on 11 January 2019 through market orders.
(34) The Shares were acquired by the Bidder on 14 January 2019 through market orders.
(35) The Shares were acquired by the Bidder on 15 January 2019 through market orders.
(36) The Shares were acquired by the Bidder on 16 January 2019 through market orders.
(37) The Shares were acquired by the Bidder on 17 January 2019 through market orders.

4.3 Financial Information

The Bidder is a non-listed company, organised and existing under the laws of Luxembourg.

The statutory financial statements of the Bidder for the financial year ended 31 December 2017, attached as Annex 3 to this Prospectus, were established in accordance with generally accepted accounting rules and principles in Luxembourg (Luxembourg GAAP).

The Bidder is considered exempt from the obligation to prepare consolidated financial statements under Luxembourg law (reference is made to Articles 1711-1 and 1711-4 of the Luxembourg law of 10 August 1915 on commercial companies (as amended) in this respect). Therefore, the Bidder does not prepare consolidated financial statements.

The Bidder does not have a statutory auditor.

Pursuant to article 35 of the Takeover Act, the Bidder obtained a derogation from the FSMA, as far as needed and applicable, from the obligation under section 2.2.1 of Annex 1 to the Takeover Decree for the Bidder to provide in the Prospectus a more recent statement of assets and liabilities than its statutory financial statements for the financial year ended 31 December 2017, which are older than nine months.

5. THE TARGET

5.1 Identification of Target

The table below summarises the main corporate information regarding the Target:

Corporate name	Global Graphics plc
Registered Office	2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW
Date of Incorporation	23 December 2013
Company Number	10872426
Legal form	a public limited company
Financial year	1 January – 31 December
Date of annual general shareholders' meeting	To be held within six months of the end of the financial year
Statutory auditor	KPMG LLP Chartered Accountants, 100 Hills Road, Cambridge, CB2 1 AR

5.2 Corporate purpose of Target

As the Target's objects are unrestricted in its articles of association, there are no restrictions to the corporate purpose of the Target.

5.3 Activities of Target

Global Graphics is a leading developer of platforms for digital printing and its subsidiary companies are experts in providing software solutions for digital inkjet press manufacturers, developing electronics and software to drive industrial inkjet printheads and designing and developing digital font technology.

Global Graphics is at the forefront of technology developments used for printing and displaying an increasingly diverse range of goods, from food labelling and packaging, to textiles and wall coverings, to automotive dashboard displays. Its strategic focus is to acquire the technology and skills to offer original equipment manufacturers (the **OEMs**) a more integrated solution for their production digital presses, in particular, to increase market share in the fast-growing inkjet market, and to expand its geographical reach for its solutions.

Global Graphics' business model is to directly license software technology to OEMs of pre-press equipment, digital printers and copiers, developers of applications that create, manipulate and manage electronic documents and system integrators. The fonts and associated technology is licensed to software developers and OEMs for inclusion in their products, to corporates for use in their corporate identity and branding and is sold through font portals to design agencies and end users. The font design team creates new font styles and redesigns, expands or optimises characters for special applications. Meteor's printhead driver solutions can drive all available inkjet heads currently on the market and are sold directly to the manufacturer of the printing device. Consequently, Global Graphics' printing technology lies at the heart of industry leading brands of digital pre-press systems, professional colour proofing devices, wide-format colour printers and digital production presses. Fonts are included in products from household names, ranging from domestic appliances to motor vehicles.

5.4 Corporate Governance of the Target

(a) General Principles

The board of directors is the principal decision-making body of the Target. Certain matters require the approval of Shareholders under the UK Companies Act 2006 and the Target's articles of association. Under the Target's articles of association, the Shareholders may also, by special resolution, direct the directors to take, or refrain from taking, specified action.

The board of directors is responsible for the management of the Target's business, for which purpose they may exercise all the powers of the company. The board of directors determines the Target's long-term business strategies, its risk appetite and key policies. The board of directors is accountable to Shareholders for the proper conduct of the Target's business and its long-term success and represents the interests of all stakeholders.

Responsibility for implementing the strategic direction and management of the Target's day-to-day operations is delegated to the Chief Executive Officer, who is accountable to the board of directors. The board of directors maintains and periodically reviews a list of matters that are reserved to, and can only be approved by, the board of directors. These include: approval of budgets, approval of major capital commitments, approval of acquisitions and divestitures and the appointment or removal of directors (subject to the approval of Shareholders at the annual general meeting).

(b) Board of Directors

Under the articles of association, the minimum number of directors on the board is two and the maximum number of directors is ten. Directors can be individuals or corporates and do not have to be Shareholders. Each director must be submitted for re-election by Shareholders at the Target's annual general meeting. On the date of publication of this Prospectus, the board of directors of the Target consists of four persons:

Name	Position	End of term
Gary Fry	Chief Executive Officer	Next annual general meeting
Graeme Huttley	Chief Financial Officer	Next annual general meeting
Guido Van der Schueren	Chairman (non-executive)	Next annual general meeting
Johan Volckaerts	Non-executive director	Next annual general meeting

The UK Corporate Governance Code applies to companies listed on the Main Market of the London Stock Exchange. As the Target is listed on Euronext Brussels, it is not required to comply with the UK Corporate Governance Code. However, the Target's board aims to ensure that the Target observes the provisions of the UK Corporate Governance Code to the extent practicable given its size. In compliance with the UK Corporate Governance Code, the Target's board comprises two executive directors (i.e. Gary Fry and Graeme Huttley) and two independent non-executive directors (i.e. Guido Van der Schueren and Johan Volckaerts). Guido Van der Schueren and Johan Volckaerts are considered by the Target's Board to be independent for the purposes of general management of the Target's activities.

In accordance with the articles of association of the Target, Guido Van der Schueren and Johan Volckaerts are not considered to be independent for the purposes of the Target's board consideration of the Takeover Bid due to their interest in the Takeover Bid as described below:

- On the date of this Prospectus, Guido Van der Schueren, together with his wife and his three children, own 67.08% of the shares of the Bidder (approximately), either directly or indirectly; and

- Johan Volckaerts was a party to the Private Acquisition (both directly and indirectly through his interest in Clema Capital Sàrl). The completion of the Private Acquisition resulted in the Bidder incurring an obligation under the UK Takeover Code to make a general offer for the rest of the issued share capital of the Target.

Hence, Guido Van der Schueren and Johan Volckaerts did not participate in, or vote at, the meeting of the Target's board to approve the Response Memorandum.

Johan Volckaerts has confirmed that he will not resign upon completion of the Private Acquisition but intends to remain as a member of the board of directors of the Target until the first completion date of the Takeover Bid (i.e. closing of the Initial Acceptance Period) in accordance with the terms of Rule 9.6 of the UK Takeover Code.

(c) Management

On the date of this Prospectus, the management team of the Target is composed of the following persons:

Name	Position
Gary Fry	Chief Executive Officer
Graeme Huttley	Chief Financial Officer
Jill Taylor	Corporate Communications Director
Neil Wylie	Operations Director
Clive Ayling	Managing Director at Meteor Inkjet
Justin Bailey	Managing Director at Global Graphics Software
Peter Rosenfeld	Managing Director at URW

(d) Committees

The board of directors considers that, due to the current size of the GG Group, audit and remuneration committees are not currently required to support the governance of the GG Group.

5.5 Principal shareholders of the Target

The table below provides an overview of the Shareholders that filed a notification with the Target and the FSMA pursuant to applicable transparency disclosure rules up to the date of this Prospectus pursuant to the Belgian Act of 2 May 2007. Although the applicable transparency disclosure rules require that a disclosure must be made when certain thresholds are passed, it is possible that the information below in relation to a Shareholder is no longer up-to-date.

Shareholder	Number of Shares	Percentage of total Target Voting Rights
The Bidder & Concert Parties/Affiliates		
Bidder	2,494,138	21.47%

Powergraph	1,640,000	14.12%
Global Graphics[(1)]	218,279	/
Others		
Burgerlijke Maatschap Sigiez-Lootens	484,515	4.17%
Friberg Christian	381,732	3.29%
Total outstanding Shares	11,835,707	100.00%

Notes:

(1) The Shares are held as Treasury. See also section 5.6(c) of the Prospectus.

Reference is also made to the website of the FSMA (www.fsma.be) for more information on the trading of the Shares since the Private Acquisition Announcement until the completion of the Takeover Bid by respectively (a) the Bidder, (b) the Target, (c) the members of the governing body of the Bidder or the Target (or the body to whom the governing body has transferred or delegated a part of its powers), (d) the persons that act in concert with the Bidder or the Target, and (e) persons holding directly or indirectly at least 1% of the outstanding Shares of the Target. Notably, pursuant to article 12, §1 of the Belgian Takeover Decree, each of the persons referred to in (a) to (e) must notify the FSMA on each Business Day, as the case may be after the end of trading on Euronext Brussels, of (i) any acquisition or transfer of Shares, and (ii) any Share lending or settlement before maturity of a Share lending. The FSMA publishes on its website the notices that it receives in accordance with article 12 of the Belgian Takeover Decree.

5.6 Share capital and outstanding Shares of the Target

(a) Share capital

As of the date of this Prospectus, the share capital of the Target is represented by 11,835,707 Shares with a nominal value of EUR 0.40 each which are fully paid up.

(b) Authorities

The board of directors of the Target is authorised to allot Shares up to an aggregate nominal amount of EUR 2,000,000. This authority shall expire on the conclusion of the Target’s next annual general meeting or, if earlier, at the close of business on 24 July 2019. This authority may be renewed at the Target’s next annual general meeting. As of the date of this Prospectus, the Target's board of directors has not yet made use of its powers under this authority.

The board of directors of the Target is authorised to disapply statutory pre-emption rights with respect to the allotment of Shares up to an aggregate nominal amount of EUR 2,000,000 or the sale or transfer of Treasury Shares. This means that the relevant Shares can be allotted or the Treasury Shares can be sold or transferred (as the case may be) without the requirement to offer the Shares or Treasury Shares to existing Shareholders first. This authority shall expire on the conclusion of the Target’s next annual general meeting or, if earlier, at the close of business on 24 July 2019. This authority may be renewed at the Target’s next annual general meeting. As of the date of this Prospectus, the Target's board of directors has not yet made use of its powers under this authority.

(c) Treasury Shares

On the date of this Prospectus, the Target holds 218,279 Treasury Shares. Under the UK Companies Act 2006, the Target must not exercise any rights (including voting rights) in respect of the Treasury Shares.

The treatment of the Treasury Shares in the context of the Takeover Bid is set out in section 7.1(b) of this Prospectus.

(d) Other securities exercisable or convertible into Shares

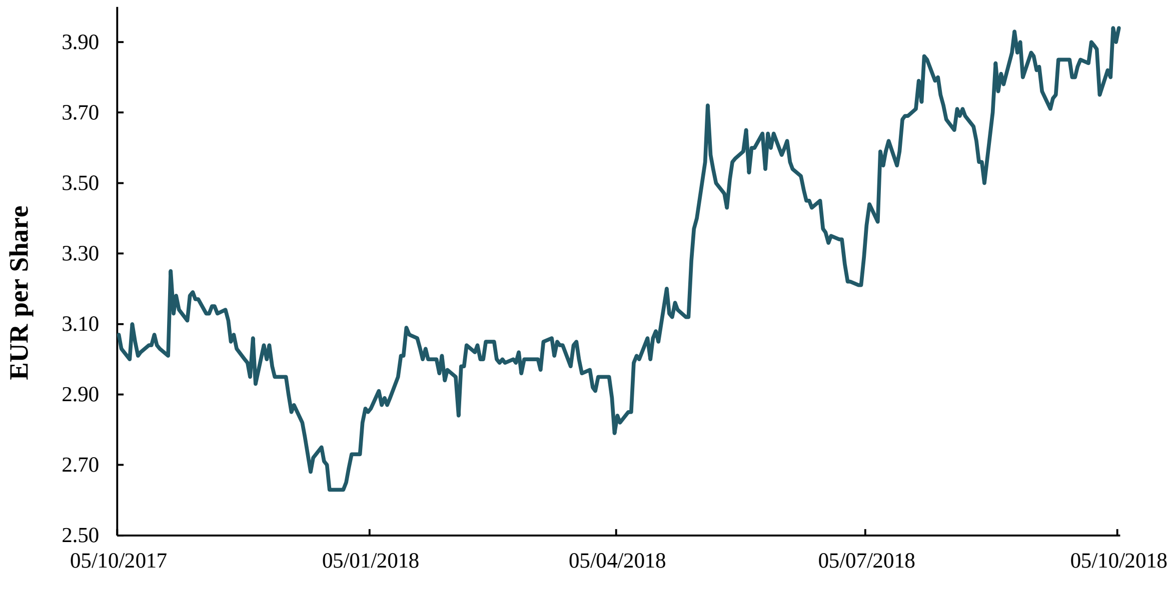
The Target operates an employee share option arrangement under which, on the date of this Prospectus, there are outstanding Share Options in respect of an aggregate of 242,776 Shares. The Vested Options in respect of an aggregate of 104,776 Shares are already vested and exercisable in accordance with their terms, with a nil exercise price. The Unvested Options in respect of an aggregate of 138,000 Shares, with a nil exercise price, have not yet vested in accordance with their terms. All outstanding Share Options are held by current staff members and other service providers of the GG Group.

The Target also operates a SIP, under which participants have purchased Shares, and have been awarded SIP Shares. The SIP Shares are held on behalf of SIP participants in the SIP trust under the terms of the SIP trust deed and SIP rules. There are 40 SIP participants holding an aggregate of 120,265 SIP Shares.

The treatment of the Share Options and the SIP Shares in the context of the Takeover Bid is set out in section 7.1(b) of this Prospectus.

(e) Fluctuation of the Share price on Euronext Brussels

The graph below illustrates the evolution of the Target's Share price on Euronext Brussels during the last 12 months preceding the Announcement Date, i.e. from 5 October 2017 until 5 October 2018.

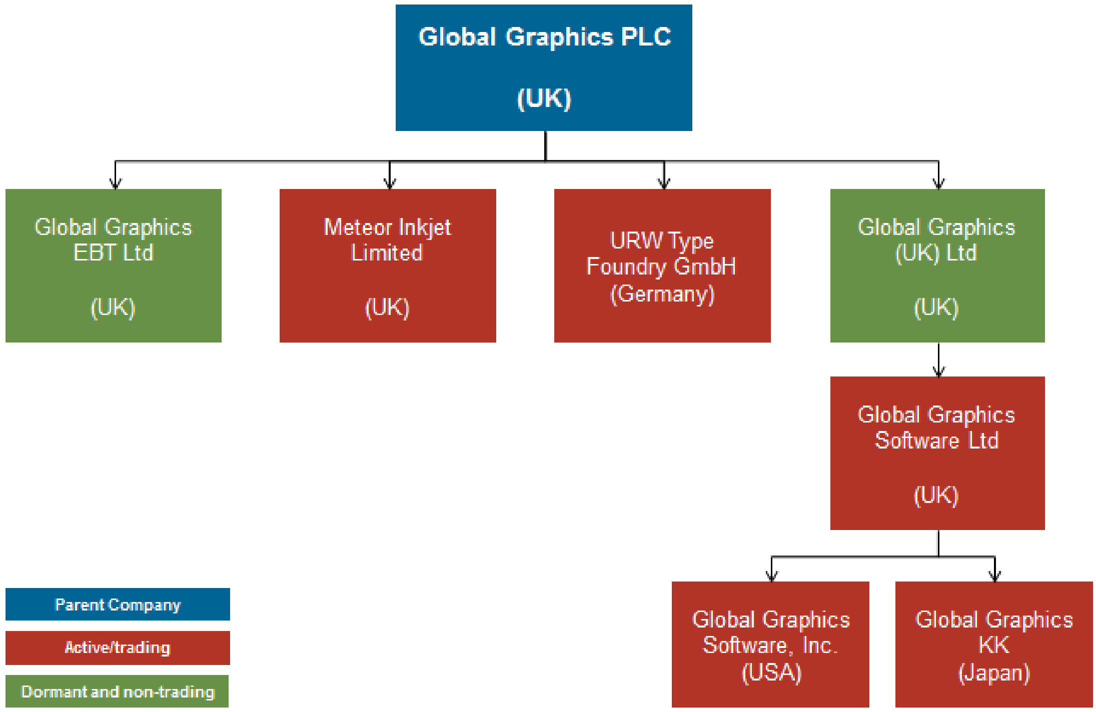


Source: Euronext

5.7 Participations held by Target

The Target currently holds interests in seven entities on a consolidated level: Global Graphics (UK) Limited, Global Graphics Software Limited, Global Graphics Software Incorporated, Global Graphics Kabushiki Kaisha, Global Graphics EBT Limited, Meteor Inkjet Limited and URW Type Foundry GmbH.

Please find below a chart reflecting the GG Group:



* All subsidiaries are 100% owned by the immediate parent.

5.8 Recent developments

For the recent developments with the GG Group, reference is made to the press releases which have been published on the website of the Target (https://www.globalgraphics.com/investors/news):

- On 5 October 2018, the Target announced that it had reached agreement with the Bidder on the terms of a proposed all cash acquisition by the Bidder of the entire issued and to be issued share capital of the Target, intended to be implemented by means of the Scheme.

- On 10 October 2018, the Target issued a trading update for the third quarter ended on 30 September 2018 and the first nine months of the financial year, announcing that revenue for the third quarter was EUR 5.47 million (compared to EUR 4.50 million for the third quarter of 2017), gross profit was EUR 4.40 million (compared to EUR 3.38 million for the third quarter of 2017), net profit was EUR 0.57 million (compared to net loss of EUR 0.02 million for the third quarter of 2017), EBITDA was EUR 1.27 million (compared to EUR 0.61 million for the third quarter of 2017), and cash was valued at EUR 5.78 million (compared to EUR 4.00 million in the third quarter of 2017). For the first nine months of 2018, revenue was EUR 16.83 million (compared to EUR 14.67 million for the first nine months of 2017), gross profit was EUR 13.32 million (compared to EUR 11.19 million for the first nine months of 2017), net profit was EUR 2.10 million (compared to EUR 0.16 million for the first nine months of 2017), and EBITDA was EUR 4.19 million (compared to EUR 2.36 million for the first nine months of 2017).

- On 8 November 2018, the Target published a notification disclosing an increase in the percentage of the Target Voting Rights held by Burgerlijke Maatschap Sigiez-Lootens from 3.20% to 4.19% (on that date, the Target held 258,441 Treasury Shares and, hence, in aggregate there were 11,577,266 Target Voting Rights).

- On 12 November 2018, the Target published a notification disclosing the acquisition by Mr. Friberg Christian of 3.30% of the Target Voting Rights (on that date, the Target held 258,441 Treasury Shares and, hence, in aggregate there were 11,577,266 Target Voting Rights).

- On 13 November 2018, the Target issued a joint press release together with the Bidder announcing the decision not to proceed with the Scheme and the decision instead by the Bidder to enter into share purchase agreements which would result in a mandatory offer by the Bidder for the remaining issued share capital of the Target (not owned by the Bidder or its concert parties).

- On 26 November 2018, the Target published a notification disclosing the disposal of 3,346 shares under the Global Graphics share incentive plan.

- On 28 November 2018, the Target published three notifications disclosing an increase in the percentage of the Target Voting Rights held by the Bidder, to 17.94% and a decrease in the percentage of the Target Voting rights held by (i) Clema Capital, to 0%, and (ii) Johan Volckaerts, to 0% (on that date, the Target held 258,441 Treasury Shares and, hence, in aggregate there were 11,577,266 Target Voting Rights).

- On 5 December 2018, the Target published two notifications disclosing an increase in the percentage of the Target Voting Rights held by (i) the Bidder, from 17.94% to 18.18%, and (ii) the Bidder, from 18.18% to 19.23% (on that date, the Target held 258,441 Treasury Shares and, hence, in aggregate there were 11,577,266 Target Voting Rights).

- On 7 December 2018, the Target published a notification disclosing (i) the sale of 1,973,068 Shares by Johan Volckaerts, and (ii) the acquisition by the Bidder of 2,261,463 Shares between 20 November 2018 and 6 December 2018.

- On 10 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 4,897 Shares on 7 December 2018.

- On 11 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 21,609 Shares on 10 December 2018.

- On 12 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 11,250 Shares on 11 December 2018.

- On 13 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 5,079 Shares on 12 December 2018.

- On 14 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 5,503 Shares on 13 December 2018.

- On 17 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 8,832 Shares on 14 December 2018.

- On 17 December 2018, the Target published a notification disclosing an increase in the percentage of the Target Voting Rights held by the Bidder from 19.23% to 20.03% (on that date, the Target held 258,441 Treasury Shares and, hence, in aggregate there were 11,577,266 Target Voting Rights).

- On 18 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 5,462 Shares on 17 December 2018.

- On 19 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 11,755 Shares on 18 December 2018.

- On 20 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 12,500 Shares on 19 December 2018.

- On 21 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 6,023 Shares on 20 December 2018.

- On 24 December 2018, the Target published a notification that it has through its subsidiary URW Type Foundry GmbH signed a contract and received acceptance for a fully paid-up, perpetual license for its front technology.

- On 24 December 2018, the Target published a notification disclosing the acquisition by the Bidder of 5,000 Shares on 21 December 2018.

- On 4 January 2019, the Target announced that it had transferred 37,425 Treasury Shares of EUR 0.40 each out of treasury to (i) an employee to satisfy a previous award of Shares and (ii) the SIP. The Target further specified that, on that date, it held 222,473 Treasury Shares and had 11,613,234 Shares in issue (excluding Treasury Shares), bringing the total number of Target Voting Rights to 11,613,234.

- On 4 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 2,305 Shares on 3 January 2019.

- On 7 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 14,150 Shares on 4 January 2019.

- On 8 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 4,896 Shares on 7 January 2019.

- On 9 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 17,602 Shares on 8 January 2019.

- On 9 January 2019, the Target published a notification disclosing an increase in the percentage of the Target Voting Rights held by the Bidder from 20.03% to 21.01% (on that date, the Target held 258,441 Treasury Shares and, hence, in aggregate there were 11,577,266 Target Voting Rights).

- On 10 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 12,041 Shares on 9 January 2019.

- On 11 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 3,000 Shares on 10 January 2019.

- On 14 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 5,882 Shares on 11 January 2019.

- On 15 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 12,149 Shares on 14 January 2019.

- On 16 January 2019, the Target announced that it had transferred 4,194 Treasury Shares of EUR 0.40 each out of treasury to (i) an employee to satisfy a previous award of Shares and (ii) the SIP. The Target further specified that, on that date, it held 218,279 Treasury Shares and had 11,617,428 Shares in issue (excluding Treasury Shares), bringing the total number of Target Voting Rights to 11,617,428.

- On 16 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 1 Share on 15 January 2019.

- On 17 January 2019, the Target published a notification disclosing the acquisition by the Bidder of 38 Shares on 16 January 2019.

5.9 Acting in concert

Since 20 December 2017, Powergraph holds 51.32% of the outstanding shares of the Bidder. Since 17 January 2019, the Bidder owns an aggregate of4,134,138 of the outstanding Shares of the Target, representing 35.59% of the Target Voting Rights. This is inclusive of 14.12% of the Target Voting Rights held by Powergraph. These aforementioned percentages are calculated excluding the 218,279 Treasury Shares held by the Target.

Under the UK Takeover Code, the following parties, amongst others, are considered to be acting in concert with the Bidder:

(a) Powergraph on account of its majority holding in the Bidder (as referred to above);

(b) Guido Van der Schueren, on account of being a director of the Bidder and on account of having control over the majority of voting rights in and the ability to exercise control over the Bidder;

(c) Guido Van der Schueren’s wife, Brigitte Noël, and Guido Van der Schueren’s children, Tom Van der Schueren, Hannah Van der Schueren and Sarah Van der Schueren, as close relatives of Guido Van der Schueren; and

(d) Graphicus, on account of its majority holding in Powergraph.

Guido Van der Schueren, Brigitte Noël, Tom Van der Schueren, Hannah Van der Schueren and Sarah Van der Schueren and Graphicus do not directly hold any Shares.

5.10 Financial Information

The Target is a company, organised and existing under the laws of England and Wales, and listed on Euronext Brussels.

The statutory financial statements of the Target for the financial year ended 31 December 2017 and its consolidated financial statements for the same period are established in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union and are incorporated by reference in the Prospectus in accordance with article 13, §3 of the Belgian Takeover Act. These statutory and consolidated financial statements were audited by the statutory auditor of the Target, KPMG LLP.

On 25 July 2018, the Target published its unaudited consolidated half-yearly interim financial statements for the six months ended 30 June 2018, which can be found on the website of the Target (www.globalgraphics.com/investors). On 10 October 2018, the Target published a trading update for the quarter ended 30 September 2018 and the nine months ended 30 September 2018, which can be found on the website of the Target (www.globalgraphics.com/investors).

5.11 Documents incorporated by reference (and reference to their inclusion in an Annex)

The following documentation that was previously published by the Target and that is also available on the website of the Target (https://www.globalgraphics.com/investors/financial-reports) is incorporated by reference in the Prospectus in accordance with article 13, §3 of the Belgian Takeover Act:

- press releases on the Target;
- the consolidated financial statements of the GG Group for the financial year ended 31 December 2017;
- the statutory financial statements of the Target for the financial year ended 31 December 2017;
- the annual reports on, respectively, the consolidated financial statements of the GG Group for the financial year ended 31 December 2017 and the statutory financial statements of the Target for the financial year ended 31 December 2017;
- the unaudited consolidated half-yearly interim financial statements of the GG Group for the six months ended 30 June 2018; and
- the trading update for the quarter ended 30 September 2018 and the nine months ended 30 September 2018.

The information so incorporated by reference herein shall form an integral part of the Prospectus, it being understood that each element set forth in a document included by way of reference is considered to be amended or replaced, for the purpose of the Prospectus, each time that a provision of the Prospectus replaces such element (whether expressly, by implication or otherwise). Each element thus amended is included in the Prospectus exclusively in the amended or replaced version.

6. OBJECTIVES AND INTENTIONS OF THE OFFEROR

6.1 Background

Following the decision of the Target and the Bidder not to proceed with the Scheme, as announced on 13 November 2018, the Bidder entered into the GG Share Purchase Agreements on 12 November 2018 to acquire a total of 1,973,068 Shares in the Target (representing 16.98% of the Target Voting Rights (approximately)), which were held, respectively, by Clema Capital Sàrl (i.e. 1,517,171 Shares, representing 13.06% of the Target Voting Rights (approximately)) and Johan Volckaerts (i.e. 455,897 Shares, representing 3.92% of the Target Voting Rights (approximately)), for a purchase price in cash of EUR 4.25 per Share.

On 13 November 2018, the Bidder announced that it had incurred an obligation (under the UK Takeover Code), and accordingly intended, to launch a Takeover Bid as a result of the entry into the GG Share Purchase Agreements. The completion of the Private Acquisition took place on 26 November 2018.

Between the date of entry and the date of completion of the Private Acquisition, the Bidder also acquired an additional holding participation in the Target of 103,317 Shares in total (representing 0.89% of the Target Voting Rights (approximately)) through several market order transactions. Following the completion of the Private Acquisition, the Bidder acquired other additional holding participations in the Target through market orders resulting in an aggregate holding by the Bidder of 417,753 Shares (representing 3.60% of the Target Voting Rights (approximately)). The price per Share paid in these market order transactions amounted to EUR 4.25 or below.

As a result of the Private Acquisition and those market order transactions, the Bidder holds (directly and indirectly through its affiliates/concert parties) an aggregate of 4,134,138 Shares (representing 35.59% of the Target Voting Rights, of which (i) 2,494,138 Shares (representing 21.47% of the Target Voting Rights (approximately)) are held directly by the Bidder and (ii) 1,640,000 Shares (representing 14.12% of the Target Voting Rights (approximately)) are held through Powergraph, as an affiliate and concert party of the Bidder). The aforementioned percentages exclude the 1.84% of the Treasury Shares (i.e. 218,279 Shares).

Given that the shared jurisdiction rules under the Takeover Directive apply to the Target (as set out in section 7.3(c) of this Prospectus), the threshold triggering the obligation to make a mandatory takeover bid must be calculated by reference to the UK Takeover Code. Treasury shares are not treated as voting securities for this purpose. As the aggregate interests in the Shares held by the Bidder and its concert parties exceeded 30% of the Target Voting Rights as a result of the entry into the GG Share Purchase Agreements and, additionally, as a result of subsequent purchases, the Bidder has incurred obligations under the UK Takeover Code to make a general offer for the rest of the issued share capital of Global Graphics.

In accordance with article 56 of the Belgian Takeover Decree, the Takeover Bid was filed with the FSMA on 28 November 2018 and the announcement of the Takeover Bid was published on 29 November 2018.

If sufficient acceptances are received and/or sufficient Shares are otherwise acquired or agreed to be acquired, the Bidder intends to apply the provisions of Chapter 3 of Part 28 of the UK Companies Act 2006 to effect a Squeeze-out. The relevant thresholds for these purposes are that the Bidder has, by virtue of acceptances of the Takeover Bid, acquired or unconditionally contracted to acquire not less than 90% in value of the Shares to which the Takeover Bid relates and 90% of the voting rights carried by those Shares.

6.2 Objectives of the Bidder

By launching the Takeover Bid, the Bidder complies with its obligations resulting from the Private Acquisition.

The acquisition of the GG Group is fully consistent with the Congra Group's strategy to create a world leading software and solutions company for the digital graphics printing sector. The Bidder strongly believes that the GG Group has a number of unique features and provides a compelling opportunity for, inter alia, the following reasons:

- the GG group has a leading position as a supplier of software and industrial inkjet printhead driver solutions to industrial inkjet press manufacturers;

- the GG Group has long-standing relationships with blue-chip companies in the press manufacturing sector across the globe with a deep understanding of their needs; and

- the GG Group has strong capabilities in software development, with a comprehensive set of software solutions to cover the (digital) printing process.

The combination of both the Congra Group's and the GG Group's businesses allows a more intensified cooperation and resource sharing in software development and product management.

HYBRID Software (a part of the Congra Group) and Global Graphics Software (a part of GG Group) service the same market: prepress, packaging and labels. HYBRID Software targets end-users directly and Global Graphics Software focuses on OEM's. Both offerings are based on a common technology: Portable Document Format (PDF), which is an open source standard.

Global Graphics Software and HYBRID Software license certain of their products to each other and provide maintenance services in relation to these products.[1]

- Global Graphics Software has provided a license to HYBRID Software for the use of its software product called "Harlequin Host Render" and provides maintenance services to HYBRID Software in relation to this product. HYBRID Software uses the license and the services to offer to its customers a Raster Imaging Processing (RIP) solution based on Global Graphics Software's Harlequin Host Render.

- HYBRID Software has provided a license to Global Graphics Software for the use of its software product called "Cloudflow Fundamentals" and provides maintenance services to Global Graphics Software in relation to this product. Global Graphics Software uses HYBRID Software's Cloudflow Fundamentals to offer flexible Digital Front-End (DFE) solution called "Fundamentals" which is based on HYBRID Software's Cloudflow Fundamentals.

Global Graphics RIP license and maintenance sales to HYBRID Software totalled 155,750 USD in FY 2018. HYBRID Software's Cloudflow Fundamentals sales to Global Graphics Software totalled 47,250 USD in FY 2018. Both revenue streams are expected to grow substantially in the future. In addition, the combination of the Congra Group's and the GG Group's businesses offers significant opportunities to exploit the future growth of the digital front-end market and the Congra Group believes that it is uniquely positioned to support the GG Group to realise future growth for both businesses by:

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[1] For further details on the products and services offered by Global Graphics Software and HYBRID Software, reference is made to their respective websites (i.e., respectively, https://www.globalgraphics.com/globalgraphics-software and https://www.hybridsoftware.com/en/order-lifecycle-management-printing-and-graphic-arts).

- marketing products, services and solutions to both end users and press manufacturers (OEMs), which include global top-tier companies across various regions;
- strengthening the product portfolio and executing more cross-selling and add-on sales opportunities;
- reaching new joint customers and realising an exponential increase in network effects and switching costs; and
- benefitting from the strong research and development capabilities of both businesses for joint product development.

Through their cooperation, the Congra Group and the GG Group will be able to expand the breadth of services offered to customers. Furthermore, the transaction will allow the Congra Group to strengthen its business in Asia.

6.3 Intentions of the Bidder

(a) Strategy towards the GG Group

In general, the intentions of the Bidder are to pursue the strategy to create a world leading software and solutions company for the digital graphics printing sector mainly through its combination with the GG Group.

(b) Position of the GG Group

The Bidder intends to maintain Global Graphics as a separate legal entity organised and existing under the laws of England and Wales, with its head office in Cambridge. At the date of this Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the GG Group. Certain corporate (group) structure efficiencies may still be realised, as the case may be, in the future, but these are not expected to have an adverse impact on employment within the GG Group.

(c) Executive management of the GG Group

The Bidder believes that maintaining the strong employee culture within the GG Group will be essential to ensuring future success. The Bidder currently does not have any plans to change the executive management.

(d) Employment of the GG Group

The Bidder regards the GG Group's employees as equally important to the future success of the GG Group. The Bidder intends to ensure that the GG Group continues to provide an environment for its employees within which they will be well placed to continue to flourish.

At the date of this Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the activities of the GG Group or to amend the current terms and conditions of employment in any significant manner.

(e) Composition of the board of directors of the Target

At the date of this Prospectus, the board of directors of the Target is composed of four directors (as set out in section 5.4 of the Prospectus) as follows: Guido Van der Schueren, Johan Volckaerts and the CEO and CFO of the Target (being, respectively, Gary Fry and Graeme

Huttley). Johan Volckaerts has confirmed that he will not resign upon completion of the Private Acquisition but intends to remain as a member of the board of directors of the Target until the first completion date of the Takeover Bid (i.e. closing of the Initial Acceptance Period) in accordance with the terms of Rule 9.6 of the UK Takeover Code. At the date of this Prospectus, the Bidder does not have any plans to appoint additional representatives as directors to the board of the GG Group. These plans may change following the completion of the Takeover Bid, as the case may be.

(f) Delisting of the Target

The Bidder believes that the continued listing of the Target is no longer useful to raise capital, finance acquisitions (as relevant), raise the profile of the GG Group, or enhance employee retention (via Share based awards). Therefore, upon completion of the Takeover Bid (and, as relevant, the Squeeze-out), the Bidder intends to request that the board of directors of the Target applies for and proceeds with the delisting of the Shares and cancellation of admission to trading on the regulated market of Euronext Brussels to the extent permitted by law and subject to the approval of the board of directors of the Target. Even if the Bidder is not successful in implementing a Squeeze-out, it reserves the right to request that the board of directors of the Target (subject to the board's approval thereof) applies for a delisting subject to the approval of the board of directors of the Target in order to avoid the costs and burdens related to a continued listing of the Target on Euronext Brussels.

Pursuant to article 26 §1 of the Belgian Act of 21 November 2017, Euronext Brussels should give a prior notification of a delisting to the FSMA, which, after discussion with Euronext Brussels, may oppose a delisting in the interest of protecting investors. The FSMA has, under a previous regulation, indicated that it shall not oppose a delisting if it is preceded by a successful accompanying measure for the benefit of the minority shareholders, but also that, conversely, it shall oppose a delisting if no such successful accompanying measure has been taken (reference is also made to FSMA Annual Report 2015 p. 40). In the event of a delisting of the Target, the Bidder will procure that the Target adopts a simpler and lighter corporate governance and management structure.

(g) Dividend policy of the Target

The Target does not have an active dividend policy in place. The Bidder currently does not intend to change this.

(h) Intended amendments to the articles of association of the Target

In the event of a delisting of the Target, the Bidder will procure that conditional upon the passing of a special resolution of the Shareholders in accordance with the UK Companies Acts 2006, the articles of association of the Target are amended to take into account the non-listed status of the Target.

6.4 Expected economic gains

As described in sections 6.1 and 6.2 of the Prospectus, through its business combination with the GG Group, Congra Group envisages intensified cooperation and resource sharing in software development and product management. In addition, the Congra Group intends to expand the breadth of services offered to customers. The transaction will also allow the Congra Group to strengthen its business in Asia.

While the Congra Group believes in the merits of a business combination, the managerial realisation thereof will take significant time and efforts, and is subject to further investments and a number of contingencies. In this respect, it is difficult to evaluate and quantify expected economic gains on the date of this Prospectus.

6.5 Benefits for the Target and the holders of its Shares

As the Takeover Bid is being structured as a full cash offer, the main and immediate advantage of the Takeover Bid for the Shareholders is the Bid Price and the premium implied by such price. The Bid Price also constitutes an opportunity for the Shareholders to obtain immediate and certain liquidity. This should be appreciated in light of the actual limited liquidity of the Shares on Euronext Brussels. Furthermore, the Shareholders should take into account that the liquidity of the Shares of the Target is expected to be further reduced after the Takeover Bid, in particular if Squeeze-out has been implemented or if the Bidder can procure a delisting of the Shares of the Target (subject to the approval of the board of directors of the Target) without implementing a Squeeze-out (see also section 7.8 of the Prospectus).

In the long term, a stable majority shareholder such as the Bidder will allow the Target to develop securely its activities instead of facing strong competition on a stand-alone basis, which will require an increasing amount of investments to remain competitive.

6.6 Benefits for the Bidder and its shareholders

The Takeover Bid enables the Bidder to strengthen its control over the Target. While the Takeover Bid is primarily the result of an obligation triggered by the (direct and indirect) acquisition of 35.59% of the Shares, the Bidder believes that there is additional value in a potential delisting of the Target (see also section 6.3(f) of the Prospectus). Such delisting is, however, not certain and the Takeover Bid is not conditional upon the ability to delist the Target.

7. THE TAKEOVER BID

7.1 Features of the Takeover Bid

(a) Nature of the Takeover Bid

Given that the shared jurisdiction rules under the Takeover Directive apply to the Takeover Bid, the Takeover Bid is a mandatory public takeover bid triggered under Rule 9.1 of the UK Takeover Code. Reference is made to section 7.3(c) of this Prospectus for more details in this respect.

The consideration under the Takeover Bid will be paid in cash.

(b) Scope of the Takeover Bid

Shares

On the date of this Prospectus, the Target has issued 11,835,707 Shares, representing 11,617,428 Target Voting Rights. The Shares are listed on Euronext Brussels under ISIN code GB00BYN5BY03. The Target holds 218,279 Treasury Shares, representing 1.84% of the share capital of the Target.

The Takeover Bid relates to all Shares issued by the Target on the date of the Prospectus, except for (i) the Shares already held by the Bidder, (ii) the Shares already held by concert parties of the Bidder (i.e. the Shares held by Powergraph) and (iii) the Treasury Shares of the Target.

As set out above, the Treasury Shares do not form part of the Takeover Bid. Considering that the shared jurisdiction rules of the Takeover Directive apply to the Takeover Bid (as set out below in section 7.3(c) of this Prospectus), the scope of the Takeover Bid should be determined by reference to the UK Takeover Code. Under Note 15 to Rule 9.1 of the UK Takeover Code there is no obligation to extend a mandatory takeover bid to the Treasury Shares.

However, the Treasury Shares held by the Target which will be transferred as a result of the exercise of the Vested Options will form part of the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates.

Therefore, the Takeover Bid relates to a total maximum of 7,588,066 Shares (representing in total64.11% of the issued Shares and 65.32% of the Target Voting Rights (approximately)).

For the avoidance of doubt, this total maximum of Shares to which the Takeover Bid relates, is calculated as follows:

Total number of issued Shares (including SIP Shares)	11,835,707
MINUS	
Number of Shares held by the Bidder	2,494,138
Number of Shares held by concert parties of the Bidder	1,640,000
Number of Treasury Shares	218,279

PLUS	
Number Shares relating to the Vested Options	104,776
Total Maximum of Shares to which the Takeover Bid Relates	**7,588,066**

Share Options and SIP Shares

As set out in section 5.6(d) of the Prospectus, the Target operates an employee share option arrangement, under which there are outstanding Share Options to acquire an aggregate of 242,776 Shares. The Takeover Bid does not extend to the Share Options as those are all non-transferrable. However, the Takeover Bid does extend to any Shares issued or transferred to holders of the Share Options as a result of the exercise of the Vested Options.

The Bidder will invite holders of Vested Options to exercise their Share Options and accept the Takeover Bid in respect of the Shares to which the holders become entitled on exercise. Accordingly, those Shares held by the holders of the Share Options who elect to exercise their Vested Options and accept the Takeover Bid will be acquired at the Bid Price and under the terms and conditions of the Takeover Bid. The Treasury Shares held by the Target which will be transferred as a result of the exercise of the Vested Options will form part of the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates.

Vesting of the Unvested Options is not accelerated by the Takeover Bid and the Unvested Options will continue on their terms until their normal vesting date. The Bidder will, following the vesting of any Unvested Options, reopen the Takeover Bid (by way of a private offer) on a voluntary basis during the exercise period of such Share Options, and invite the holders to exercise their Share Options and accept the Takeover Bid in respect of the Shares to which the holders become entitled on exercise.

As set out in section 5.6(d), the Target also operates a SIP, under which participants have purchased Shares, and have been awarded SIP Shares. In accordance with the SIP rules and trust deed, SIP participants will be notified of the Takeover Bid, and, in respect of 59,719 of the Free SIP Shares, may direct the SIP trustees to accept the Takeover Bid in respect of such SIP Shares.

There are 60,546 Restricted SIP Shares in respect of which participants cannot accept the Takeover Bid without, in accordance with the SIP rules and SIP trust deed, either forfeiting the SIP Shares or impacting the beneficial tax treatment afforded to such SIP Shares.

The SIP Shares (i.e. both the Free SIP Shares and the Restricted SIP Shares) are covered by the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates. The notification to SIP participants will explain the impact under the SIP rules and SIP trust deed of accepting the offer for the Restricted SIP Shares.

Due to the impact for SIP participants of accepting the offer for Restricted SIP Shares, it is not anticipated that SIP participants will accept the offer for such SIP Shares. In relation to these Restricted SIP Shares, on the expiry of the applicable holding periods, the Bidder will reopen the Takeover Bid (by way of a private offer) on a voluntary basis for a short period, and invite the participants to accept the Takeover Bid in respect of the relevant SIP Shares.

(c) Unconditional Takeover Bid

The Takeover Bid is unconditional.

(d) Overseas Shareholders

The Takeover Bid is not being made, directly or indirectly, in or into, and is not capable of acceptance from any Restricted Jurisdiction.

(e) Bid Price and payment

The Bid Price per Share is EUR 4.25.

A justification for the Bid Price is given below.

Pursuant to article 45 in conjunction with article 57 of the Belgian Takeover Decree, in case of a direct or indirect acquisition of Shares to which the Takeover Bid relates by the Bidder or by persons which are acting in concert with the Bidder during one year after the end of the Takeover Bid period at conditions that are more favourable for the transferors than those of the Takeover Bid, the price difference will be paid to all holders of Shares who accepted the Takeover Bid.

The total Bid Price for all Shares that are subject to the Takeover Bid amounts to a maximum of EUR 32,249,280.50.

As set out in section 7.11 of this Prospectus, the unconditional and irrevocable availability of funds required for the payment of the Bid Price for all Shares has been confirmed by the KBC Bank NV, pursuant to the letter of certain funds dated 28 November 2018 and signed by KBC Bank NV.

(f) Justification for the Bid Price

The Bid Price per Share is EUR 4.25 in cash. Article 53 of the Belgian Takeover Decree stipulates that the Bid Price per Share must be at least equal to the higher of the two following amounts:

- The highest price paid per Share by the Bidder or a person acting in concert with it during the period of twelve months prior to the Announcement Date.
    - On 5 October 2018, the Bidder and the Target made the Scheme Announcement with respect to the agreement reached on the terms of a proposed all cash acquisition by the Bidder of the entire issued and to be issued share capital of the Target (other than shares already held by the Bidder or its affiliates/concert parties and excluding Treasury Shares) at a price of EUR 4.25 per Share, and that the intention was to proceed with this all cash acquisition by implementing the Scheme.
    - On 13 November 2018, the Bidder announced that it would not proceed with the Scheme and it had instead entered into the GG Share Purchase Agreements for the purpose of acquiring a total of 1,973,068 Shares in the Target (representing 16.98% of the Target Voting Rights (approximately)), which were held, respectively, by Clema Capital Sàrl (i.e. 1,517,171 shares, representing 13.06% of the Target Voting Rights (approximately)) and Johan Volckaerts (i.e. 455,897 shares, representing 3.92% of the Target Voting Rights (approximately)) at a price of EUR 4.25 per Share.

- Between the entry into the GG Share Purchase Agreements and up until the Announcement Date, the Bidder acquired an additional stake of 132,028 Shares in total (representing 1.14% of the Target Voting Rights) through market order transactions at a price of EUR 4.25 per Share.

  Therefore, the highest price paid by the Bidder over the last 12 months prior to the Announcement Date amounts to EUR 4.25 per Share.

- The volume weighted average of the Target's trading prices during the last 30 calendar days prior to the date on which the obligation to launch a mandatory public takeover bid has arisen.

  Regarding the calculation period for the volume weighted average of the Target's trading prices, the Bidder obtained a derogation from the FSMA, as far as needed and applicable, with a view to making the said calculation period end on 5 October 2018, which is the date of the Scheme Announcement (which was followed by an announcement on 13 November 2018 of the decision of the Target and the Bidder to not proceed with the Scheme), and not on 25 November 2018, which is the day preceding the date on which the obligation for the Bidder to launch the Takeover Bid arose.

  This derogation was granted in view of the risk of speculative purchases being made on the market such as to artificially push up the price of the Shares and consequently also the price of the Takeover Bid. In the past, in transactions carrying the same kind of risk, the FSMA has granted a derogation from article 53, par. 1, 2° of the Belgian Takeover Decree pursuant to which the end of the calculation period of 30 days would be set on the day before the Private Acquisition Announcement. However, in this context, such derogation would not have mitigated the aforementioned risk, as the price of EUR 4.25 per Share in the context of the Private Acquisition and the Bidder's intention to acquire the Shares was already contained in the Scheme Announcement. This information was already spread in the market and (artificially) reflected in the trading prices of the Shares prior to the Private Acquisition Announcement. Given this, the FSMA agreed that the end of the calculation period should be set on the date of the Scheme Announcement, i.e., on 5 October 2018.

  This volume weighted average price of the Shares on Euronext Brussels during the period of 30 calendar days ending on 5 October 2018 amounts to EUR 3.81 per Share. It should therefore be noted that the Bid Price represents an 11.47% premium to the latter.

  Although the Target is listed and admitted to trading on Euronext Brussels, it should be noted that the liquidity of the Shares was significantly weak over the twelve months preceding the Announcement Date, with an average of 9,869 Shares that were traded on a daily basis. Based on this average daily trading volume, it would take the Bidder 3.3 years to acquire all the Shares not yet in possession of the Bidder or any person acting in concert with the Bidder. Hence, the Bidder believes that the Takeover Bid provides a unique liquidity opportunity for the Shareholders to monetise their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares.

7.2 Valuation of the Shares of the Target

(a) Introduction

This section summarises valuation methods for the Shares of the Target. These valuation methods are not intended to be a justification for the Bid Price, as the Bid Price is based upon a price negotiated in the context of the GG Share Purchase Agreements and the price set forth in the

Scheme. This Bid Price also results from the application of article 53 of the Belgian Takeover Decree (see section 7.1(f) above). The following valuation methods may, however, serve as a benchmark for the Shareholders and to give context to the Bid Price.

(b) Available Information

It should be noted that the valuation methods applied were based on forecasts from the Bidder with regards to key financial parameters (e.g. Sales, EBITDA, EBIT and CAPEX) as well as publicly available financial information relating to the Target on 13 November 2018, including available historical financial information derived from the Target's public financial statements (annual reports and intermediary financial statements).

(c) Valuation approaches applied for the Shares

The following valuation methods have been applied:

(i) discounted cash flow (DCF) analysis based on financial forecasts;

(ii) transaction multiples of comparable transactions; and

(iii) trading multiples of comparable listed companies.

The Bidder has also considered the following reference points that provide context to the Bid Price:

(i) historical performance and VWAP of the Shares; and

(ii) bid premia for precedent Belgian mandatory public takeover transactions.

Given that there are no official research analysts covering the Target, it is not possible to provide context to the Bid Price based on the analysis of research analysts' target prices.

Valuation methods

(i) Discounted Cash Flow analysis (DCF)

The DCF analysis aims to determine the enterprise value of a company by discounting its future free cash flows and the terminal value derived from the cash flows of the last year of the forecast period at an appropriate weighted average cost of capital. The equity value is obtained by deducting from the enterprise value the company's net financial debt and debt like items.

To the extent this valuation method requires forward-looking financial information in order to apply it to the Target, this generally accepted valuation method for financial forecasts has been applied, that have been established based on the appreciation and view on the Target's future performance. These key financial parameters include Sales, EBITDA, EBIT and CAPEX.

The results of the first semester of the financial year 2018 as per 30 September 2018 are used for the calculation of the net debt/cash position. As such, the projected free cash flows cover the period as from October 2018 up to and including December 2023 (the **Forecast Period**).

The financial forecasts have been based among others on the following key hypotheses:

- Revenues are expected to grow at a 9.9% CAGR over the period 2017A – 2020E and a 5.0% CAGR over the period 2020E – 2023E, implying an overall CAGR of 7.4% for the Forecast Period. In the period 2015A-2017A, revenues grew with a CAGR of 15.9%, including external growth from the acquisition of TTP Meteor in December 2016A and URW in September 2015A.

- The EBITDA[2] margin is expected to increase from 15.1% in 2017A to 22.5% in 2018E. As the Bidder anticipates that the URW will further internationally expand their commercial footprint in the United States, Japan and UK, URW's operational expenditures are expected to increase with a slight overall EBITDA margin decrease to 20.0% in the years 2019E and 2020E as a result. From 2021E onwards, EBITDA margins are expected to uplift again towards 22.5% until the end of the Forecast Period.

  In the period 2015A-2017A, EBITDA margins averaged 24.8%, with a significant decreasing trend throughout this period (32.7% in 2015A, 26.7% in 2016A and 15.1% in 2017A). The Target's EBITDA margin in 2017A was relatively low compared to 2015A and 2016A as this was the first fiscal year in which the financials of TTP Meteor were recognized and consolidated on a full-year basis, bearing in mind that TTP Meteor operated at a significantly lower gross margin than Global Graphics Software and URW combined in the first twelve months post-acquisition.

- The CAPEX is expected to average EUR 0.50 million per annum in the Forecast Period. In the period 2015A-2017A, capital expenditures averaged EUR 0.35 million per annum. The Bidder expects average CAPEX to slightly increase in the Forecast Period driving the projected top-line growth.

- The growth of the working capital over the Forecast Period has been approximated as 30.0% of the absolute growth of revenues per annum. In the period 2015A-2017A, the Target's working capital represented on average 33.0% of the revenues.

- Operational taxes have been calculated using a UK marginal tax rate of 19% in 2018E and 2019E, and 17% from 2020E onwards according to the Summer Budget 2016 [3] set by the UK Government.

- Net deferred tax assets of EUR 1.55 million[4] to be recognised for tax losses available for carrying forward to profits.

The terminal value is calculated by applying the Gordon-Shapiro method based on a weighted average discount rate (the **TV-WACC**) of 12.33% and a terminal growth rate of 1.50%.

The free cash flows and the terminal value are discounted at a weighted average discount rate (the **WACC**) of 10.58%. Both the WACC and TV-WACC have been determined using among others the CAPM[5] approach for calculating the cost of equity. The underlying assumptions adopted in determining the WACC and the TV-WACC are based on the following:

- The long-term risk-free rate has been applied for the calculation of the WACC with a value of 1.91%, the average yield of the German 10-year government bonds since January 2007.

[2] *EBITDA as reported in the Group Strategic Report in the Target's full year report 2017 (p.7).*

[3] *The Chancellor of the Exchequer gave his Budget to Parliament on Wednesday 16 March 2016.*

[4] *As per the Target's half-year report 2018, EUR 0.9 million has been recognised as deferred tax assets. In addition, EUR 1.37 million in respect of losses that are capital in nature of other Group companies has not been recognised but could potentially be recognised in the future as per the full year report 2017. As per the Target's half-year report 2018, € 0.7 million has been recognized as deferred tax liabilities.*

[5] *Capital Asset Pricing Model - the CAPM describes the relationship between systematic risk and expected return for assets, particularly stocks.*

- The long-term synthetic risk-free rate[6], as described by McKinsey[7], has been applied for the calculation of the TV-WACC with a value of 3.91%, composed of the long-term average risk-free rate[8] (1.91%) and expected inflation rate for Belgium[9] (2.0%);

- An asset beta (or unlevered beta) of 1.25, based on the average asset beta of a group of listed peers estimated by a regression analysis of the returns of the share prices and a relevant stock-index[10]

- A market risk premium of 5.78%[11];

- A target leverage ratio[12] of 12.4%, based on the sector[13] average according to Damodaran[14];

- A pre-tax cost of debt of 3.91%, based on the sector average according to Damodaran;

- The UK marginal corporate tax rate of 17.0%[15]; and

- As a correction for the relatively small enterprise value of the Target, a *small company premium*[16] of 1.63% has been applied.

Based on these assumptions and a net cash position[17] of EUR 2.56 million on 30 September 2018, the DCF valuation results in an enterprise value of EUR 43.65 million, an equity value of EUR 46.21 million and a price per Share[18] of EUR 3.98, to which the Bid Price of EUR 4.25 per Share represents a premium of 6.8%. The sum of the discounted cash flows represents 36% of the enterprise value while the terminal value represents 64% of the same.

In Table 1 below, the outcome of a sensitivity analysis on WACC and TV-WACC has been provided by increasing or decreasing it by 0.50% and varying the long-term growth rate between 1.00% and 2.00%.

[6] *As a result of the financial crisis between 2007 and 2009 and the resulting monetary policy of the European Central Bank, the yields on government bonds have dropped to an all-time low. To bridge the inconsistency between interest rates of government bonds and the market values of equities, a synthetic risk free interest rate has been used.*

[7] *McKinsey – Valuation (6th edition), p. 274-275. McKinsey calculates the synthetic risk-free rate as the sum of the long-term real interest rate and the expected inflation.*

[8] *Average yield of German 10-year Bunds since 1 January, 2007.*

[9] *Source: OECD Economic Outlook: Statistics and Projection, December 2018*

[10] *Eastman Kodak Company (S&P 500 Index), Electronics For Imaging Inc. (S&P 500 Index), MGI Digital Graphic Technology (CAC40 Index) and Heidelberger Druckmaschinen AG (DAX Index).*

[11] *Source: Damodaran – based on risk premia for mature markets (5.08%) with additional country-specific risk premium of 0.70% for Belgium.*

[12] *Total financial debt / total assets*

[13] *Software (System & Applications).*

[14] *Damodaran - http://pages.stern.nyu.edu/~adamodar/*

[15] *At Summer Budget 2015, the UK government announced legislation setting the Corporation Tax main rate (for all profits except ring fence profits) at 19% for the years starting 1 April 2017, 2018 and 2019 and at 18% for the year starting 1 April 2020. At Budget 2016, the government announced a further reduction to the Corporation Tax main rate (for all profits except ring fence profits) for the year starting 1 April 2020, setting the rate at 17%.*

[16] *Fama & French – Fama & French 3 factors global – SMB (Small Minus Big). SMB is the correction factor for small-sized companies according to the Fama & French 3-factor model. The average annual SMB factor of the last 10 years equals 1.63%.*

[17] *Net cash position of € 2.56 million, taking into account cash and cash equivalents of € 5.78 million (as per 30/9/ 2018) and the outstanding contingent payment of € 3.22 million for the acquisition of TTP Meteor Ltd. (2016), as per the slide deck from the meeting for shareholders held on 18th October 2018.*

[18] *Global Graphics issued share capital consists of 11,835,707 Shares of €0.40 each, of which 218,279 Treasury Shares. The total number of Target Voting Rights is therefore 11,617,428, which is used in this calculation.*

Table 1: Sensitivities on DCF valuation method - equity value (EUR million)

		Δ WACC and ΔTV-WACC				
		(1.00%)	(0.50%)	0.00%	0.50%	1.00%
Terminal growth rate	1.00%	49.29	46.97	44.85	42.92	41.15
	1.25%	50.12	47.71	45.52	43.52	41.68
	1.50%	50.99	48.49	**46.21**	44.14	42.24
	1.75%	51.91	49.30	46.94	44.79	42.83
	2.00%	52.88	50.16	47.70	45.47	43.44

Based on this sensitivity analysis, the discounted cash flows method results in an enterprise value between EUR 38.58 million and EUR 50.32 million, an implied equity value of between EUR 41.15 million and EUR 52.88 million, corresponding to a share price of between EUR 3.54 and EUR 4.55 per Share.

(ii) Transaction multiples of comparable transactions

A common methodology for valuing acquisitions is to apply the multiples paid in other comparable transactions to the profits of the company being acquired. This relative valuation methodology works on the premise that valuations of similar or comparable transactions tend to be relatively consistent. Applicability and reliability of this approach is affected by the fact that:

- every transaction is subject to deal-specific circumstances that affect the valuation of the target. Hence, transactions that have taken place at different moments in an economic cycle are less comparable;

- financial information of the target is usually limited and, if available, multiples are mostly based on historical financial information; and

- low or negative profit measures (revenues, EBITDA, EBIT, net profit) of the target in the near future might affect the number of applicable multiples.

Nevertheless, transaction multiples can serve as a useful guide as they (i) reflect control premia in the case where a majority stake was obtained and (ii) they provide data points based on actual transactions that have occurred.

23 transactions that have occurred in Western Europe and the USA since 2007 have been considered. The targets in the comparable transactions are situated within the wide sector scope of technology solution providers with a strong vertical focus on the digital printing industry with both software-related as well as hardware-related products and services. It should be noted however that none of the targets in the comparable transactions are fully and perfectly comparable in terms of activities, size, profitability and growth potential.

The net cash position of the Target as per 30 September 2018 amounts to EUR 2.56 million and is added to the enterprise value to determine the equity value of the Target. The total number of outstanding shares amounting to 11,617,428 Shares (excluding Treasury Shares) is used to determine the value per Share.

Table 2 gives an overview of the comparable transaction multiples. As transaction multiples are applied to historical figures, we have applied the transaction multiples to the 2017 historical financial figures of the Target as per 31 December 2017 in the full year report. Due to the lack of transactions with data on price-to-earnings (P/E) multiples available, the P/E multiple is not retained as reference point for valuing the Target.

Applying the average EV/Sales, EV/EBITDA and EV/EBIT multiples of 2.06x, 11.61x and 12.90x on the corresponding financial parameters of the Target yields an enterprise value of EUR 42.3 million, EUR 36.0 million and EUR 27.6 million, an equity value of EUR 44.9 million, EUR 38.6 million and EUR 30.2 million and a price per Share of EUR 3.87, EUR 3.32 and EUR 2.60, to which the Bid Price represents a premium of 10.0%, 28.0% and 63.7%, respectively.

Applying the median EV/Sales, EV/EBITDA and EV/EBIT multiples of 1.78x, 12.06x and 12.06x on the corresponding financial parameters of the Target yields an enterprise value of EUR 36.5 million, EUR 37.4 million and EUR 25.8 million, an equity value of EUR 39.1 million, EUR 40.0 million and EUR 28.4 million and a price per Share of EUR 3.37, EUR 3.44 and EUR 2.44, to which the Bid Price represents a premium of 26.3%, 23.5% and 74.0%, respectively.

However, it should be noted that the reliability of the results of this methodology is limited due to (i) the limited available data points for the EBITDA and EBIT multiples, (ii) the Target's exceptionally poor financial performance in 2017A compared to historical financial figures and anticipated future financial performance, and (iii) the fact that the transaction sample is based on a long-term timeframe entailing reference points in different economic cycles.

Table 2: Overview of comparable transactions

Date	Target	Bidder	Transaction value* *(Earn-Out)* (mEUR)	Sales (mEUR)	EBITDA%	EBIT%	Earnings %	EV/Sales	EV/EBITDA	EV/EBIT	P/E
01/08/2018	Apogee Corporation Limited	HP Inc	427	229.2	14.7%	n.a.	n.a.	1.86	12.67x	n.a.	n.a.
2/08/2017	Dip-Tech	Ferro	67.5 *(16.9)*	29.3	n.a.	n.a.	n.a.	2.30x	n.a.	n.a.	n.a.
5/04/2017	Caldera SARL	Dover Corp.	34.7 *(11.3)*	10.9	n.a.	n.a.	n.a.	3.18x	n.a.	n.a.	n.a.
6/03/2017	Advanced Vision Technology	Danaher	96.7	54.4	10.2%	8.7%	7.2%	1.78x	17.43x	20.49x	22.66x.
12/01/2017	Trojanlabel ApS	AstroNova, Inc.	15.02 *(6.6)*	8.3	n.a.	n.a.	n.a.	1.80x	n.a.	n.a.	n.a.
05/12/2016	TTP Meteor Limited	Global Graphics PLC	5.6 *(4.3)*	4.1	12.6%	12.6%	n/a	1.37x	10.87x	10.87x	n.a.
02/09/2016	Apogee Corporation Limited	Equistone Partners Europe Limited	219.8	89.8	16.0%	n.a.	n.a.	2.45x	15.34x	n.a.	n.a.
1/07/2016	Engineered Printing Solutions	Xaar Plc	16.62 *(6.7)*	12.8	8.3%	n.a.	n.a.	1.30x	15.71x	n.a.	n.a.
16/06/2016	Optitex	Electronics for Imaging, Inc.	47.6 *(29.6)*	9.0	n.a.	n.a.	n.a.	5.30x	n.a.	n.a.	n.a.
20/10/2015	JK Group S.p.A.	Dover Corporation	405.7	88.2	n.a.	n.a.	n.a.	4.60x	n.a.	n.a.	n.a.
15/09/2015	URW	Global Graphics PLC	3.4	3.1	40.5%	40.4%	n/a	1.11x	2.74x	2.75x	n.a.
19/08/2015	Balreed Digitec Group Limited	Apogee Corporation Limited	49.5	53.7	n.a.	n.a.	n.a.	0.92x	n.a.	n.a.	n.a.
1/07/2015	Reggiani Macchine SpA	Electronics for Imaging, Inc.	126.1 *(50.4)*	78.8	17.3%	8.7%	n/a	1.60x	9.24x	18.34x	n.a.
1/07/2015	Matan	Electronics for Imaging, Inc.	26.2	21.8	n.a.	n.a.	n.a.	1.20x	n.a.	n.a.	n.a.
7/05/2015	Xennia Technology Limited	Sensient Technologies Corporation	7.5	9.3	n.a.	n.a.	n.a.	0.80x	n.a.	n.a.	n.a.
11/03/2015	Domino Printing Sciences Plc	Brother Industries, Ltd.	1,400.4	466.8	19.0%	16.3%	12.1%	3.00x	15.77x	18.36x	23.10x.
4/02/2014	MS Printing Solutions S.r.l.	Dover Corporation	102.0	68.0	n.a.	n.a.	n.a.	1.50x	n.a.	n.a.	n.a.
10/01/2014	CSAT GmbH	Markem-Imaje SAS	n.a.	n/a	n.a.	n.a.	n.a.	1.20x	n.a.	n.a.	n.a.
6/06/2012	Graph-Tech AG (80.65% Stake)	Domino Printing Sciences Plc	30.4 *(12.0)*	14.5	n.a.	n.a.	n.a.	2.10x	n.a.	n.a.	n.a.
10/01/2012	Cretaprint S.L.	Electronics for Imaging, Inc.	40.7 *(16.4)*	27.1	n.a.	n.a.	n.a.	1.50x	n.a.	n.a.	n.a.
31/03/2011	EskoArtwork	Danaher Corporation	350.1	184.0	n.a.	n.a.	n.a.	1.90x	n.a.	n.a.	n.a.
06/09/2007	Artwork Systems (76.69% Stake)	EskoArtwork	147.5	46.5	36.1%	34.3%	22.0%	4.14x	11.46x	12.06x	17.40x
10/01/2007	Banta Corp	RR Donnelley & Sons Co	658.5	1,306.3	10.4%	6.8%	5.9%	0.50x	4.86x	7.41x	15.60x
				Average	**18.5%**	**18.3%**	**11.8%**	**2.06x**	**11.61x**	**12.90x**	**19.69x**
				Median	**15.3%**	**12.6%**	**9.7%**	**1.78x**	**12.06x**	**12.06x**	**20.03x**

Transaction with earn-out price mechanism
(earn-out amounts fully loaded in EV)

Target *(2017A figures*)*	**Equity Value**	**Enterprise Value**	**Sales**	**EBITDA % (€m)**	**Adjusted EBIT % (€m)**	**Adjusted earnings % (€m)**				
Global Graphics (5/10/'18)	45.8	43.2	20.5	15.1% *(€3.1m)*	10.4% *(€2.1m)*	8.6% *(€1.8m)*	**2.10x**	**13.93x**	**20.19x**	**24.47x**
Global Graphics - Bid Price	49.4	46.8	20.5	15.1% *(€3.1m)*	10.4% *(€2.1m)*	8.6% *(€1.8m)*	**2.28x**	**15.10x**	**21.87x**	**26.50x**
Enterprise value (mEUR) - peer group average							**42.3**	**36.0**	**27.6**	**32.2**
Enterprise value (mEUR) - peer group median							**36.5**	**37.4**	**25.8**	**32.8**
Net cash position (mEUR) - 30/09/2018							2.6	2.6	2.6	2.6
Equity value (mEUR) - peer group average							**44.9**	**38.6**	**30.2**	**34.8**
Equity value (mEUR) - peer group median							**39.1**	**40.0**	**28.4**	**35.4**
Price per share (EUR) - peer group average							**3.87**	**3.32**	**2.60**	**2.99**
Price per share (EUR) - peer group median							**3.37**	**3.44**	**2.44**	**3.04**
Offer price premium/(discount) - peer group average							**10.0%**	**28.0%**	**63.7%**	**42.0%**
Offer price premium/(discount) - peer group median							**26.3%**	**23.5%**	**74.0%**	**39.6%**

Source: Mergermarket, Factset, Bloomberg

Table 3: Descriptions of the targets in comparable transactions

Date	Target	Target description
01/08/2018	Apogee Corporation Limited	UK-based provider of print, document and process technology service solutions
2/08/2017	Dip-Tech	Israel-based provider of digital in-glass printing solutions
5/04/2017	Caldera SARL	France-based provider of software solutions to digital printing industry
6/03/2017	Advanced Vision Technology	Israel-based company engaged in the development, manufacturing, and trade of video-based print inspection systems
12/01/2017	Trojanlabel ApS	Denmark-based manufacturer of products including digital colour label presses and specialty printing systems
05/12/2016	TTP Meteor Limited	UK-based supplier of industrial inkjet printhead driving solutions
02/09/2016	Apogee Corporation Limited	UK-based provider of print, document and process technology service solutions
1/07/2016	Engineered Printing Solutions	US-based provider of product printing equipment
16/06/2016	Optitex	Israel-based company, specialised in the development of 2D and 3D CAD and CAM software for the textile industries
20/10/2015	JK Group S.p.A.	Italy-based manufacturer of innovative inks and consumables serving the fast-growing digital textile printing markets
15/09/2015	URW	Hamburg-based URW type foundry is a developer of digital font technology, designing OpenType fonts as well as custom typefaces for businesses
19/08/2015	Balreed Digitec Group Limited	UK-based manufacturer-independent provider of document and print technology and managed services
1/07/2015	Reggiani Macchine SpA	Italy-based manufacturer of textile printing machines
1/07/2015	Matan	Israel-based provider of digital printing solutions, delivering forefront digital printers and presses for a wide range of industrial applications
7/05/2015	Xennia Technology Limited	UK-based manufacturer of specialty inks used in digital printing. It also provides digital printing systems and related software
11/03/2015	Domino Printing Sciences Plc	UK-based company engaged in designing, manufacturing, and distribution of inkjet and laser printers
4/02/2014	MS Printing Solutions S.r.l.	Italy-based designer, manufacturer and distributor of innovative digital inkjet printing systems and associated consumables serving the textile and specialty material markets
10/01/2014	CSAT GmbH	Germany-based manufacturer of digital printing systems for the pharmaceutical, packaging and label industries
6/06/2012	Graph-Tech AG (80.65% Stake)	Switzerland-based company engaged in manufacturing and sales of highly innovative digital inkjet equipment and digital press printers
10/01/2012	Cretaprint S.L.	Spain-based developer and supplier of inkjet printers for ceramic tiles
31/03/2011	EskoArtwork	Belgium-based company providing packaging pre-production software solutions and prepress systems for commercial printers
06/09/2007	Artwork Systems Group NV (76.69% Stake)	Belgium-based company engaged in developing software solutions for the preparation of professional colour printing or pre-press
10/01/2007	Banta Corp	Banta Corporation provides printing and digital imaging services

(iii) Trading multiples of comparable listed companies

Trading multiples of comparable listed companies is a relative valuation technique that uses public company information to infer a company valuation on a stand-alone basis. Trading multiples of comparable listed companies are determined on the basis of historical financial data, consensus financial projections from equity research analysts and share prices of comparable companies. In this particular case, there are no equity research analysts following the Target and as such, financial forecasts from the Bidder are applied.

The application of trading multiples needs to take into account the following important considerations:

- When determining the peer group it should be noted that no company is a perfect comparable in terms of specific activities, size, profitability, growth potential and geographical presence. Due to a lack of listed peers with a strong overlap in activities, the trading multiples of a selected peer group have been considered, consisting of companies within the wide scope of technology solution providers with a strong vertical focus on the digital printing industry with software-related and/or hardware-related products and services (see Table 4 for a description of the peers included in the peer group).

- Multiples of comparable companies capture prices for stand-alone companies listed and traded on stock exchanges. They do not provide data points on acquisitions of these companies by another company, and therefore do not capture a control or strategic premium paid in acquisitions of these companies.

Table 4 provides the descriptions of the selected peer group and Tables 5 & 6 provide an overview of the (expected) key financial metrics as well as the trading multiples of the selected peer group for 2017A and 2018E (based on equity research analysts' financial forecasts). The enterprise value of the comparable listed companies has been determined as follows: market capitalisation increased with net financial debt position, minorities and pension liabilities; reduced with investments in associates as per the latest company publications.

The peer companies are not fully comparable with the Target as the average size of the majority of the comparable companies is significantly higher (in comparison to the Target) in terms of market capitalisation, sales and enterprise value. Additionally, the product-mix between software and hardware is for some peer group companies significantly different compared to the Target's mix of products and services. In particular, the EBITDA, EBIT and net income margins of the Target are higher than the ones of the peer companies. Therefore, the application of the peer group multiples to the historical and forecasted figures of the Target might underestimate the valuation of the Target.

The average and median multiples over the financials for 2017A of the peer group (as shown in Table 5) are applied to the 2017 actual financial figures of the Target while the average and median multiples over the financials for 2018E of the peer group (as shown in Table 6) are applied to the Bidder's financial forecasts in order to determine the Target's implied enterprise value.

The net cash position of the Target as per 30/09/2018 amounts to EUR 2.56 million and is added to the enterprise value to determine the equity value of the Target. The total number of outstanding shares amounting to 11,617,428 Shares (Treasury Shares excluded) is used to determine the value per Share.

Table 4: Description of the companies included in the peer group for Global Graphics

Eastman Kodak Company	Eastman Kodak Company develops, manufactures, and markets imaging products for businesses. The Company provides disruptive technologies and imaging solutions in the product goods packaging, functional, and digital printing markets. Eastman Kodak also offers products and services in entertainment imaging and commercial films.
Electronics For Imaging, Inc.	Electronics for Imaging, Inc. designs and markets products that support colour and black-and-white printing on a variety of peripheral devices. The Company's products incorporate hardware and software technologies that transform digital copiers and printers from copier manufacturers into networked printers. Products are sold in North America, Europe, and Japan.
MGI Digital Graphic Technology	MGI Digital Graphic Technology develops and markets computer software and printing machines. The Company markets business management software for medical professionals and corporate tax software, and manufactures small-format digital printing presses. MGI markets its products in Europe, the Americas, the Middle East, and Asia.
Heidelberger Druckmaschinen AG	Heidelberger Druckmaschinen AG designs, manufactures, and markets commercial printing presses, dryer and ink systems, peripherals, and paper and document handling machinery used to bind, fold, and insert materials. The Company markets its products worldwide and offers printing training courses through its Print Media Academy. It also manufactures software and consumables for various printing applications and makes black-and-white digital presses.

Source: Company websites, Factset, Bloomberg

The Bid Price represents:

- a premium/(discount) of respectively 123.7%, 50.0%, 10.1% and (20.3%) of the implied share price based on the median trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2017A. When based on the median trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2018E, the Bid Price reflects a premium/(discount) of respectively 34.8%, (21.2%), (23.6%) and (33.6%) of the implied share price.
- a premium/(discount) of respectively 18.3%, 32.8%, 13.2% and (1.7%) of the implied share price based on the average trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2017A. When based on the average trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2018E, the Bid Price reflects a premium/(discount) of respectively (5.4%), (14.1%), (28.4%) and (42.8%) of the implied share price.

The Bidder applies a size and illiquidity discount[19] of 20% due to the very low liquidity of the Shares and small size of the Target in terms of market capitalisation when compared to the peer group. Taken into consideration a size and illiquidity discount of 20%, the Bid Price reflects the following premia/(discounts):

- a premium/(discount) of respectively 179.6%, 87.5%, 37.6% and (0.4)% of the implied share price based on the median trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2017A. When based on the median trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2018E, the Bid Price reflects a premium/(discount) of respectively 68.5%, (1.5%), (4.5%) and (17.0%) of the implied share price.

- a premium/(discount) of respectively 47.9%, 66.0%, 41.6% and 22.9% of the implied share price based on the average trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2017A. When based on the average trading EV/Sales, EV/ EBITDA, EV/EBIT and P/E of the peer group on 2018E, the Bid Price reflects a premium/(discount) of respectively 18.3%, 7.4%, (10.5%) and (28.5%) of the implied share price.

[19] *The Koeplin study (2000) concluded that private domestic companies sold at multiples that were 20% to 30% lower than the acquisition multiples of guideline public companies. Sarin, Atulya and Koeplin, John and Shapiro, Alan C., The Private Company Discount. Journal of Applied Corporate Finance, Vol. 12, No. 4, Winter 2000.*

Table 5: *Peer group* - Overview of the principal financial parameters and multiples of the selected peer group companies for 2017A figures

				2017A - Financial parameters [1]				2017A - *multiples*			
Peer	**Country**	**Market value (€m) [2] (P)**	**Enterprise value (€m) (EV) [3]**	**Sales (€m)**	**EBITDA % [4]**	**EBIT % [5]**	**Net income (E) % [6]**	**EV/Sales**	**EV/EBITDA**	**EV/EBIT**	**P/E**
MGI Digital Graphic Technology	France	300	290	53	23.9%	19.1%	16.1%	5.45x	22.77x	28.55x	34.93x
Electronics For Imaging, Inc.	United States	1,288	1,316	881	11.1%	4.5%	(1.5%)	1.49x	13.41x	32.99x	n/m [7]
Heidelberger Druckmaschinen AG	Germany	662	982	2,420	6.5%	3.7%	0.6%	0.41x	6.20x	10.97x	48.82x
Eastman Kodak Company	United States	105	386	1,357	12.1%	6.8%	6.3%	0.28x	2.35x	4.19x	1.24x
Average *peer group*					**13.4%**	**8.5%**	**5.4%**	**1.91x**	**11.18x**	**19.18x**	**28.33x**
Median *peer group*					**11.6%**	**5.7%**	**3.4%**	**0.95x**	**9.81x**	**19.76x**	**34.93x**
Target *(Figures as reported in the Group Strategic Report in the Target's full year report 2017(EBITDA, adjusted EBIT and adjusted earnings)*											
Share price - 5/10/2018	United Kingdom	45.8	43.2	20.5	15.1% *(€3.1m)*	10.4% *(€2.1m)*	8.6% *(€1.8m)*	2.10x	13.96x	20.19x	25.82x
Bid Price - EUR 4.25	United Kingdom	49.4	46.8	20.5	15.1% *(€3.1m)*	10.4% *(€2.1m)*	8.6% *(€1.8m)*	2.28x	15.12x	21.87x	27.85x
Enterprise Value (m€) - peer group average								**39.2**	**34.6**	**41.0**	**47.7**
Enterprise Value (m€) - peer group median								**19.5**	**30.4**	**42.3**	**59.4**
Net cash position (m€) - 30/09/2018								2.6	2.6	2.6	2.6
Equity Value (m€) - peer group average								**41.7**	**37.2**	**43.6**	**50.2**
Equity Value (m€) - peer group median								**22.1**	**32.9**	**44.9**	**61.9**
Price per Share (€) - peer group average								**3.59**	**3.20**	**3.75**	**4.32**
Price per Share (€) - peer group median								**1.90**	**2.83**	**3.86**	**5.33**
Bid Price premium / (discount) - peer group average								**18.3%**	**32.8%**	**13.2%**	**(1.7%)**
Bid Price premium / (discount) - peer group median								**123.7%**	**50.0%**	**10.1%**	**(20.3%)**
After applying a size and illiquidity discount of 20%											
Equity Value (m€) - peer group average								**33.4**	**29.7**	**34.9**	**40.2**
Equity Value (m€) - peer group median								**17.7**	**26.3**	**35.9**	**49.6**
Price per Share (€) - peer group average								**2.87**	**2.56**	**3.00**	**3.46**
Price per Share (€) - peer group median								**1.52**	**2.27**	**3.09**	**4.27**
Bid Price premium / (discount) - peer group average								**47.9%**	**66.0%**	**41.6%**	**22.9%**
Bid Price premium / (discount) - peer group median								**179.6%**	**87.5%**	**37.6%**	**(0.4%)**

Source: FactSet 5 October 2018, full year financial reports of the peer group companies
(1) Financial data comes from most recent yearly report of the respective peer group company
(2) Market capitalisation on 5 October 2018.
(3) Enterprise value = Market cap + net financial debt + minority interests pension liabilities
(4) EBITDA = Earnings before Interest & Taxes, Depreciations and Amortisation
(5) EBIT = Earnings before Interest & Taxes
(6) Net income
(7) non-meaningful

Table 6: *Peer group* - Overview of the principal financial parameters and multiples of the selected peer group companies for 2018E figures

				2018E - Financial parameters [1]				2018E - *multiples*			
Peer	**Country**	**Market value (€m) [2] (P)**	**Enterprise value (€m) (EV) [3]**	**Sales (€m)**	**EBITDA % [4]**	**EBIT % [5]**	**Net income (E) % [6]**	**EV/Sales**	**EV/EBITDA**	**EV/EBIT**	**P/E**
MGI Digital Graphic Technology	France	300	290	65	31.6%	23.7%	16.6%	4.47x	14.15x	18.84x	27.79x
Electronics For Imaging, Inc.	United States	1,288	1,316	912	12.8%	11.2%	8.7%	1.44x	11.31x	12.89x	16.19x
Heidelberger Druckmaschinen AG	Germany	662	982	2,524	7.0%	4.0%	1.5%	0.39x	5.55x	9.65x	17.73x
Eastman Kodak Company	United States	105	386	n.a. [7]	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average *peer group*					**17.1%**	**13.0%**	**8.9%**	**2.10x**	**10.34x**	**13.79x**	**20.57x**
Median *peer group*					**12.8%**	**11.2%**	**8.7%**	**1.44x**	**11.31x**	**12.89x**	**17.73x**
Target *(Bidder forecasts – see DCF analysis for financial forecasts)*											
Price - 5/10/2018	United Kingdom	45.8	43.2	23.6	22.5% *(€5.3m)*	20.4% *(€4.8m)*	17.8% *(€4.2m)*	1.83x	8.13x	8.98x	10.91x
Bid Price - EUR 4.25		49.4	46.8	23.6	22.5% *(€5.3m)*	20.4% *(€4.8m)*	17.8% *(€4.2m)*	1.98x	8.81x	9.72x	11.77x
Enterprise Value (m€) - peer group average								**49.6**	**54.9**	**66.4**	**83.7**
Enterprise Value (m€) - peer group median								**34.1**	**60.1**	**62.0**	**71.8**
Net cash position (m€) - 30/09/2018								2.6	2.6	2.6	2.6
Equity Value (m€) - peer group average								**52.2**	**57.5**	**69.0**	**86.3**
Equity Value (m€) - peer group median								**36.6**	**62.7**	**64.6**	**74.4**
Price per Share (€) - peer group average								**4.49**	**4.95**	**5.94**	**7.43**
Price per Share (€) - peer group median								**3.15**	**5.39**	**5.56**	**6.40**
Bid Price premium / (discount) - peer group average								**(5.4%)**	**(14.1%)**	**(28.4%)**	**(42.8%)**
Bid Price premium / (discount) - peer group median								**34.8%**	**(21.2%)**	**(23.6%)**	**(33.6%)**
After applying a size and illiquidity discount of 20%											
Equity Value (m€) - peer group average								**41.7**	**46.0**	**55.2**	**69.0**
Equity Value (m€) - peer group median								**29.3**	**50.1**	**51.7**	**59.5**
Price per Share (€) - peer group average								**3.59**	**3.96**	**4.75**	**5.94**
Price per Share (€) - peer group median								**2.52**	**4.32**	**4.45**	**5.12**
Bid Price premium/(discount) - peer group average								**18.3%**	**7.4%**	**(10.5%)**	**(28.5%)**
Bid Price premium/(discount) - peer group median								**68.5%**	**(1.5%)**	**(4.5%)**	**(17.0%)**

Source: FactSet 5 October 2018, full year financial reports of the peer group companies

(1) Financial figures are computed via the average of the most recent estimates of all the analysts covering the stock

(2) Market capitalisation on 5 October 2018

(3) Enterprise value = Market cap + net financial debt + minority interests pension liabilities

(4) EBITDA = Earnings before Interest & Taxes, Depreciations and Amortisation

(5) EBIT = Earnings before Interest & Taxes

(6) Net income

(7) Not available

Reference points that provide context to the Bid Price

(i) Historical performance and VWAP of the Shares

After an initial flotation on Easdaq on 23 June 1998 at FRF 190 per share, the Target has been listed on the continuous market of Euronext Brussels since 17 April 2001. The charts below show Share prices over several time periods. Charts 2, 3 and 4 clearly show that the Bid Price of EUR 4.25 per Share is considerably higher than the traded levels over these periods. Share price evolutions can be unpredictable and the share price can be impacted by a number of factors including overall economic and market conditions as well as specific events at company-level. The Target closed at EUR 3.94 per Share on the Announcement Date (Y). Over the 3-year period preceding the Announcement Date, the Target's Share price has traded between a minimum of EUR 1.92 (24 June 2016) and a maximum of EUR 3.95 (29 August 2018).

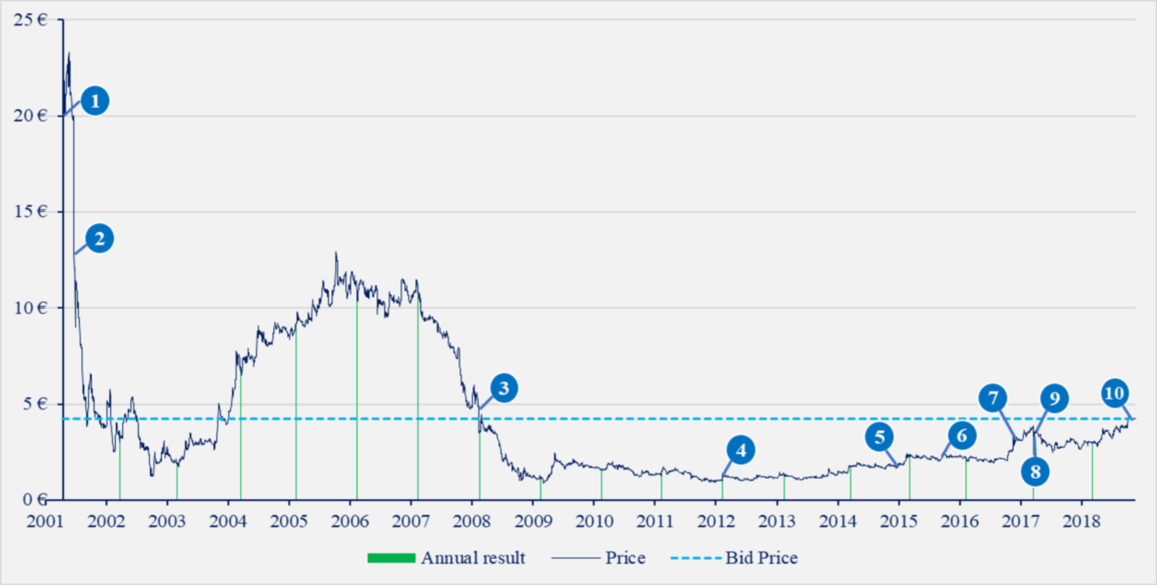
Chart 1: Prices since announcement (Y)

Chart 2: historical prices Y - 1 year

Chart 3: historical prices Y - 3 years

Chart 4: historical prices Y - 5 years

Chart 5: Evolution of Target's share price since IPO



The following key events have occurred since IPO of the Target:

(1) 17 April 2001 – After an initial flotation on Easdaq on 23 June 1998 at FRF 190 per share, Global Graphics transfers to and starts trading on Euronext Brussels with a listing price of EUR 20.0 per Share.

(2) 22 June 2001 – After rumours of a profit warning, CFO Alain Pronost confirms a decrease in turnover mainly due to lower sales in the US and declines to reaffirm the 2001 EPS target of EUR 2.00. Over the course of three days, shares fall 39.7%. Due to a negative sector outlook, falling orders and their impact on earnings send the Share price even lower, ending down 55% for the month of June.

(3) 13 February 2008 – The Target's market capitalisation lost 28% of its value in a single day as deteriorating results and a bleak market outlook hit amid the worldwide financial crisis.

(4) 8 February 2012 – After a tough 2010, the Target closes 2011 with a (small) profit. CEO Gary Fry is positive on the long-term market outlook, without giving any specific details. The Share price rises by 36%, reaching a six-month high of EUR 1.36.

(5) 29 December 2014 – Chairman Guido Van der Schueren buys 840,000 Shares from Andlinger for a consideration of EUR 1.68 million, raising his stake in the Target to 8.16%. Van der Schueren bought the Shares at EUR 2.00 per Share, reflecting a 9% premium to the quoted price on Euronext Brussels.

(6) 15 September 2015 – The Target announces the acquisition of URW++ Design & Development GmbH. URW develops and designs digital typefaces. URW invented digital outline font technology and tools and is one of the few remaining font foundries that date from the pre-PostScript® era. Total consideration for the acquisition was expected to be approximately EUR 4.2 million, which was settled by EUR 2.0 million in newly created ordinary shares of Global Graphics SE and EUR 2.2 million in cash from existing cash reserves, of which EUR 0.2 million was a contingent consideration payable in 2016. A total of 925,926 new ordinary shares were issued, increasing the number of issued shares from 10,289,781 to 11,215,707. This resulted in a dilution of 8.26%. The day following the announcement, the share price closed 8.76% higher.

(7) 5 December 2016 – Acquisition announcement of the entire issued share capital of TTP Meteor Limited (Meteor), specialists in printhead driver systems, from the TTP Group plc (TTP) based near Cambridge, UK. Meteor enables industrial inkjet, graphic arts and commercial printing applications through the provision of world-leading drive electronics and software. Through strong relationships with industrial inkjet printhead manufacturers including Fujifilm Dimatix, Konica Minolta, Kyocera, Ricoh, SII Printek, Toshiba TEC and Xaar, Meteor supplies production-ready electronics and software to print equipment manufacturers world-wide.

(8) 16 March 2017 – Share prices down almost 13% after 2016 results. Actual net result is two-thirds below expectations, and there is no mention of any dividend.

(9) 5 April 2017 – Powergraph, the holding company of Guido Van der Schueren and Brigitte Noël, close to doubles its stake in the Target, resulting in ownership of 14.43% of the Target's issued share capital. The additional shares were acquired from the two previous owners of URW through an off-market private transaction.

(10) 5 October 2018 – The boards of the Target and the Bidder announce that they have reached an agreement on the terms of a proposed all cash acquisition by the Bidder of the entire issued and to be issued share capital of the Target, intended to be implemented by means of the Scheme. The Share price rises 9.39% on the next trading day.

Table 7 shows the lowest and highest Share prices, as well as the average and the VWAP of the Shares during the last 3 years, during the last 12 months, during the last 6 months, during the last 3 months and the 30 calendar days preceding the Announcement Date. As the Target is listed on Euronext Brussels, it is assumed that the Share price is a relevant measure to assess the Bid Price. However, in this context it should be noted that the liquidity of the Share has been low over the last 12 months preceding the Announcement Date, with an average of 9,869 Shares that were traded on a daily basis. Based on this average daily trading volume, it would take the Bidder 3.3 years to acquire all the Shares not yet in possession of the Bidder or any person acting in concert with the Bidder. Hence, the Bidder believes that the Takeover Bid provides a unique liquidity opportunity for the Shareholders to monetise their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares.

Table 7: Bid Price versus historical share prices of the Target

Period preceding Announcement Date	Average Volume	Share price (EUR)				Premium to Bid Price of EUR4.25 per Share			
		Low	High	Average	VWAP	Low	High	Average	VWAP
Last 3 Years	9,916	1.92	3.97	2.82	2.95	121.35%	7.05%	50.69%	44.11%
Last 12 Months	9,869	2.60	3.97	3.26	3.27	63.46%	7.05%	30.29%	30.04%
Last 6 Months	10,721	2.82	3.97	3.55	3.50	50.71%	7.05%	19.64%	21.31%
Last 3 Months	8,330	3.32	3.97	3.74	3.75	28.01%	7.05%	13.33%	13.33%
Last 30 calendar days	7,047	3.71	3.95	3.83	3.81	14.56%	7.59%	10.94%	11.47%

	Volume	Closing price (EUR)	Premium to Bid Price of EUR 4.25 per share
5/10/2018	5,976	3.94	7.87%

As presented in the Table 7, the Bid Price of EUR 4.25 per Share represents:

- a premium of 7.87% of the Share price on the Announcement Date;
- a premium of 11.47% of the VWAP for the 30 calendar days up to and including 5 October 2018;
- a premium of 13.33% of the VWAP for the 3 months up to and including 5 October 2018; and
- a premium of 30.04% of the VWAP for the 12 months up to and including 5 October 2018.

(ii) Offer premia for precedent mandatory public takeover transactions

The mandatory public takeover premia paid in the Belgian markets have also been reviewed. Table 8 below provides an overview of launched public mandatory takeover bids on Euronext Brussels, since February 2013. Transactions resulting in a shareholding of at least 90% for the bidder were included in the sample. Public takeover bids that eventually led to delisting are highlighted.

The Bid Price represents a:

- premium of 13.3% over the VWAP for the last three months up to and including 5 October 2018, which compares to a median premium of 19.9% for the selected mandatory public takeover transactions and a premium of 24.5% for the selected mandatory public takeover transactions that resulted in a delisting;
- premium of 11.5% over the VWAP for the last thirty calendar days up to and including 5 October 2018, which compares to a median premium of 18.04% for the selected mandatory public takeover transactions and a premium of 25.0% for the selected mandatory public takeover transactions that resulted in a delisting; and
- premium of 7.9% over the closing price of EUR 3.94 per share of the Target on the Announcement Date, which compares to a median premium of 19.5% for the selected mandatory public takeover transactions and a premium of 32.3% for the selected mandatory public takeover transactions that resulted in a delisting.

Table 8: bid premia observed in closed mandatory public takeover bids on Euronext Brussels since 2013

Date[(1)]	Target entity	Bidder	Premium offered to[(2)]		
			T-1[(3)] day	T-30 days	T-3 months
12/09/2018	2Valorise NV	H. & K. Van Eeckhout, Think2Act Energy & Materials	24.5%	18.0%	19.5%
26/06/2017	Dalenys	Natixis Belgique Investissements	45.7%	45.8%	39.0%
21/12/2016	Zetes Industries	Panasonic	19.9%	19.0%	27.5%
1/06/2016	Sucraf NV[(4)]	Value8	5.5%	10.5%	18.6%
2/12/2015	BHF Kleinwort Benson	Oddo & Cie SCA	23.4%	25.0%	32.2%
13/05/2015	Vision IT Group	Groupe Onepoint	0.8%	1.0%	(0.3%)
8/07/2014	Auriga International SA[(4)]	ISDIN SA	85.2%	85.2%	85.2%
5/02/2014	Transics International	Wabco Europe	41.4%	50.5%	58.7
17/10/2013	MCLS[(4)]	MCLS Holding	12.2%	12.2%	12.2%
19/09/2013	CFE	Ackermans & Van Haaren	3.6%	6.5%	2.9%
06/02/2013	Rosier SA	Borealis AG	(1.7%)	(0.2%)	0.9%
Average premium paid			**23.7%**	**24.9%**	**27.0%**
Median premium paid			**19.9%**	**18.0%**	**19.5%**
Average premium paid – led to delisting			**36.0%**	**36.5%**	**39.2%**
Median premium paid – led to delisting			**24.5%**	**25.0%**	**32.3%**
5/10/2018	**Global Graphics**	**Congra Software**	**7.9%**	**11.5%**	**13.3%**

Takeover bid that eventually led to delisting

(1) Announcement date

(2) Bid Price premium compared to the VWAP for the specific period

(3) Last trading day before the announcement

(4) Respective shares were not/barely traded in the period prior to their respective Bids

Source: Company information, Offer documents, Bloomberg, Factset, Thomson Reuters

(d) Conclusion

Table 9 provides an overview of the valuation results of the aforementioned valuation approaches with corresponding premia and discounts, serving as a benchmark for the Bid Price.

Table 9: overview of valuation results

Methodology	Implied price per Share (EUR)	Premium/(discount)
DCF		
Midpoint	3.98	6.8%
High	4.55	(6.6%)
Low	3.54	20.0%
Transaction multiples (2017A)		
Average		
EV/Sales	3.87	10.0%
EV/EBITDA	3.32	28.0%
EV/EBIT	2.60	63.7%
Median		
EV/Sales	3.37	26.3%
EV/EBITDA	3.44	23.5%
EV/EBIT	2.44	74.0%
Trading multiples (median)		
Size and illiquidity discount 20%		
2017A		
EV/Sales	1.52	179.6%
EV/EBITDA	2.27	87.5%
EV/EBIT	3.09	37.6%
P/E	4.27	(0.4%)
2018E		
EV/Sales	2.52	68.5%
EV/EBITDA	4.32	(1.5%)
EV/EBIT	4.45	(4.5%)
P/E	5.12	(17.0%)
No discount (not retained by the Bidder)		
2017A		
EV/Sales	1.90	123.7%
EV/EBITDA	2.83	50.0%
EV/EBIT	3.86	10.1%
P/E	5.33	(20.3%)
2018E		
EV/Sales	3.15	34.8%
EV/EBITDA	5.39	(21.2%)
EV/EBIT	5.56	(23.6%)
P/E	6.40	(33.6%)

On the basis of the aforementioned valuation approaches, the following can be concluded regarding the Bid Price:

- Discounted Cash Flow analysis

  Based on financial forecasts from the Bidder, a WACC of 10.58%, TV-WACC of 12.33% and a long term growth rate of 1.50%, the DCF valuation results in a share price value of EUR 3.98. The Bid Price per Share of EUR 4.25 represents a premium of 6.8% to the DCF valuation result.

  Based on a sensitivity analysis of the WACC (variation of +/- 1.0%), TV-WACC (variation of +/- 1.0%) and long-term terminal growth rate (range of 1.0% - 2.0%), the discounted cash flows method results in an enterprise value between EUR 38.58 million and EUR 50.32 million, an implied equity value of between EUR 41.15 million and EUR 52.88 million, corresponding to a share price of between EUR 3.54 and EUR 4.55 per Share.

As the DCF analysis is the sole fundamental methodology, the Bidder considers this method to be the primary and most relevant valuation method bearing in mind the limitations of the comparable transaction multiples (i.e. limited data points, poor performance in 2017A, long-term timeframe) and trading multiples (i.e. discrepancies between target and peer group in terms of market capitalisation, revenues and enterprise value, profitability, growth potential and product mix) analyses in this particular context.

- Transaction multiples of comparable transactions

  The analysis of the multiples of precedent transactions should take into account general market conditions prevailing at the time of such transactions, company specific conditions and limited levels of financial information (historical financials only). The Bid Price represents a premium of 10.0%, 28.0% and 63.7% of the implied share price based on average EV/Sales, EV/EBITDA and EV/EBIT multiples, respectively, and a premium of 26.3%, 23.5% and 74.0% of the implied share price based on median EV/Sales, EV/EBITDA and EV/EBIT multiples, respectively.

  However, it should be noted that the reliability of the results of this methodology is limited due to (i) the limited available data points for the EBITDA and EBIT multiples, (ii) the Target's exceptionally poor financial margins (EBITDA, adjusted EBIT and adjusted net profit) in 2017A compared to historical financial figures and anticipated future financial performance, and (iii) the fact that the transaction sample is based on a long-term timeframe entailing reference points in different economic cycles.

- Trading multiples of comparable listed companies

  The Bid Price represents a premium of, respectively, 123.7% and 34.8% onto the implied share price based on the median trading EV/Sales multiples of 2017A and 2018E of the listed peers. Based on the median EV/EBITDA multiples of 2017A and 2018E of the listed peers, the Bid Price reflects a premium of, respectively, 50.0% and a discount of 21.2%. Based on the median EV/EBIT multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a premium of 10.1% and a discount of 23.6%. Based on the median P/E multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a discount of 20.3% and 33.6%.

  However, the Bidder applies a size and illiquidity discount of 20% due to the very low liquidity of the Shares and small size of the Target in terms of market capitalisation when compared to the peer group. Taken into consideration this size and illiquidity discount, the Bid Price represents a premium of, respectively, 179.6% and 68.5% onto the implied share price based on the median trading EV/Sales multiples of 2017A and 2018E of the listed peers. Based on the median EV/EBITDA multiples of 2017A and 2018E of the listed peers, the Bid Price reflects a premium of, respectively, 87.5% and a discount of 1.5%. Based on the median EV/EBIT multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a premium of 37.6% and a discount of 4.5%. Based on the median P/E multiples of 2017A and 2018E of the listed peers, the Bid Price respectively reflects a discount of 0.4% and 17.0%.

  It should be noted that the peer group companies are not truly comparable to the Target following the discrepancy in (i) size in terms of market capitalisation, revenues and enterprise value, (ii) profitability, (iii) growth potential and (iv) product mix. In particular, it should be noted that the Target realizes higher margins than the companies in the peer sample.

The Bidder has also considered the following reference points that provide context to the Bid Price:

- Historical performance and VWAP of the Share

  Given the historical performance and VWAP of the Shares, the Bid Price represents a premium of 30.0% of the VWAP for the last twelve months, a premium of 13.3% over the VWAP for the last three months, a premium of 11.5% over the VWAP for the thirty calendar days up to and including 5 October 2018 and a premium of 7.9% to the closing share price as at the Announcement Date.

- Offer premia for precedent mandatory public takeover transactions

  Concerning offer premia for precedent Belgian public mandatory takeover transactions, the median bid premia offered in selected mandatory public takeovers in Belgium range from 19.9% of the share price on the day preceding the deal announcement, to a premium of 18.0% and 19.5% when compared to the VWAP over the one month and three month period preceding the offer, respectively. With regard to mandatory public takeovers that eventually resulted in delisting, these median premia range from 24.5% of the share price on the day preceding the deal announcement, to a premium of 25.0% and 32.3% when compared to the VWAP over the one month and three month period preceding the offer, respectively. This compares to the Bid Price premium of 7.9% to the Target's Share price as of the Announcement Date and the Bid Price premium of 11.5% and 13.3% when compared to the VWAP for the last one month and three months up to and including 5 October 2018.

In conclusion, after having analysed different valuation methodologies and reference points, the Bidder believes that a Bid Price of EUR 4.25 per Share constitutes an attractive offer to the Shareholders. In particular, in view of the limited liquidity of the Shares over the last year, the Bid provides a unique liquidity opportunity for the Shareholders to monetise their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares.

7.3 Compliance and validity of the Takeover Bid

(a) Decision to launch the Takeover Bid

On 7 November 2018, the board of directors of the Bidder approved the terms of the GG Share Purchase Agreements. On 26 November 2018, the board of directors of the Bidder approved the completion of the Private Acquisition, and to proceed with the making of the Takeover Bid.

(b) Requirements of article 3 in conjunction with article 57 of the Belgian Takeover Decree

The Takeover Bid was launched in compliance with the requirements set out in article 3 in conjunction with article 57 of the Belgian Takeover Decree:

- The Takeover Bid relates to all Shares, i.e. all issued and outstanding Shares other than the Shares already held by the Bidder or its affiliates/concert parties (including Powergraph), but does not relate to the Treasury Shares held by the Target (as set out in section 7.1(b));

- The unconditional and irrevocable availability of funds required for the payment of the Bid Price for all Shares has been confirmed by KBC Bank NV;

- The conditions of the Takeover Bid are in compliance with the applicable laws, in particular with the Belgian Takeover Act and Belgian Takeover Decree;

- The Bidder undertakes, as far as it is concerned, to use its best efforts to bring the Takeover Bid to a successful conclusion; and

- KBC Bank NV will centralise the receipt of the Acceptance Forms, either directly or indirectly, and process the payment of the Bid Price.

(c) Regulatory approvals

As Global Graphics is a company with its registered office in England and Wales that is only admitted to trading on Euronext Brussels, the shared jurisdiction rules pursuant to article 4 of the Takeover Directive apply to the Takeover Bid. Accordingly, the Takeover Bid falls under the shared jurisdiction of the UK Takeover Panel and the FSMA in Belgium, who are jointly regulating the Takeover Bid.

The UK Takeover Code applies to the Takeover Bid in respect of matters relating to the information to be provided to the employees of Global Graphics and matters relating to UK company law (in particular, the percentage of voting rights which confers control and any derogation from the obligation to launch an offer, as well as the conditions under which the board of Global Graphics may undertake any action which might result in the frustration of an offer) ("employee information and company law matters"). Such employee information and company law matters are being administered by the UK Takeover Panel.

The Belgian Takeover Laws will apply in relation to matters relating to the consideration offered in the context of the Takeover Bid (in particular the Bid Price) and matters relating to the offer procedure (in particular the information on the Bidder's decision to make a Takeover Bid, the contents of the Prospectus and the disclosure of the Takeover Bid) ("consideration and procedural matters"). Such consideration and procedural matters are being administered by the FSMA.

The FSMA approves the Prospectus. The Prospectus is not subject to any other regulatory approval as the contents of the Prospectus are regulated by the Belgian Takeover Laws. The Takeover Bid itself has been approved by the FSMA.

In the event that the UK withdraws from the EU in a "no deal" scenario (i.e. without a withdrawal agreement and a transition period having been agreed), then the shared jurisdiction rules in section 3(a)(iii) of the Introduction to the UK Takeover Code are likely to be deleted with effect from 11.00 p.m. on 29 March 2019. The Bidder understands that as Global Graphics is not currently considered by the UK Takeover Panel to have its place of central management and control in the United Kingdom, the UK Takeover Code will cease to apply to the Takeover Bid with effect from this time (in the event that the Takeover Bid is still continuing) and thereafter will not apply to Global Graphics for so long as central management and control of Global Graphics remains outside of the UK.

7.4 Indicative timetable

The Bidder may amend the dates and times of the Takeover Bid and periods indicated in the above timetable and throughout this Prospectus. Should the Bidder decide to amend such dates, times or periods, it will notify the Shareholders through a publication on the website of the Target (https://www.globalgraphics.com/) and/or an announcement. Material amendments to this Prospectus will be published in a press release, a publication in the financial press or a supplement to this Prospectus, as the case may be.

Event	Contemplated date
Announcement of obligation and intention of Bidder to launch a Takeover Bid in accordance with article 8 of the Belgian Takeover Decree	13 November 2018
Completion of the Private Acquisition	26 November 2018
Filing of Takeover Bid with the FSMA	28 November 2018
Announcement Date in accordance with article 7 of the Belgian Takeover Decree	29 November 2018
Approval of the Prospectus by the FSMA	22 January 2019
Approval of the Response Memorandum by the FSMA	22 January 2019
Publication of the Prospectus and Response Memorandum	23 January 2019
Opening of the Initial Acceptance Period	24 January 2019
Closing of the Initial Acceptance Period	25 February 2019
Announcement of the results of the Initial Acceptance Period	1 March 2019
Initial Payment Date	8 March 2019
Mandatory reopening of the Takeover Bid (should the Bidder hold at least 90% of the Shares but cannot proceed with a Squeeze-out)	8 March 2019
Opening of the Squeeze-out period through service of statutory notices (if the mandatory reopening has not had the effect of a Squeeze-out)	8 March 2019
Closing of the Acceptance Period of the mandatory reopening	22 March 2019
Announcement of the results of the mandatory reopening	28 March 2019
Payment Date of the mandatory reopening	4 April 2019
Sending by the Bidder of a copy of Squeeze-out notices to the Target and payment to the Target of all the consideration for the Shares to which the statutory notices relate (i.e. six weeks from the date of the notices)	19 April 2019

7.5 Acceptance Period

(a) Acceptance Period

The Initial Acceptance Period will start on 24 January 2019 and end on 25 February 2019 (inclusive) at 4:00 p.m. CET (3:00 p.m. GMT).

(b) Extension

Pursuant to article 31 in conjunction with article 57 of the Belgian Takeover Decree, the Initial Acceptance Period may be extended by five Business Days. This would be the case if at any time during the Takeover Bid period the Bidder (or a person acting in concert with the Bidder) acquires or undertakes to acquire, other than through the Takeover Bid, Shares at a price higher than the Bid Price. In such case, the Bid Price will be adjusted so that it corresponds to this higher price, and the Acceptance Period will be extended by five Business Days following publication of this higher price, in order to allow all Shareholders to accept the Takeover Bid at this higher price.

In addition, pursuant to the same provisions, if a general meeting of the Target is convened to deliberate on the Takeover Bid and, in particular, on an action that is likely to frustrate the Takeover Bid, the Acceptance Period shall be extended by two weeks from the day on which the said general meeting was held.

7.6 Reopening of the Takeover Bid

The Takeover Bid may or must be reopened in the following cases:

(a) The Bidder acquires less than 90% of the Shares

If the Bidder and its affiliates hold less than 90% of the Shares after the Initial Acceptance Period, the Bidder reserves the right to reopen the Takeover Bid, at its sole discretion. Such voluntary reopening will commence within ten Business Days from the announcement of the result of the Initial Acceptance Period for a subsequent Acceptance Period of at least five and a maximum of 15 Business Days. In no event shall the aggregate duration of the Initial Acceptance Period and any voluntary reopening of the Takeover Bid exceed ten weeks.

(b) The Bidder acquires at least 90% of the Shares

If the Bidder and its affiliates hold at least 90% of the Shares following the Initial Acceptance Period, there will be a mandatory reopening of the Takeover Bid pursuant to article 35, 1° in conjunction with article 57 of the Belgian Takeover Decree.

The mandatory reopening pursuant to article 35, 1° in conjunction with article 57 of the Belgian Takeover Decree will also be applicable if the aforementioned threshold of 90% has not been immediately reached following the Acceptance Period, but only after a voluntary reopening (as described in section 7.6(a) of the Prospectus).

In the case of a mandatory reopening pursuant to article 35, 1° in conjunction with article 57 of the Belgian Takeover Decree, the Takeover Bid will reopen, within ten Business Days after the announcement of the results of the last preceding Acceptance Period, for a subsequent Acceptance Period of at least five and a maximum of 15 Business Days.

(c) The Bidder meets the conditions for a Squeeze-out

If sufficient acceptances are received and/or sufficient Shares are otherwise acquired or agreed to be acquired, the Bidder intends to apply the provisions of Chapter 3 of Part 28 of the UK Companies Act 2006 to effect a Squeeze-out. The relevant thresholds for these purposes are that the Bidder has, by virtue of acceptances of the Takeover Bid, acquired or unconditionally contracted to acquire not less than 90% in value of the Shares to which the Takeover Bid relates and 90% of the voting rights carried by those Shares (i.e. 90% in value of and of the voting rights carried by a total maximum of 7,588,066 Shares (representing in total 65.32% of the Target Voting Rights (approximately)). Any Shares already owned by the Congra Group at the date of publication of this Prospectus and any Shares acquired by the Congra Group before the date of publication of this Prospectus (i.e. an aggregate of 4,134,138 Shares, representing 35.59% of the Target Voting Rights (approximately)) will not be Shares to which the Takeover Bid relates and, therefore will not count towards the 90% in value of the Shares to which the Takeover Bid relates and 90% of the voting rights carried by those Shares.

7.7 Squeeze-out

If the Bidder meets the conditions for the Squeeze-out as described in section 7.8, the Bidder can activate the compulsory acquisition procedure under the UK Companies Act 2006, by serving a statutory notice (Form 980(1)[20]) of the Squeeze-out on any Shareholder to which the Takeover Bid relates who has not accepted the Takeover Bid and such notice should be served within three months of the day after the last day of the Acceptance Period. The first notice sent out accordingly to a non-accepting Shareholder must also be sent to the Target, together with a statutory declaration (Form 980 declaration) that is sworn by a director of the Bidder stating that the conditions for the giving of the statutory notice have satisfied. Shareholders can accept the Takeover Bid by completing the Acceptance Form after receiving the statutory notice.

Six weeks after the notices of the Squeeze-out are served, the Bidder will send a copy of all notices to the Target and pay the Target all the consideration for the Shares to which the notices relate (other than those Shareholders who accepted the Takeover Bid after receiving the statutory notice). The Target will then hold the consideration on trust in a separate bank account for the remaining Shareholders who have not accepted the Takeover Bid. Shareholders must then contact the Target in order to receive their consideration. The Target must make reasonable enquiries at reasonable intervals to find the remaining non-accepting Shareholders. If the Target locates any Shareholders, those Shareholders will be paid the consideration within a practicable timeframe. If the Target cannot locate the remaining non-accepting Shareholders 12 years after the date the consideration was paid to the Target by the Bidder, the Target will pay the consideration into court. Thereafter, Shareholders must contact the court for payment.

If Squeeze-out notices are served, the Shares shall be automatically delisted from Euronext Brussels upon the completion of the Squeeze-out (for more details see section 7.8 of the Prospectus).

7.8 Delisting and possible mandatory reopening of the Takeover Bid

Following the end of the Takeover Bid, the Bidder intends to request that the board of directors of the Target applies for and proceeds with the delisting of the Shares and cancellation of admission to trading on the regulated market of Euronext Brussels to the extent permitted by law and subject to the approval of the board of directors of the Target. Even if the Bidder is not successful in implementing a Squeeze-out, it reserves the right to request that the board of directors of the Target (subject to the board's approval thereof) applies for a delisting in order to avoid the costs and burdens related to a continued listing of the Target on Euronext Brussels.

In accordance with article 26 §1 of the Belgian Act of 21 November 2017, Euronext Brussels may delist financial instruments admitted to trading on its regulated markets if (a) it establishes that, due to exceptional circumstances, a normal and regular market can no longer be maintained for these financial instruments, or (b) these financial instruments would fail to comply with the rules of the regulated market, except if such a measure is likely to significantly harm investors' interests or to impair the proper functioning of the market. Euronext Brussels should give a prior notification of a delisting to the FSMA, which, after discussion with Euronext Brussels, may oppose a delisting in the interest of protecting investors. The FSMA has, under previous regulation, indicated that it shall not oppose a delisting if it is preceded by a successful accompanying measure for the benefit of the

[20] *A Companies House template of such form can be accessed through the following weblink:* *https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/363097/9801.pdf*.

minority shareholders, but conversely, it shall oppose a delisting if no such successful accompanying measure has been taken (reference is also made to FSMA Annual Report 2015 p. 40).

The formalities to delist the Shares will typically entail (a) the filing by the Target of a delisting request with Euronext Brussels stating the grounds for such delisting (usually, because of low trading volumes and relatively high costs associated with the listing), (b) the absence of opposition to such request by Euronext Brussels and the FSMA, (c) the determination by Euronext Brussels of the effective date of the delisting, and (d) the publication by Euronext Brussels of the date on which the delisting will be effective, as well as the conditions for such delisting and any other relevant information concerning the delisting. The decision to apply for a delisting will be taken by the Target's board of directors, which will have regard to its duties to all relevant stakeholders, including minority Shareholders.

If the Target files (upon direction of the Bidder) a request for delisting within three months following closing of the last Acceptance Period and if, at that time, the Squeeze-out, as set out in section 7.6(c), has not yet been launched, the Bidder must reopen the Takeover Bid within ten Business Days following such filing for a subsequent Acceptance Period of at least five Business Days and not more than 15 Business Days, in accordance with article 35, 2° in conjunction with article 57 of the Belgian Takeover Decree.

Should a Squeeze-out, as set out in section 7.6(c), be launched, the delisting will automatically occur following the completion of the Squeeze-out.

7.9 Sell-out right

Under Chapter 3 of Part 28 of the UK Companies Act 2006, a holder of any Shares to which the Takeover Bid relates who has not accepted the Takeover Bid may require the Bidder to acquire those Shares if at any time before the end of the period within which the Takeover Bid can be accepted, the Bidder has by virtue of acceptances of the Takeover Bid acquired or unconditionally contracted to acquire some (but not all) of the Shares to which the Takeover Bid relates and those shares (with or without any other Shares) which it has acquired or contracted to acquire (whether unconditionally or subject to conditions being met) amount to not less than 90% in value of all the Shares and carry not less than 90% of the Target Voting Rights.

The Bidder must give any holder of Shares notice of their right to be bought out within one month of the sell-out right arising unless a Squeeze-out notice has already been served on that Shareholder.

7.10 Acceptance of the Takeover Bid and payment

(a) Withdrawal of acceptance

In accordance with article 25, §1 in conjunction with article 57 of the Belgian Takeover Decree, the Shareholders who have confirmed their acceptance under the Takeover Bid may withdraw their acceptance at any time during the Acceptance Period in question.

In order for a withdrawal of an acceptance to be valid, the withdrawal must be notified in writing directly to the financial intermediary with whom the Shareholder has deposited its Acceptance Form, specifying the number of Shares in respect of which the acceptance is being withdrawn. In the event that the Shareholder notifies its withdrawal to a financial intermediary other than the Receiving Agents, it is the obligation and the responsibility of such financial intermediary to notify one of the Receiving Agents promptly of this withdrawal. Such notification must be made to one of the Receiving Agents at the latest by 25 February at 4:00 p.m. CET (3:00 p.m. GMT) (with respect to the Initial Acceptance Period) or, where appropriate, by the date that will be specified in the relevant notification and/or press release.

(b) Acceptance Form

(i) General

The Shareholders can accept the Takeover Bid and sell their Shares by duly completing, signing and submitting the Acceptance Form attached hereto in Annex 1, in duplicate, at the latest on the last day of the Initial Acceptance Period, or, as the case may be, of the subsequent Acceptance Period of a reopening of the Takeover Bid.

The duly completed and signed Acceptance Form may be deposited free of charge directly at the counters of KBC Bank NV.

The Shareholders may also elect to have their acceptance registered either directly or indirectly through another financial intermediary. In such case, they should inquire about the costs and fees these organisations might charge and which they will have to bear.

Those financial intermediaries shall, as the case may be, comply with the process described in this Prospectus.

Acceptances in paper via the Acceptance Form will be applicable to shareholders in Belgium only as all Global Graphics shares on the UK register are held in CREST.

(ii) Additional practical instructions

Persons holding Shares in dematerialised form (booked on a securities account) must instruct their financial intermediary to immediately transfer to one of the Receiving Agents the Shares they hold in their securities account with this financial intermediary. They must do so by depositing the duly completed and signed Acceptance Form or by otherwise registering their acceptance with the respective Receiving Agent, either directly or indirectly, through other financial intermediaries. Those financial intermediaries must immediately transfer the offered Shares to the account of the respective Receiving Agent.

Persons holding Shares in registered form will receive from the Target a letter evidencing the ownership of the number of Shares held by them, and describing the procedure to be followed by them to deposit their completed and duly signed Acceptance Form.

(iii) Ownership of the Shares

Persons tendering their Shares, as relevant, represent and warrant that (i) they are the legal owner of the Shares thus tendered, (ii) they have the requisite power and capacity to accept the Takeover Bid, and (iii) the Shares thus tendered are free and clear of any pledge, lien or other encumbrance.

If Shares are owned by two or more persons, the Acceptance Form must be signed jointly by all such persons.

If Shares are subject to usufruct, the Acceptance Form must be signed jointly by the bare owner ("*nu propriétair"/"naakte eigenaar*") and the holder of the usufruct ("*usufruitier"/ "vruchtgebruiker*").

If Shares are pledged, the Acceptance Form must be signed jointly by the pledgor and the pledgee, with the pledgee expressly confirming the irrevocable and unconditional release of the relevant Shares from the pledge.

If Shares are encumbered in any other manner or are subject to any other claim or interest, all beneficiaries of such encumbrance, claim or interest must jointly complete and sign the Acceptance Form and all such beneficiaries must irrevocably and unconditionally waive any and all such encumbrance, claim or interest relating to those Shares.

(iv) Restricted Jurisdictions

Persons tendering their Shares, as relevant, represent and warrant that:

(A) they have not received or sent copies or originals of this Prospectus or any related documents in, into or from any Restricted Jurisdiction;

(B) they have not in connection with the Takeover Bid or the execution or delivery of the Acceptance Form, utilised, directly or indirectly, the mails of, or any means or instrumentality (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a national, state or other securities exchange of, any Restricted Jurisdiction;

(C) they are accepting the Takeover Bid from outside any Restricted Jurisdiction and were outside such jurisdiction when the Acceptance Form was delivered;

(D) they are not an agent or fiduciary acting on a non-discretionary basis for a principal, unless such agent or fiduciary is an authorised employee of such principal or such principal has given any instructions with respect to the Takeover Bid from outside any Restricted Jurisdiction; and

(E) if such Shareholder is a citizen, resident or national of a jurisdiction outside Belgium, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Takeover Bid, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in the Bidder or any person acting on behalf of the Bidder being in breach of the legal or regulatory requirements of, or being liable for any issue, transfer or other taxes or duties or other payments in, any such jurisdiction in connection with the Takeover Bid or his acceptance of the Takeover Bid.

(c) CREST instructions for acceptance and withdrawal for UK shareholders

Persons holding Shares that are registered in the United Kingdom at CREST should take (or procure the taking of) the actions set out in the CREST Manual hereto attached in Annex 4 to transfer their Shares to the appropriate escrow balance(s), specifying Link Asset Services (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to in the CREST Manual) as the Escrow Agent, as soon as possible and in any event so that the TTE instruction settles not later than 4.00 p.m. CET (3.00 p.m. GMT) on 25 February 2019.

(d) Announcement of the results of the Takeover Bid

In accordance with article 32 in conjunction with article 57 of the Belgian Takeover Decree, the Bidder will announce within five Business Days following the end of the relevant Acceptance Period the results of the Acceptance Period as well as the number of Shares the Bidder holds following the Takeover Bid. This announcement will be made in a press release to be published on or via the websites of KBC Securities NV in cooperation with KBC: https://www.kbcsecurities.com/prospectus-documents-overviews/prospectus-overview, https://www.kbc.be, https://www.cbc.be and https://www.bolero.be) and the Target (https://www.globalgraphics.com/).

If the Takeover Bid is reopened as described in section 7.6 of the Prospectus, the Bidder will announce, within five Business Days following the end of the new Acceptance Period, the results of the relevant reopening, as well as the number of Shares the Bidder holds following this reopening. This announcement will be made in a press release to be published on or via the websites of KBC Securities NV in cooperation with KBC: https://www.kbcsecurities.com/prospectus-documents-overviews/prospectus-overview, https://www.kbc.be, https://www.cbc.be and https://www.bolero.be) and the Target (https://www.globalgraphics.com/).

Should an announcement of the results coincide with a transaction requiring publication in accordance with article 11 of the Belgian Takeover Act, these results shall also be announced in a publication in accordance with article 11 of the Belgian Takeover Act.

(e) Date and method of payment

The Bidder shall pay the Bid Price to the Shareholders who have validly tendered their Shares during the Initial Acceptance Period, within ten Business Days following the announcement of the results of the Initial Acceptance Period. If there are subsequent Acceptance Periods due to any reopening(s) of the Takeover Bid, as described in section 7.6 of the Prospectus, the Bidder shall pay the Bid Price within ten Business Days following the announcement of the results of such subsequent Acceptance Periods.

Payment of the Bid Price to Shareholders who have duly accepted the Takeover Bid will be made without condition or restriction, by wire transfer to the bank account specified by the Shareholders in their Acceptance Form.

The Bidder will pay the tax on stock exchange transactions to the extent such tax is due by Shareholders that transfer their Shares to the Bidder within the context of the Takeover Bid. The Receiving Agents will not charge the Shareholders any commission, fee or other costs in connection with the Takeover Bid. Shareholders who register their acceptance with a financial institution other than the Receiving Agents should inquire about additional costs that may be charged by such institutions and they will bear any additional costs that may be charged by those institutions.

The risk associated with and the ownership of the Shares that were validly tendered during the Initial Acceptance Period or any subsequent Acceptance Period will transfer to the Bidder on the relevant Payment Date at the time when payment of the Bid Price is made by the Receiving Agents on behalf of the Bidder (i.e., the time when the Bidder's account is debited for this purpose).

(f) Counter-bid and higher bid

In the event of a counter-bid and/or higher bid (the price of which must at least be 5% above the Bid Price or the price of the counter-offer, respectively) in accordance with articles 37 to 41 in conjunction with article 57 of the Belgian Takeover Decree, the Initial Acceptance Period will be extended until the expiry of the acceptance period of that counter-bid. In the event of a valid and more favourable counter-bid and/or higher bid, all Shareholders that have tendered their Shares to the Bidder in the Takeover Bid may exercise their withdrawal right in accordance with article 25 in conjunction with article 57 of the Belgian Takeover Decree and the procedure described in section 7.10(a) of the Prospectus.

If the Bidder launches a higher bid in response to a counter-offer, all Shareholders who have accepted the Takeover Bid will benefit from the increased price of such higher bid.

(g) Subsequent increase of the Bid Price

If the Bidder were to increase the Bid Price, all Shareholders that accepted the Takeover Bid prior to such increase will benefit from the increased Bid Price.

7.11 Financing of the Takeover Bid

As required by article 3 of the Belgian Takeover Decree, the Bidder has the required funds available for the payment of the Bid Price in an amount of EUR 33,735,000.00 with KBC Bank NV, in the form of (i) an irrevocable and unconditional bank credit facility which has been granted to the Bidder for an amount of EUR 28,000,000.00 and (ii) a cash amount placed on a blocked current account at KBC Bank of 5,735,000.000. The purpose of both the credit line and the blocked current account is solely for the purpose of the acquisition of all or part of the Shares.

The Bid Price is funded by the Bidder with a mix of cash available within the Congra Group, shareholder financing convertible into equity and traditional bank financing. As a result, the financing of the Takeover Bid will result in an increase of the equity and the long term liabilities of Congra. The only significant impact on the profit and loss account of the Congra Group will be the payment of interest expenses on the bank financing. The financing should not adversely affect the activities or the development of the Congra Group or the proposed business combination with the GG Group.

The unconditional and irrevocable availability of funds required for the payment of the Bid Price for all Shares has been confirmed by the KBC Bank NV, pursuant to the letter of certain funds dated 28 November 2018 and signed by KBC Bank NV.

8. BELGIAN TAX TREATMENT OF THE TAKEOVER BID

8.1 Costs associated with the tender of Shares to the Takeover Bid

The Bidder will not pay any costs charged by financial intermediaries other than the Receiving Agents with which the Shareholders deposit their Acceptance Form and/or electronically submit their acceptance. If the Shareholders deposit the Acceptance Form and/or electronically submit their acceptance with the Receiving Agents, they will not be charged any costs for the acceptance of the Takeover Bid. The Shareholders are therefore requested to inquire with their financial institutions about any costs which they may be required to pay in connection with the Takeover Bid.

8.2 Taxation upon transfer of the Shares

(a) Important notice

This section summarises certain tax considerations under the laws of Belgium applicable at the date of the Prospectus to the transfer of Shares in the Takeover Bid and does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to tender the Shares in the Takeover Bid. It does not address specific rules, such as Belgian federal or regional estate and gift tax considerations or tax rules that may apply to special classes of holders of financial instruments, and is not to be read as extending by implication to matters not specifically discussed herein. As to individual consequences, including cross-border consequences, each Shareholder should consult its own tax adviser. This summary is based on the laws, regulations and applicable tax treaties as in effect in Belgium on the date of this Prospectus, all of which are subject to change, possibly on a retroactive basis. It does not discuss or take into account tax laws of any jurisdiction other than Belgium, nor does it take into account individual circumstances of a Shareholder. The summary below is not intended as and should not be construed to be tax advice.

For the purposes of this summary, (i) "Belgian individual" means any individual subject to Belgian personal income tax (i.e., an individual having its domicile or seat of wealth in Belgium) or assimilated individuals for purposes of Belgian tax law; (ii) "Belgian company" means any company subject to Belgian corporate income tax (i.e., a company with registered seat, principal establishment or place of management in Belgium and that is not excluded from the scope of the Belgian corporate income tax); and (iii) "Belgian legal entity" means any legal entity subject to the Belgian legal entities tax (i.e., a legal entity other than a company subject to corporate income tax with registered seat, principal establishment or place of management in Belgium). A "non-resident individual", "non-resident company" or "non-resident legal entity" means an individual, company or legal entity that does not fall in any of the three previous classes.

This summary does not address the tax regime applicable to Shares held by Belgian tax residents through a fixed basis or a permanent establishment situated outside Belgium.

(b) Belgian individuals

For Belgian individuals holding Shares as a private investment, capital gains realised upon the transfer of the Shares are generally not subject to Belgian income tax. Capital losses are not tax deductible.

However, Belgian individuals may be subject to income tax at a separate rate of 33% (to be increased with local surcharges, which are generally due at a rate between 6% and 9% of the amount of income tax) if the capital gain on the Shares is deemed to be speculative or outside the scope of the normal management of their private estate. Capital losses arising from such transactions are not tax deductible.

Capital gains realised upon transfer of Shares held for professional purposes shall be taxable at the normal progressive tax rates in personal income tax, except for Shares held for more than five years, which are taxable at a separate rate of 16.5% (to be increased with local taxes). Capital losses on the Shares incurred by Belgian individuals holding the Shares for professional purposes are in principle tax deductible and the losses resulting from these capital losses may, under certain conditions, be carried forward.

(c) Belgian companies

Belgian resident companies are not subject to Belgian corporate income tax on gains realised upon the disposal of the Shares provided that: (i) the Belgian resident company holds shares representing at least 10% of the share capital of the Target or a participation in the Target with an acquisition value of at least EUR 2,500,000; (ii) the conditions relating to the taxation of the underlying distributed income, as described in Article 203 of the Belgian Income Tax Code are met and (iii) the shares have been held in full legal ownership for an uninterrupted period of at least one year.

If conditions (i) and (ii) are met but not condition (iii), the capital gains realised upon the disposal of Shares by a Belgian resident company are taxable at a separate corporate income tax rate of 25.5% currently. If conditions (i) and/or (ii) above are not met, the capital gains realised upon the disposal of Shares will be subject to a corporate income tax rate of in principle 29.58% (with a reduced rate of 20.40% applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies), to be reduced to 25% (and 20% instead of 20.40%) as from assessment year 2021 for taxable periods starting at the earliest on 1 January 2020.

Capital losses on Shares incurred by Belgian resident companies are generally not tax deductible.

If the Shares form part of the trading portfolio *("portefeuille commercial"/"handelsportefeuille*") of companies which are subject to the Royal Decree of 23 September 1992 on the annual accounts of credit institutions, investment firms and management companies of collective investment institutions ("*comptes annuels des établissements de crédit, des entreprises d'investissement et des sociétés de gestion d'organismes de placement collectif"/"jaarrekening van de kredietinstellingen, de beleggingsondernemingen en de beheervennootschappen van instellingen voor collectieve belegging*"), the capital gains realised upon the disposal of Shares will be subject to corporate income tax at the standard rates, and capital losses will in that event be tax deductible. Internal transfers to and from the trading portfolio are assimilated to a realisation.

(d) Belgian legal entities

Capital gains realised upon transfer of the Shares by Belgian legal entities are in principle tax exempt and capital losses are not tax deductible.

(e) Non-resident individuals or companies

Non-resident individuals or companies are, in principle, not subject to Belgian income tax on capital gains realised upon transfer of the Shares, unless the Shares are held as part of a business conducted in Belgium through a Belgian establishment. In such a case, the same principles apply as described with regard to Belgian individuals (holding the Shares for professional purposes) or Belgian companies.

8.3 Tax on stock exchange transactions

A tax on stock exchange transactions will be payable on any cash consideration paid for Shares tendered in the Takeover Bid through a professional intermediary, currently at a rate of 0.35% of the purchase price. This tax is however limited to a maximum amount of EUR 1,600 per taxable transaction. The tax is separately due from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The tax on stock exchange transactions also applies to secondary market transactions of which the order is, directly or indirectly, made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a **Belgian Investor**). In such a scenario, the tax on the stock exchange transactions is due by the Belgian Investor, unless the Belgian Investor can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside of Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*bordereau/borderel*), at the latest on the business day after the day the transaction concerned was realised. Alternatively, professional intermediaries established outside of Belgium could appoint a Stock Exchange Tax Representative in Belgium, subject to certain conditions and formalities (**Stock Exchange Tax Representative**). Such Stock Exchange Tax Representative will then be liable towards the Belgian Treasury for the tax on stock exchange transactions due and for complying with reporting obligations and the obligations relating to the order statement in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

This tax is not payable by:

- professional intermediaries described in articles 2, 9° and 10° of the Belgian Act of 2 August 2002, acting for their own account;
- insurance companies described in article 2, § 1 of the Belgian Act of 9 July 1975 on the supervision of insurance undertakings, acting for their own account;
- pension institutions described in article 2, 1° of the Belgian Act of 27 October 2006 on the supervision of pension institutions, acting for their own account;
- collective investment undertakings, acting for their own account;
- regulated real estate companies, acting for their own account; and
- non-residents, acting for their own account, provided that they deliver a certificate to the financial intermediary in Belgium confirming their non-resident status.

The Bidder shall bear the tax on stock exchange transactions owed by Shareholders.

8.4 Tax on securities accounts

Pursuant to the law of 7 February 2018, Belgian resident and non-resident individuals are taxed at a rate of 0.15% on their share in the average value of qualifying financial instruments (such as shares, bonds, certain other type of debt instruments, units of undertakings for collective investment, warrants) held on one or more securities accounts with one or more financial intermediaries during a reference period of 12 consecutive months starting on 1 October, and ending on 30 September of the subsequent year (**Tax on Securities Accounts**).

No Tax on Securities Accounts is due provided the holder's share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder's share in the average value of the qualifying financial instruments on those accounts during the relevant reference period amounts to EUR 500,000 or more, the Tax on Securities

Accounts is due on the entire share of the holder in the average value of the qualifying financial instruments on those accounts (and hence, not only on the part exceeding the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty override may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the legal status and supervision of credit institutions and stockbroking firms and (ii) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are pursuant to national law admitted to hold financial instruments for the account of customers.

The Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value of each of these accounts does not amount to EUR 500,000 or more but of which the holder's share in the total average value of these accounts exceeds EUR 500,000). Otherwise, the Tax on Securities Accounts needs to be declared and is due by the holder itself, unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could apply a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities (**Tax on the Securities Accounts Representative**). Such a Tax on the Securities Accounts Representative is then liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals have to report in their annual income tax return their various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return their various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

8.5 Common Reporting Standard

The exchange of information is governed by the Common Reporting Standard (**CRS**). On 29 October 2014, 51 jurisdictions signed the multilateral competent authority agreement (**MCAA**), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications. Subsequent signatures of the agreement brought the total number of jurisdictions that signed the MCAA on 29 October 2018 to 104.

About 100 jurisdictions committed to exchange information either by September 2017 or September 2018. Under CRS, financial institutions resident in a CRS country will be required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (**DAC2**), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The mandatory automatic exchange of financial information by EU Member States as foreseen in DAC2 had to become effective on 30 September 2017 at the latest, except with regard to Austria. The mandatory automatic exchange of financial information had to become effective in Austria on 30 September 2018 (at the latest).

The Belgian government has implemented said Directive 2014/107/EU, respectively the Common Reporting Standard, per the Law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes.

Annexes:

- Acceptance Forms
- Response Memorandum by the board of directors of the Target, including Equitableness Opinion
- Financial information regarding the Bidder
- CREST Manual

ANNEX 1

ACCEPTANCE FORMS

ACCEPTANCE FORM FOR THE MANDATORY TAKEOVER BID IN CASH BY CONGRA SOFTWARE S.À.R.L. FOR THE SHARES OF GLOBAL GRAPHICS PLC

TO BE COMPLETED AND SUBMITTED IN DUPLICATE TO KBC BANK NV/SA AND/OR THE FINANCIAL INTERMEDIARY NO LATER THAN 25 FEBRUARY 2019, 4:00 P.M. (CET) OR ANY LATER DATE ANNOUNCED IN THE EVENT OF AN EXTENSION, OR ANY EARLIER DEADLINE SET BY THE FINANCIAL INTERMEDIARY

I, the undersigned,

Legal entity:

Name and legal form:	
Registered office:	
Country:	
Validly represented by:	1. (*name, surname, domicile and capacity*) 2. (*name, surname, domicile and capacity*)

Natural person:

Surname:
Name:
Domicile:
Nationality:
Passport number:

declare after having had the opportunity to read the Prospectus published by Congra Software SàRL (the Bidder) relating to its mandatory takeover bid in cash (the Bid) for the remaining 64.11% of the shares not yet owned by the Bidder issued by Global Graphics Plc (the Target), that:

(a) I accept the terms and conditions of the Takeover Bid described in the Prospectus;

(b) I hereby agree to transfer the Shares identified in this Acceptance Form, and which I fully own, to the Bidder, in accordance with the terms and conditions of the Prospectus, for a price consisting of a payment in cash of EUR 4.25 for each Share.

(c) I shall transfer the Shares in accordance with the acceptance process described in the Prospectus; and

(d) I acknowledge that all representations, warranties and undertakings deemed to be made or given by me under the Prospectus are incorporated in this Acceptance Form with respect to the transfer of my Shares.

I hold the following Shares:

<table>
<tr><th>Shares</th><th></th><th></th></tr>
<tr><th>Number</th><th>Form</th><th>Instructions</th></tr>
<tr><td>…………………</td><td>Dematerialised form</td><td>These Shares are available on my securities account with the following details:

Name bank: ……..…………………………………..……
IBAN: ……..…………………………………..……
BIC/SWIFT: ……..…………………………………..……

I hereby authorise …………………………………………..... (KBC Bank NV/SA if I have an account there or if the account is held elsewhere, the relevant financial intermediary) to transfer these Shares from my securities account to the Centralising Agent in favour of Congra.</td></tr>
<tr><td>…………………</td><td>Registered form</td><td>The following documents must be attached to this Acceptance Form:
– evidence of record in the shareholders register as provided by Global Graphics; and
– for natural persons: a copy of my identity card or passport containing a signature specimen; or
– for legal entities: a certified copy of the articles of association of the Shareholder, evidence of who can validly represent the Shareholder, the power of attorney, if any, and a copy of the identity card or passport containing a signature specimen of the person(s) competent to represent the Shareholder that executed the Acceptance Form.
I hereby request that (i) these Shares be transferred to Congra, and (ii) the transfer of these Shares be duly recorded in the share register of Global Graphics, and, to that end, I authorise each director of Global Graphics, acting alone and with the power to delegate their authority, to sign the share register in my name and on my behalf and to perform all actions required for this purpose.</td></tr>
</table>

The Shareholders who hold both registered and dematerialised Shares are explicitly requested to fill in two separate Acceptance Forms (for the registered Shares tendered to the Bid to be delivered to any of the offices of the Centralising Agent and for the dematerialised Shares tendered to the Takeover Bid to be delivered to their financial institution or broker where such dematerialised Shares are held).

I hereby request that on the Settlement Date, the Share Bid Price of the transferred Shares, as relevant, be credited to my following account:

Name bank:	
IBAN:	
BIC/SWIFT:	

I am aware, agree and confirm that:

(a) in order to be valid, this Acceptance Form must be submitted in duplicate in accordance with the applicable acceptance procedure as set forth in the Prospectus (Section 7.10(b)), to KBC Bank NV/SA and/or the financial intermediary no later than 25 February 2019, 4:00 p.m. (CET) or any later date announced in the event of an extension, or any earlier deadline set by the financial intermediary;

(b) I am duly authorised to transfer my Shares and all authorisations, formalities or procedures required to that end have been duly and successfully obtained, accepted, completed and/or carried out;

(c) I may withdraw my acceptance during the [Initial] Acceptance Period during which I tendered my Shares and that for the withdrawal of such acceptance to be valid, I must directly notify in writing the financial intermediary to which I had delivered my Acceptance Form, specifying the number of Shares in respect of which the acceptance is being withdrawn.

(d) if the Shares are co-owned by two or more holders, each of them must sign this same Acceptance Form; if the Shares are subject to beneficial ownership, both the bare owner and the beneficial owner must sign this Acceptance Form; if the Shares are pledged, both the pledging debtor and the creditor benefiting from such pledge must sign this Acceptance Form with the understanding that the creditor benefiting from the pledge will be deemed irrevocably and unconditionally to renounce and release the shares concerned from his pledge.

(e) Congra shall bear the potential tax on stock market transactions; the Receiving Agents shall not charge the Shareholders any commission, fees or other costs under the Bid; Shareholders registering their acceptance with a financial institution other than the Receiving Agents are requested to inquire about any costs they could incur in connection with the Takeover Bid.

(f) I have received all information necessary to be able to take a decision on the Takeover Bid with full knowledge of the facts, and I am fully aware of the risks it entails and have inquired about the taxes I could owe in the framework of the transfer of my Shares to Congra which, if need be, I shall bear in full.

Except where indicated to the contrary, the terms used in this Acceptance Form shall have the same meaning as in the Prospectus.

***

Done in **duplicate** at (*place*) …………………………………… on (*date*) ……………………2019.

The Shareholder	**KBC Bank NV/SA /other financial intermediary**
(signature) *(name, first name)*	*(signature)* *(financial intermediary)*
(signature) *(name, first name)*	

ANNEX 2

RESPONSE MEMORANDUM

RESPONSE MEMORANDUM

Issued by the board of directors of Global Graphics PLC

in connection with the

MANDATORY PUBLIC TAKEOVER BID IN CASH

For all of the shares not yet owned by the Bidder (and its affiliates/concert parties) amounting to a total maximum of 64.11% of the shares issued by

GLOBAL GRAPHICS PLC

a public limited liability company incorporated under the laws of England and Wales
2030 Cambourne Business Park, Cambourne, Cambridge, CB23 6DW, United Kingdom
with registration number 10872426
(Global Graphics or the Company)

by

CONGRA SOFTWARE SÀRL

a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of Luxembourg
19-21 Route d'Arlon L-8009 Strassen, Luxembourg
with registration number B162896
(Congra or the Bidder)

This Response Memorandum is published as an annex to the Prospectus issued by Congra Software SárL in connection with the above mentioned mandatory takeover bid in cash, as approved by the FSMA on 22 January 2019.

Response Memorandum as of 22 January 2019

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1. IMPORTANT INFORMATION

1.1. RESPONSIBILITY STATEMENTS

Global Graphics, represented by its board of directors (the Board of Directors), is exclusively responsible for the content of this response memorandum (the Response Memorandum), in accordance with section 29 of the Belgian Act of 1 April 2007 on public takeover bids (the Belgian Takeover Act). Any information from third parties identified in this Response Memorandum has been accurately reproduced and, as far as Global Graphics is aware and is able to ascertain, does not omit any facts which would render the reproduced information inaccurate or misleading.

Subject to the foregoing, Global Graphics, represented by its Board of Directors, confirms that, to the best of its knowledge, the content of this Response Memorandum is accurate, not misleading, in accordance with the facts and does not omit anything likely to affect the import of the information contained in this Response Memorandum.

Given their interests in the Takeover Bid, in accordance with the articles of association of Global Graphics, Guido Van der Schueren and Johan Volckaerts did not participate in, or vote at, the meeting of the Board of Directors at which this Response Memorandum was approved, as further explained in section 3.

1.2. APPROVAL OF THIS RESPONSE MEMORANDUM

The English version of this Response Memorandum was approved, together with the Prospectus, by the FSMA on 22 January 2019, in accordance with section 28, §3 of the Belgian Takeover Act. Such approval does not imply an assessment or evaluation of the merits or quality of the Takeover Bid or of the position of Congra or Global Graphics.

Apart from the FSMA, no other authority in any other jurisdiction has approved this Response Memorandum.

1.3. CAPITALISED TERMS

Unless otherwise stated, capitalised terms used in this Response Memorandum have the meaning ascribed to those terms in section 1 (*Definitions*) of the Prospectus.

1.4. INFORMATION CONTAINED IN THIS RESPONSE MEMORANDUM

The information contained in this Response Memorandum is correct as of its date. Any new significant fact or any material error or inaccuracy in the information contained in this Response Memorandum which could influence the evaluation of the Takeover Bid, of which Global Graphics becomes aware between approval of this Response Memorandum and the closing of the Acceptance Period, shall be disclosed in a supplement to this Response Memorandum, in accordance with section 30 of the Belgian Takeover Act.

The shareholders of Global Graphics (the Shareholders) are requested to read the Prospectus and this Response Memorandum carefully and in their entirety and to base their decision to accept or not to accept the Takeover Bid on their own analysis of the terms and conditions of the Takeover Bid, taking into account the advantages and disadvantages it presents for them. Any summary or description contained in this Response Memorandum relating to legal provisions, corporate or restructuring transactions or contractual relations is provided for information purposes only and should not be construed as a legal or tax opinion on the interpretation or applicability of such provisions. If you are in doubt as to the substance or meaning of information contained in this Response Memorandum, you are recommended to seek independent advice from an accredited financial consultant or professional specialising in the purchase and sale of financial instruments.

1.5. LANGUAGE

This Response Memorandum has been prepared in an English language version only, which is the official version. Pursuant to article 26, second paragraph, of the Belgian Takeover Act, Global Graphics demonstrated to the FSMA that, as a UK company, it usually publishes its financial information only in English. English is also a language customary in the sphere of international finance. Hence, the FSMA accepted that this Response Memorandum is only drawn up in English.

1.6. AVAILABILITY OF THE RESPONSE MEMORANDUM

Subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, an electronic version of the Prospectus, including the Response Memorandum and the Acceptance Form, is available on the websites of KBC Securities NV in cooperation with KBC Bank NV: https://www.kbcsecurities.com/prospectus-documents-overviews/prospectus-overview, https://www.kbc.be, https://www.cbc.be and https://www.bolero.be) and the Target (https://www.globalgraphics.com/investors/congra-acquisition).

Subject to certain restrictions relating to persons resident in any Restricted Jurisdiction, a hard copy of the Prospectus, including the Response Memorandum and the Acceptance Form, is available free of charge (i) at the counters of KBC Bank NV or (ii) by phone at +32 (0)78 15 21 53 (KBC Bank NV/SA), +32 (0) 800 92 020 (CBC Banque NV/SA) or +32 32 83 29 81 (Bolero by KBC Securities NV/SA).

1.7. FORWARD-LOOKING STATEMENTS

There are statements in this Response Memorandum, such as statements that include the words or phrases "*will likely result*", "*are expected to*", "*will continue*", "*is anticipated*", "*anticipate*", "*estimate*", "*project*", "*may*", "*might*", "*could*", "*believe*", "*expect*", "*plan*", "*potential*" or similar expressions that are forward-looking statements. These statements are subject to certain risks and uncertainties.

These forward-looking statements reflect Global Graphics' or, as appropriate, Global Graphics' directors' current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. A multitude of factors including, but not limited to, changes in demand, competition and technology, can cause actual events, performance or results to differ significantly from any anticipated developments.

These forward-looking statements are not guarantees of future performance. Past trends or activities should not be taken as a representation that such trends or activities will continue in the future. As a result, Global Graphics expressly disclaims any obligation or undertaking to release any update or revisions to any forward-looking statements in the Response Memorandum as a result of any change in expectations or any change in events, conditions, assumptions or circumstances on which these forward-looking statements are based. Neither Global Graphics nor its advisers or representatives nor any of its parent or subsidiary undertakings or any such person's officers or employees guarantees that the assumptions underlying such forward-looking statements are free from errors nor does either accept any responsibility for the future accuracy of the forward-looking statements contained in this Response Memorandum or the actual occurrence of the forecasted developments. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Response Memorandum.

1.8. APPLICABLE LAW AND JURISDICTION

As Global Graphics is a company with its registered office in England and Wales that is only admitted to trading on Euronext Brussels, the shared jurisdiction rules pursuant to article 4 of the E.U. Directive 2004/25/EC of 21 April 2004 on Takeover Bids (the Takeover Directive) apply to the Takeover Bid. Accordingly, the Takeover Bid falls under the shared jurisdiction of the UK Panel on Takeovers and Mergers in the UK (the UK Takeover Panel) and the FSMA in Belgium, who are jointly regulating the Takeover Bid.

The UK City Code on Takeovers and Mergers (the UK Takeover Code) applies to the Takeover Bid in respect of matters relating to the information to be provided to the employees of Global Graphics and matters relating to UK company law (in particular, the percentage of voting rights which confers control and any derogation from the obligation to launch an offer, as well as the conditions under which the board of Global Graphics may undertake any action which might result in the frustration of an offer) ("employee information and company law matters"). Such employee information and company law matters are being administered by the UK Takeover Panel.

The Belgian Takeover Act and the Belgian Royal Decree of 27 April 2007 on takeover bids (the Belgian Takeover Decree together with the Belgian Takeover Act, the Belgian Takeover Laws) will apply in relation to matters relating to the consideration offered in the context of the Takeover Bid (in particular the Bid Price (as defined below)) and matters relating to the offer procedure (in particular the information on the Bidder's decision to make a Takeover Bid, the contents of the Prospectus and the disclosure of the Takeover Bid) ("consideration and procedural matters"). Such consideration and procedural matters are being administered by the FSMA.

In the event that the UK withdraws from the EU in a "no deal" scenario (i.e. without a withdrawal agreement and a transition period having been agreed), then the shared jurisdiction rules in section 3(a) (iii) of the Introduction to the UK Takeover Code are likely to be deleted with effect from 12.00 a.m. CET (11.00 p.m. GMT) on 29 March 2019. As Global Graphics is not currently considered by the UK Takeover Panel to have its place of central management and control in the United Kingdom, the UK Takeover Code will cease to apply to the Takeover Bid with effect from this time (in the event that the Takeover Bid is still continuing) and thereafter will not apply to Global Graphics for so long as central management and control of Global Graphics remains outside of the UK.

The Court of Appeal of Brussels has the exclusive jurisdiction to settle any disputes relating to the Takeover Bid.

2. CONTEXT OF THE TAKEOVER BID

2.1. FACTS SUMMARY

2.1.1. Announcement of the Takeover Bid

On 5 October 2018, the Company and the Bidder announced that they had reached an agreement on the terms of a proposed all cash acquisition by the Bidder of the entire issued and to be issued share capital of the Company, intended to be implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the Scheme).

On 13 November 2018, the Company and the Bidder announced their decision not to proceed with the Scheme.

Following the decision of the Bidder and the Company not to proceed with the Scheme, the Bidder entered into two share purchase agreements on 12 November 2018 to acquire a total of 1,973,068 Shares in the Company (representing 16.98% of the Company voting rights (approximately)), which were held, respectively, by Clema Capital Sàrl (i.e. 1,517,171 Shares, representing 13.06% of the Company voting rights (approximately)) and Johan Volckaerts (i.e. 455,897 Shares, representing 3.92% of the Company voting rights (approximately)), for a purchase price in cash of EUR 4.25 per Share (the GG Share Purchase Agreements).

On 13 November 2018, the Bidder announced the intention to launch the mandatory Takeover Bid as a result of its entry into the GG Share Purchase Agreements. The completion of the acquisition of the respective Shares in the Company pursuant to the GG Share Purchase Agreements (the Private Acquisition) took place on 26 November 2018.

Between the date of entry into and the date of completion of the Private Acquisition, the Bidder also acquired an additional holding participation in the Company of 103,317 Shares in total (representing 0.89% (approximately) of the voting rights attached to the Shares in the Company (Company Voting Rights)) through market orders transactions. Following the completion of the Private Acquisition, the Bidder acquired other additional holding participations in the Company through market orders resulting in an aggregate holding by the Bidder of 417,753 Shares (representing 3.60% (approximately) of the Company Voting Rights).

Powergraph BVBA (Powergraph) holds 1,640,000 Shares (representing 14.12% (approximately) of the Company Voting Rights). Under the UK Takeover Code, the Bidder and Powergraph are considered to be “acting in concert” and their respective holdings in the Company are aggregated for the purposes of determining whether the threshold which triggers the requirement for a mandatory takeover bid has been crossed.

On the date of this Response Memorandum, the Bidder holds (directly and indirectly through its affiliates/concert parties) an aggregate of 4,134,138 Shares (representing 35.59% (approximately) of the Company Voting Rights), of which: (i) 2,494,138 Shares (representing 21.47% (approximately) of the Company Voting Rights) are held directly by the Bidder; and (ii) 1,640,000 Shares (representing 14.12% (approximately) of the Company Voting Rights) are held through Powergraph, an affiliate and concert party of the Bidder. The aforementioned percentages exclude the 218,279 Treasury Shares (representing 1.84% (approximately) of the share capital of the Company).

Given that the shared jurisdiction rules under the Takeover Decree apply to the Takeover Bid, the threshold triggering the obligation to make a mandatory takeover bid must be calculated by reference to the UK Takeover Code. Treasury Shares are not treated as voting securities for this purpose. As the aggregate interests in the Shares held by the Bidder and its concert parties are more than 30% of the Company Voting Rights, the Bidder has incurred an obligation under the UK Takeover Code to make a general offer for the rest of the issued share capital of Global Graphics.

In accordance with articles 56 of the Belgian Takeover Decree, the Takeover Bid was filed with the FSMA on 28 November 2018.

On 29 November 2018, the FSMA published the announcement of the Takeover Bid.

On 22 January 2019, the FSMA approved the Prospectus and this Response Memorandum.

2.1.2. Approval of the Response Memorandum

This Response Memorandum has been prepared by the Board of Directors in accordance with section 22 to 30 of the Belgian Takeover Act and articles 26 to 29 of the Belgian Takeover Decree.

The Response Memorandum was approved by the Board of Directors at a meeting held on 16 January 2019.

2.1.3. Financial Advisor

In order to assist them with their assessment of the Takeover Bid, the Board of Directors obtained financial advice from Cattaneo Corporate Finance Solutions Limited (the Financial Advisor or Cattaneo).

In the framework of the Takeover Bid, the Financial Advisor assisted the Board of Directors with its evaluation of the Bid Price.

The Response Memorandum contains, for information purposes only, as schedule I, a copy of the opinion rendered to the Board of Directors by the Financial Advisor in which the Financial Advisor states that they consider, having taken into account the commercial assessments of the Directors of Global Graphics, that the financial terms of the Takeover Bid are equitable so far as Global Graphics shareholders are concerned (the Equitableness Opinion).

The Financial Advisor is acting exclusively for Global Graphics and no one else in connection with the Takeover Bid and will not be responsible to any person other than Global Graphics for providing the protections afforded to clients of the Financial Advisor or for providing advice in relation to the Takeover Bid or any matter referred to in this Response Memorandum.

The Equitableness Opinion issued by the Financial Advisor is exclusively for the use of the Board of Directors for the purposes of its assessment of the fairness of the Bid Price and for these purposes only.

The Financial Advisor does not accept any liability for the information in the Response Memorandum, and nothing in the Response Memorandum can be considered as an advice, promise or guarantee given by the Financial Advisor.

2.1.4. Legal Advisor

Mills & Reeve LLP and Liedekerke Wolters Waelbroeck Kirkpatrick SCRL have advised the Board of Directors on certain legal aspects in connection with the Takeover Bid. These services have been rendered exclusively to the Board of Directors and no other party can rely on them. Mills & Reeve LLP and Liedekerke Wolters Waelboreck Kirkpatrick SCRL do not accept any liability for the information in the Response Memorandum, and nothing in the Response Memorandum can be considered as advice, or a promise or guarantee given by Mills & Reeve LLP and Liedekerke Wolters Waelboreck Kirkpatrick SCRL.

2.1.5. Shares and Bid Price

(a) Shares

The Takeover Bid relates to all Shares issued by the Company on the date of this Response Memorandum except for (i) the Shares already held by the Bidder (ii) the Shares already held by concert parties of the Bidder (i.e. the Shares held by Powergraph) and (iii) the Treasury Shares. Therefore, the Takeover Bid relates to a total of 7,588,066 Shares (representing 64.11% of the issued Shares and 65.32% of the Company Voting Rights (approximately)).

The Bid Price is EUR 4.25 per Share in cash.

As set out above, the Treasury Shares do not form part of the Takeover Bid. However, the Treasury Shares held by the Company which may be transferred out of treasury during the Acceptance Period as a result of the exercise of the Vested Options (as defined below) will form part of the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates.

2.1.6. Shares Options and SIP Shares

(a) Share Options

The Company operates an employee share option arrangement, under which there are outstanding options to acquire an aggregate of 242,776 Shares (the Share Options). Share Options in respect of an aggregate of 104,776 Shares (the Vested Options) are already vested and exercisable in accordance with their terms, with a nil exercise price. Share Options in respect of an aggregate of 138,000 Shares, with a nil exercise price, have not yet vested in accordance with their terms (the Unvested Options). All outstanding Share Options are held by current staff members of the GG Group.

The Bidder has stated in the Prospectus that the Takeover Bid will not extend to the Share Options as they are all non-transferrable. However, the Takeover Bid does extend to any Shares issued or transferred during the Acceptance Period to holders of the Share Options as a result of the exercise of the Vested Options.

The Bidder has stated in the Prospectus that it will invite holders of Vested Options to exercise their Share Options and accept the Takeover Bid in respect of the Shares to which the holders become entitled on exercise. Accordingly, the Shares held by the holders of the Share Options who elect to exercise their Vested Options and accept the Takeover Bid will be acquired at the Bid Price and under the terms and conditions of the Takeover Bid. The Treasury Shares held by the Target which will be transferred as a result of the exercise of the

Vested Options will form part of the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates.

Vesting of the Unvested Options is not accelerated by the Takeover Bid and the Unvested Options will continue on their terms until their normal vesting date. The Bidder will, following the vesting of any Unvested Options, reopen the Takeover Bid (by way of a private offer) on a voluntary basis during the exercise period of such Share Options, and invite the holders to exercise their Share Options and accept the Takeover Bid in respect of the Shares to which the holders become entitled on exercise.

(b) SIP Shares

The Company operates a Share Incentive Plan (the SIP), under which participants have purchased Shares, and have been awarded further Shares (the SIP Shares). The SIP Shares are held on behalf of SIP participants in the SIP trust under the terms of the SIP trust deed and SIP rules. There are 40 SIP participants holding an aggregate of 120,265 SIP Shares.

In accordance with the SIP rules and trust deed, SIP participants will be notified of the Takeover Bid, and, in respect of 59,719 of the SIP Shares, may direct the SIP trustees to accept the Takeover Bid in respect of such SIP Shares (the Free SIP Shares).

There are 60,546 SIP Shares in respect of which participants cannot accept the Takeover Bid without, in accordance with the SIP rules and trust deed, either forfeiting the SIP Shares or impacting the beneficial tax treatment afforded to such SIP Shares (the Restricted SIP Shares).

The Free SIP Shares and the Restricted SIP Shares are covered by the Takeover Bid and are also included in the aforementioned maximum amount of Shares to which the Takeover Bid relates. The notification to SIP participants will explain the impact under the SIP rules and SIP trust deed of accepting the offer for Restricted SIP Shares.

Due to the impact for SIP participants of accepting the offer for Restricted SIP Shares, it is not anticipated that SIP participants will accept the offer for such SIP Shares. In relation to these Restricted SIP Shares, on the expiry of the applicable holding periods, the Bidder will reopen the Takeover Bid (by way of a private offer) on a voluntary basis for a short period, and invite the participants to accept the Takeover Bid in respect of the relevant SIP Shares.

2.1.7. Mandatory and unconditional Takeover Bid

The Takeover Bid is mandatory and unconditional.

3. COMPOSITION OF THE GLOBAL GRAPHICS BOARD

On 22 January 2019, the Global Graphics Board is composed of the following persons:

NAME	POSITION	END OF TERM
Gary Fry	Chief Executive Officer	Next annual general meeting
Graeme Huttley	Chief Financial Officer	Next annual general meeting
Guido Van der Schueren	Chairman (non-executive)	Next annual general meeting

Johan Volckaerts	Non-executive director	Next annual general meeting

The UK Corporate Governance Code (the UK Governance Code) applies to companies listed on the Main Market of the London Stock Exchange. As Global Graphics is listed on Euronext Brussels, it is not required to comply with the UK Governance Code. However, the Global Graphics Board aims to ensure that the Company observes the provisions of the UK Governance Code to the extent practicable given its size. In compliance with the UK Governance Code, the Global Graphics Board comprises two executive Directors (Gary Fry and Graeme Huttley) and two independent non-executive Directors (Guido Van der Schueren and Johan Volckaerts). Guido Van der Schueren and Johan Volckaerts are considered by the Global Graphics Board to be independent for the purposes of general management of the Company's activities.

In accordance with the articles of association of Global Graphics, Guido Van der Schueren and Johan Volckaerts did not participate in, or vote at, the meeting of the Board of Directors to approve this Response Memorandum because they are not considered to be independent for the purposes of the Global Graphics Board's consideration of the Takeover Bid due to their interest in the Takeover Bid as described out below:

- On the date of this Response Memorandum, Guido Van der Schueren, together with his wife and his three children, own 67.08% of the shares of the Bidder (approximately), either directly or indirectly; and
- Johan Volckaerts was a party to the Private Acquisition (both directly and indirectly through his interest in Clema Capital Sàrl). The completion of the Private Acquisition resulted in the Bidder incurring an obligation under the UK Takeover Code to make a general offer for the rest of the issued share capital of Global Graphics.

Johan Volckaerts has confirmed that he will not resign upon completion of the Private Acquisition but will remain as a member of the board of directors of the Company until the first completion date of the Takeover Bid, in accordance with the terms of Rule 9.6 of the UK Takeover Code.

4. ASSESSMENT OF THE TAKEOVER BID

4.1. INTRODUCTION

On 16 January 2019, the Board of Directors met to approve this Response Memorandum and its submission to the FSMA for approval.

At such meeting, the Board of Directors:

(i) carefully reviewed the Prospectus in accordance with section 24, §1, 1°, of the Belgian Takeover Act and section 26 of the Belgian Takeover Decree;

(ii) resolved that it no comment on the Prospectus;

(iii) made an assessment of the Takeover Bid, the conclusions of which are set out in this section 4 and in section 5 of this Response Memorandum in accordance with section 24, §1, 3°, of the Belgian Takeover Act and section 28 of the Belgian Takeover Decree; and

(iv) unanimously approved the Response Memorandum.

In particular, the Board of Directors examined in the Response Memorandum the potential consequences of the Takeover Bid (based on the information set forth in the Prospectus), taking into account (i) the interests of Global Graphics, (ii) the interests of the Shareholders, (iii) the interests of the creditors of Global Graphics and the (iv) the interests of the employees of Global Graphics. The Board of Directors also reviewed the Bidder's strategic plans for the GG Group.

Guido Van der Schueren and Johan Volckaerts did not participate in, or vote at, the meeting of the Board of Directors at which this Response Memorandum was approved, as they were considered to be interested in the Takeover Bid, as further explained in section 3.

4.2. EFFECT ON THE SHAREHOLDERS' INTERESTS

4.2.1. Bidder's statements

The Bidder is offering EUR 4.25 in cash per Share. The Bidder's justification of the Bid Price is described in section 7.1, (f) of the Prospectus.

In section 7.2 of the Prospectus, the Bidder provides a valuation framework for the Shares, which can be used as a reference framework for the assessment of the Bid Price. Although the valuation methods are not intended to be a justification for the Bid Price (which is based upon the price negotiated for the Private Acquisition and originally proposed for the Scheme), the Bidder notes in the Prospectus that the valuation methods may, nevertheless, serve as a benchmark and give context to the Bid Price: "*These valuation methods are not intended to be a justification for the Bid Price, as the Bid Price is based upon a price negotiated in the context of the GG Share Purchase Agreements and the price set forth in the Scheme. This Bid Price also results from the application of article 53 of the Belgian Takeover Decree (see section 7.1,(f) above). The following valuation methods may, however, serve as a benchmark for the Shareholders and to give context to the Bid Price.*"

The Bidder further specifies in section 7.2,(c) of the Prospectus that:

"*The following valuation methods have been applied:*

(i) discounted cash flow (DCF) analysis based on financial forecasts;

(ii) transaction multiples of comparable transaction; and

(iii) trading multiples of comparable listed companies.

The Bidder has also considered the following reference points that provide context to the Bid Price:

(i) historical performance and VWAP of the Shares; and

(ii) bid premia for precedent Belgian mandatory public takeover transactions.

Given that there are no official research analysts covering the Target, it is not possible to provide context to the Bid Price based on the analysis of research analysts' target prices."

According to the Bidder "*after having analysed different valuation methodologies and reference points, the Bidder believes that a Bid Price of EUR 4.25 per Share constitutes an attractive offer to the Shareholders. In particular, in view of the limited liquidity of the Shares over the last year, the Bid provides a unique liquidity opportunity for the Shareholders to monetise their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares*".

4.2.2. The Board of Directors' view

The Board of Directors has noted the justification provided by the Bidder in the Prospectus regarding the Bid Price and has engaged the Financial Advisor for the purposes of evaluating the Bid Price.

The Financial Advisor was appointed by the Board of Directors to issue an Equitableness Opinion for the benefit of the Board of Directors only, and in doing so, did not act as an independent expert within the meaning of articles 20 to 23 of the Belgian Takeover Decree.

In order to make its assessment, the Financial Adviser has assumed and relied upon, without independent verification, the accuracy and completeness of the information reviewed by it (including the Prospectus and information provided by the Directors of Global Graphics).

In arriving at its Equitableness Opinion the Financial Adviser has held discussions with, and taken into account the commercial assessments of, certain Directors of Global Graphics (being Gary Fry and Graeme Huttley but not with Guido Van der Schueren or Johan Volckaerts as they are considered to be interested in the Takeover Bid) with respect to certain aspects of the Takeover Bid, the past and current business operations of Global Graphics, including its financial condition and future prospects, and certain other matters it believed necessary or appropriate to its inquiry, including the results of historic and recent exercises carried out to solicit a buyer for Global Graphics.

The Response Memorandum contains as schedule I, a copy of the Equitableness Opinion rendered by the Financial Advisor, in which the latter states that they consider, having taken into account the commercial assessments of the Directors of Global Graphics, that the financial terms of the Takeover Bid are equitable so far as Global Graphics shareholders are concerned.

(a) Terms of the Takeover Bid

The Board of Directors believes that the terms of the Takeover Bid are attractive and provide a unique liquidity opportunity for the Shareholders. Its consideration includes the following factors:

(i) the GG Share Purchase Agreements were agreed following commercial negotiations between the sellers and the Bidder at a price of EUR 4.25 per Share and this has set the Bid Price for the mandatory public Takeover Bid;

(ii) on the basis set out in the Equitableness Opinion in Schedule I of this Response Memorandum and subject to the limitations and assumptions stated therein, Cattaneo considers, having taken into account the commercial assessments of the Directors, that the financial terms of the Takeover Bid are equitable so far as the Shareholders are concerned;

(iii) the liquidity of the Shares has been low over the last 12 months preceding the Announcement Date, with an average of 9,869 Shares traded on a daily basis; based on this average daily trading volume, it would take the Bidder 3.3 years to acquire all the Shares not yet in possession of the Bidder or any person acting in concert with the Bidder; the Takeover Bid can therefore be viewed as an opportunity for Shareholders to monetise their Shares immediately without any limitation in relation to liquidity; and

(iv) in early 2018, Gary Fry was approached by an investment bank which believed it could identify a buyer for Global Graphics. In the knowledge that the connections between the two businesses might lead to Congra expressing an interest in acquiring Global Graphics at a point in the future, this provided an informal opportunity to research the market by contacting a short-list of potential buyers which were considered most likely to be interested in, and capable of, acquiring Global Graphics. Although some discussions were held, none progressed beyond initial stages. As a result of this exercise, and of the Board of Directors' knowledge of, and contacts in, the market, the Board of Directors does not believe that there is another potential buyer of Global Graphics at this time. Furthermore, since the Scheme Announcement on 5 October 2018 the Board of Directors has not received any approaches from other potentially interested parties.

(b) Implications of not accepting the Takeover Bid

The Board of Directors has further considered the risks for the Shareholders of not accepting the Takeover Bid.

(i) Governance of Global Graphics

The Bidder specified in section 6.3,(f) of the Prospectus that:

"*In the event of a delisting of the Target, the Bidder will procure that the Target adopts a simpler and lighter corporate governance and management structure*."

The Bidder further specified in section 6.3,(h) of the Prospectus that:

"*In the event of a delisting of the Target, the Bidder will procure that conditional upon the passing of a special resolution of the Shareholders in accordance with the UK Companies Acts 2006, the articles of association of the Target are amended to take into account the non-listed status of the Target.*"

A "lighter corporate governance and management structure" and the proposed amendments to the Company's articles of association to "take into account the non-listed status of the Target" are likely to result in fewer protections for Shareholders and less engagement with Shareholders.

(ii) Delisting

The Bidder has announced in section 6.3,(f) of the Prospectus that:

"*The Bidder believes that the continued listing of the Target is no longer useful to raise capital, finance acquisitions (as relevant), raise the profile of the GG Group, or enhance employee retention (via Share based awards). Therefore, upon completion of the Takeover Bid (and, as relevant, the Squeeze-out), the Bidder intends to request that the board of directors of the Target apply for and proceed with the delisting of the Shares and cancellation of trading from the regulated market of Euronext Brussels to the extent permitted by law and subject to the approval of the board of directors of the Target. Even if the Bidder is not successful in completing a Squeeze-out, it reserves the right to request that the board of directors of the Target (subject to the board's approval thereof) apply for a delisting in order to avoid the costs and burdens related to a continued listing of the Target on Euronext Brussels. (...) In the event of a delisting of the Target, the Bidder will procure that the Target adopts a simpler and lighter corporate governance and management structure*."

The decision to apply for a delisting will be taken by the board of Global Graphics, which will have regard to its duties to all relevant stakeholders, including minority shareholders. However, in the event that the board decides to apply for a delisting and is successful, a delisting would significantly reduce the liquidity and marketability of the Shares.

(iii) Squeeze-out

The Bidder has announced in section 6.1 of the Prospectus that:

"*If sufficient acceptances are received and/or sufficient Shares are otherwise acquired or agreed to be acquired, the Bidder intends to apply the provisions of Chapter 3 of Part 28 of the UK Companies Act 2006 to effect a Squeeze-out. The relevant thresholds for these purposes are that the Bidder has, by virtue of acceptances of the Takeover Bid, acquired or unconditionally contracted to acquire not less than 90% in value of the Shares to which the Takeover Bid relates and 90% of the voting rights carried by those Shares*."

(iv) Liquidity

The Bidder has announced in section 6.5 of the Prospectus that:

"*As the Takeover Bid is being structured as a full cash offer, the main and immediate advantage of the Takeover Bid for the Shareholders is the Bid Price and the premium implied by such price. The Bid Price also constitutes an opportunity for the Shareholders to obtain immediate and certain liquidity. This should be appreciated in light of the actual limited liquidity of the Shares on Euronext Brussels. Furthermore, the Shareholders should take into account that the liquidity of the Shares of the Target is expected to be further reduced after the Takeover Bid, in particular if Squeeze-out has been implemented or if the Bidder can procure a delisting of the Shares of the Target (subject to the approval of the board of directors of the Target) without implementing a Squeeze-out (see also section 7.8 of the Prospectus).*"

The Bidder has announced in section 7.2, (c) of the Prospectus that:

"(...) *it should be noted that the liquidity of the Share has been low over the last 12 months preceding the Announcement Date, with an average of 9,869 Shares that were traded on a daily basis. Based on this average daily trading volume, it would take the Bidder 3.3 years to acquire all the Shares not yet in possession of the Bidder or any person acting in concert with the Bidder. Hence, the Bidder believes that the Takeover Bid provides a unique liquidity opportunity for the Shareholders to monetise their Shares immediately through the Takeover Bid without any limitation in relation to the liquidity of the Shares."*

The Board of Directors believes that the liquidity of the Shares could be reduced further as a result of acceptances of the Takeover Bid which may affect their value and the ability of Shareholders to exit their shareholdings within an acceptable period of time. It is likely that the more acceptances of the Takeover Bid there are, the more significant the negative impact on traded volumes in the Shares may be after the Takeover Bid. Low trading volumes and a reduced free float could result in a lack of interest from large investors, analysts, and the financial community, and could therefore give rise to an "illiquidity discount". This discount could affect the future value of the Shares on the stock market.

(c) Conclusion

Taking into account the terms of the Takeover Bid considered by the Board of Directors, combined with the risks for Shareholders who do not tender their Shares, the Board of Directors is of the opinion that the Bid Price for the Shares is equitable and recommends that Shareholders accept the Takeover Bid.

4.3. EFFECT OF THE OFFER ON THE CREDITORS' INTERESTS

On the basis of the information contained in the Prospectus and the terms and conditions of the Takeover Bid, the Board of Directors takes the view that there is no reason to believe that the Takeover Bid will have a material adverse impact on the creditors' interests.

4.4. EFFECT OF THE OFFER ON THE EMPLOYEES' INTERESTS, INCLUDING CONSEQUENCES FOR EMPLOYMENT

4.4.1. Bidder's statements

The Bidder states in section 6.3,(b) of the Prospectus that:

"*The Bidder intends to maintain Global Graphics as a separate legal entity organised and existing under the laws of England and Wales, with its head office in Cambridge. At the date of this Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the GG Group. Certain corporate (group) structure efficiencies may still be realised, as the case may be, in the future, but these are not expected to have an adverse impact on employment within the GG Group.*"

The Bidder further states in section 6.3,(c) of the Prospectus that:

"*The Bidder believes that maintaining the strong employee culture within the GG Group will be essential to ensuring future success. The Bidder currently does not have any plans to change the executive management.*"

The Bidder further states in section 6.3,(d) of the Prospectus that:

"*The Bidder regards the GG Group's employees as equally important to future success of the GG Group. The Bidder intends to ensure that the GG Group continues to provide an environment for its employees within which they will be well placed to continue to flourish.*

At the date of this Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the activities of the GG Group or to amend the current terms and conditions of employment in any significant manner."

4.4.2. The Board of Directors' view

The Board of Directors believes that the Takeover Bid will not have a negative impact on employees' interests, their continued employment or their employment terms (taken as a whole) for the following reasons:

(i) the Bidder intends to maintain Global Graphics as a separate legal entity organised and existing under the laws of England and Wales, with its head office in Cambridge;

(ii) the Bidder has no current intention to carry out any significant restructuring or reorganisation of the GG Group; certain corporate (group) structure efficiencies may be realised in the future, but these are not expected to have an adverse impact on employment within the GG Group;

(iii) the Bidder does not currently have any plans to change the executive management; and

(iv) the Bidder has stated that it has no intention to amend the current terms and conditions of employment in any significant manner.

4.5. BIDDER'S STRATEGIC PLANS IN RELATION TO THE COMPANY

4.5.1. Bidder's statements

The Bidder states in section 6.3,(a) of the Prospectus that:

"*In general, the intentions of the Bidder are to pursue the strategy to create a world leading software and solutions company for the digital graphics printing sector mainly through its combination with the GG Group.*"

The Bidder further states in section 6.3,(b) of the Prospectus that:

"*The Bidder intends to maintain Global Graphics as a separate legal entity organised and existing under the laws of England and Wales, with its head office in Cambridge. At the date of this Prospectus, the Bidder has no intention to carry out any significant restructuring or reorganisation of the GG Group. Certain corporate (group) structure efficiencies may still* *be realised, as the case may be, in the future, but these are not expected to have an adverse impact on employment within the GG Group.*"

The Bidder adds in section 6.4 of the Prospectus that:

"*through its business combination with the GG Group, Congra Group envisages intensified cooperation and resource sharing in software development and product management. In addition, the Congra Group intends to expand the breadth of services offered to customers. The transaction will also allow the Congra Group to strengthen its business in Asia.*

While the Congra Group believes in the merits of a business combination, the managerial realisation thereof will take significant time and efforts, and is subject to further investments and a number of contingencies. In this respect, it is difficult to evaluate and quantify expected economic gains on the date of this Prospectus."

4.5.2. The Board of Directors' view

Congra is a holding company which, through its subsidiaries, develops and sells enterprise software for the graphics arts industry. The operating subsidiaries trade primarily under the name of HYBRID Software (https://www.hybridsoftware.com), selling their solutions known as Cloudflow and Packz.

HYBRID Software and Global Graphics Software service the same market: prepress, packaging and labels. HYBRID Software targets end-users directly and Global Graphics Software focuses on OEMs. Both offerings are based on a common technology. The Board of Directors believes that the combination of both the Congra Group's and the GG Group's businesses will allow greater cooperation and resource sharing in software development and product management to offer customers a broader spread of software solutions.

In addition, the Congra Group intends to expand the breadth of services offered to customers and to strengthen its business in Asia. The Board of Directors therefore believes that the business combination offers an opportunity for both the Congra Group and the GG Group to grow further by strengthening their product offerings and leveraging a global sales infrastructure.

While the Board of Directors believes in the merits of a business combination, it is difficult to evaluate and quantify expected economic gains on the date of this Response Memorandum as any gains are subject to the Bidder's successful implementation of its strategy and a number of other contingencies, many of which will be outside of the Bidder's control.

The Bidder has stated that it intends to maintain Global Graphics as a separate legal entity organised and existing under the laws of England and Wales, with its head office in Cambridge and that it has no intention of carrying out any significant restructuring or reorganisation of the GG Group. The Board of Directors does not therefore envisage that there will be a significant impact on employment or the location of operational sites.

4.6. DECLARATION OF INTENT FOR SHARES HELD BY THE DIRECTORS AND BY THE PERSONS REPRESENTED IN FACT BY SUCH DIRECTORS

4.6.1. Number of securities with voting rights or which grant access to voting rights held by the members of the Global Graphics Board

At the date of this Response Memorandum, the following Shares are held by the directors of the Company or by the persons they represent in fact, and the relevant persons have stated the following with respect to their intention to tender their Shares to the Takeover Bid:

Shares (excluding SIP Shares) and Vested Options

Name	Position	Number of Shares (excluding SIP Shares)	Intention in relation to Shares (excluding SIP Shares) with respect to the Takeover Bid	Number of Shares under Vested Options	Intention in relation to Vested Options with respect to the Takeover Bid
Gary Fry	Chief Executive Officer	132,893	Sale	40,356	Exercise and Sale
Graeme Huttley	Chief Financial Officer	27,674	Sale	8,071	Exercise and Sale

SIP Shares

Name	Position	Number of Free SIP Shares	Intention in relation to Free SIP Shares	Number of Restricted SIP Shares	Intention in relation to Restricted SIP Shares
Gary Fry	Chief Executive Officer	4,669	Sale	1,037	Hold
Graeme Huttley	Chief Financial Officer	3,346	Sale	1,986	Hold

As explained in section 2.1.6(b), due to the impact for SIP participants of accepting the offer for Restricted SIP Shares, Gary Fry and Graeme Huttley do not intend to accept the offer for their Restricted SIP Shares. However, on the expiry of the applicable holding periods, once the Bidder has reopened the Takeover Bid (by way of a private offer) on a voluntary basis, they intend to accept the Takeover Bid in respect of the relevant Restricted SIP Shares.

Guido Van der Schueren represents in fact the Bidder. All Shares directly or indirectly owned by the Bidder and the persons affiliated or acting in concert with the Bidder (that is, 4,134,138 Shares, representing 35.59% (approximately) of the Company Voting Rights) fall outside the scope of the Takeover Bid.

4.7. INFORMATION TO EMPLOYEES OF THE COMPANY

In accordance with Rule 2.11 of the City Code on Takeovers and Mergers, a letter was sent by the Company to the employees on 30 November 2018 informing them that the FSMA has received a notification with respect to the intention of the Bidder to launch a mandatory public takeover bid in cash for the shares issued by the Company.

Employee representatives of the Company have a right under Rule 25.9 of the same Code to provide a separate opinion on the effects of the offer on employment to be published at the Company's cost. Such opinion was, however, not provided.

5. OVERALL ASSESSMENT OF THE TAKEOVER BID

Taking into account the considerations set forth in section 4 of this Response Memorandum, the Board of Directors unanimously resolved to recommend the Takeover Bid.

Guido Van der Schueren and Johan Volckaerts did not participate in, or vote at, the meeting of the Board of Directors at which this Response Memorandum was approved, as they were considered to be interested in the Takeover Bid, as further explained in section 3.

6. APPLICATION OF APPROVAL CLAUSES AND PRE-EMPTION RIGHTS

The articles of association of the Company do not contain any approval clauses or pre-emption rights with respect to the transfer of Shares to which the Takeover Bid relates.

SCHEDULE I

EQUITABLENESS OPINION ISSUED BY CATTANEO CORPORATE FINANCE SOLUTIONS LIMITED

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35 Livery Street
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CATTANEO CORPORATE FINANCE

Strictly Private & Confidential
The Directors
Global Graphics plc
2030 Cambourne Business Park
Cambourne
Cambridge
CB23 6DW

22 January 2019

Dear Sirs,

Takeover Bid for Global Graphics plc ("Global Graphics") by Congra Software Sàrl ("Congra")

We are writing in our capacity as financial adviser to Global Graphics in relation to the mandatory public takeover bid in cash by Congra ("Takeover Bid").

The Directors of Global Graphics have requested that we provide an opinion on the equitableness of the financial terms of the Takeover Bid ("Equitableness Opinion").

The requirement for the Takeover Bid has arisen as a result of Congra (directly and indirectly through its concert parties) controlling more than 30% of the voting rights of Global Graphics following an acquisition of Global Graphics shares from Clema Capital Sàrl and Johan Volckaerts ("Acquisition").

The consideration payable under the Takeover Bid is EUR 4.25 for each Global Graphics issued share ("Bid Price").

The terms of the Takeover Bid are more fully described in the prospectus submitted by Congra to the FSMA on 16 January 2019 ("Prospectus"). As a result, the description of the Takeover Bid and all other information contained herein is qualified by reference to the more detailed information incorporated in the Prospectus.

The response of the Directors of Global Graphics to the Takeover Bid is set out in the Response Memorandum ("Response Memorandum"). Guido Van der Schueren and Johan Volckaerts, Directors of Global Graphics, are considered to be interested in the Takeover Bid and have therefore not participated in, or voted at, the meeting to approve the Response Memorandum. Accordingly, references to the "Directors" in the Equitableness Opinion should be construed so as to exclude Guido Van der Schueren and Johan Volckaerts.

Capitalised terms used in this letter will, unless otherwise stated, have the meaning given to them in the Prospectus or Response Memorandum relating to the Takeover Bid.

The Equitableness Opinion is addressed solely to the Directors of Global Graphics. We are not acting as an independent expert within the meaning of articles 20 to 23 of the Belgian Takeover Decree and the Equitableness Opinion must not, therefore, be considered as a fairness opinion rendered by an independent expert but as a review of the valuation exercise undertaken by Congra, in order to help the Directors of Global Graphics in the preparation of the Response Memorandum.

For the avoidance of doubt, the Equitableness Opinion does not express any view on the terms and conditions of the Takeover Bid other than the Bid Price.

For the purpose of the Equitableness Opinion set forth herein we have, amongst other things:

(i) reviewed the section "Valuation of the Shares of the Target" and the summary thereof contained in the Prospectus;

(ii) reviewed certain publicly available information (financial and other) concerning the business of Global Graphics;

(iii) reviewed the statutory financial statements of Global Graphics for the financial years ended 31 December 2015, 31 December 2016 and 31 December 2017 as well as the half year ended 30 June 2018;

(iv) compared current and historic market prices of Global Graphics shares;

(v) reviewed certain internal financial analyses and forecasts prepared by the Directors of Global Graphics relating to Global Graphics;

(vi) considered the Directors of Global Graphics' commercial assessment of the past and current operations and financial condition and prospects of Global Graphics; and

(vii) performed such other financial analyses and considered such other information as we deemed appropriate.

In addition, we have held discussions with, and taken into account the commercial assessments of, certain Directors of Global Graphics (being Gary Fry and Graeme Huttley but not with Guido Van der Schueren or Johan Volckaerts as they are considered to be interested in the Takeover Bid) with respect to certain aspects of the Takeover Bid, the past and current business operations of Global Graphics, including its financial condition and future prospects, and certain other matters we believed necessary or appropriate to our inquiry, including the results of historic and recent exercises carried out to solicit a buyer for Global Graphics.

With regard to the Equitableness Opinion we have used the following valuation methodologies which we deem appropriate: comparable company trading multiples, comparable transaction multiples, and discounted cash flow analysis. We have not conducted any evaluation or appraisal of any assets or liabilities, nor have any such evaluations or appraisals been commissioned or received by us for the purpose of forming our opinion.

We have further assumed and relied upon, without independent verification, the accuracy and completeness of the information reviewed by us (including the Prospectus), for the purposes of the Equitableness Opinion, including certain statements by the Directors of Global Graphics, and we do not assume any responsibility or liability therefore.

The Equitableness Opinion is necessarily based on economic, market, financial and other conditions as in effect on, and the information made available to us at, the date of this letter. Subsequent developments may affect this opinion and we do not have any obligation to update, revise, or

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reaffirm this opinion. Our view is based upon the Takeover Bid being consummated within the time period contemplated in the Prospectus. We express no opinion as to the price at which Global Graphics shares will trade in the future or the tax or accounting treatment of the Takeover Bid for the Global Graphics shareholders.

Cattaneo is acting exclusively as financial adviser to Global Graphics and for no one else in connection with the Takeover Bid and is not, and will not be, responsible to anyone other than Global Graphics for providing the protections afforded to clients of Cattaneo, or for providing advice in connection with the Takeover Bid, the Equitableness Opinion or any other matter referred to in the Prospectus. Cattaneo will receive fees from Global Graphics in respect of its services. For the avoidance of doubt the Directors of Global Graphics have not requested Cattaneo provide any services other than the delivery of the Equitableness Opinion. Cattaneo was not authorised to, and did not solicit, any expressions of interest from any parties with respect to the sale of all or any part of the Global Graphics shares, nor was it involved in the Acquisition.

The Equitableness Opinion exclusively focuses on the equitableness, from a financial point of view, of the Takeover Bid and does not address any other issues such as the underlying decision to recommend the Takeover Bid or its commercial merits, which are matters solely for the Directors of Global Graphics. The Equitableness Opinion does not constitute a recommendation to any Global Graphics shareholder as to whether such shareholder should tender its shares with respect to the Takeover Bid or any other matter (which should be based on each shareholder's individual assessment of its position, including but not limited to its willingness to remain a shareholder in a company which will in the future be controlled by Congra and the risks and merits resulting therefrom).

The Equitableness Opinion may not be disclosed, referred to, or communicated (in whole or in part) to any third party for any purpose whatsoever except with our prior written approval, except that this opinion may be reproduced in full in the Response Memorandum from the Directors of Global Graphics.

The Equitableness Opinion is issued in the English language and reliance may only be placed on it as issued in the English language. If any translations of the Equitableness Opinion are delivered they are provided only for ease of reference, have no legal effect and Cattaneo makes no representation as to (and accepts no liability in respect of) the accuracy of any such translation.

We consider, having taken into account the commercial assessments of the Directors of Global Graphics, that the financial terms of the Takeover Bid are equitable so far as Global Graphics shareholders are concerned.

Yours faithfully,

For Cattaneo Corporate Finance Solutions Limited

Charles Cattaneo Martyn Pilley

ANNEX 3

FINANCIAL INFORMATION OF THE BIDDER

Registre de Commerce et des Sociétés
Numéro RCS : B162896
Référence de dépôt : L180110373
Déposé et enregistré le 29/06/2018

ONFLUCX20180426T09470001_001

RCSL Nr. : B162896	Matricule : 2015 2453 583
	eCDF entry date : 26/04/2018

ABRIDGED BALANCE SHEET

Financial year from 01 01/01/2017 **to** 02 31/12/2017 *(in* 03 EUR)

Congra Software S.à r.l.
19/21, route d'Arlon
L-8009 Strassen

ASSETS

		Reference(s)		Current year		Previous year
A. Subscribed capital unpaid	1101		101		102	
I. Subscribed capital not called	1103		103		104	
II. Subscribed capital called but unpaid	1105		105		106	
B. Formation expenses	1107	3	107		108	121,52
C. Fixed assets	1109	4/5	109	26.264.900,60	110	11.478.933,88
I. Intangible assets	1111	4	111	1.670.970,24	112	1.312.019,73
II. Tangible assets	1125		125		126	
III. Financial assets	1135	5	135	24.593.930,36	136	10.166.914,15
D. Current assets	1151		151	11.050.803,86	152	9.078.315,43
I. Stocks	1153		153		154	
II. Debtors	1163	6	163	10.776.570,16	164	9.055.132,08
a) becoming due and payable within one year	1203	6	203	10.776.570,16	204	6.931.585,87
b) becoming due and payable after more than one year	1205	6	205		206	2.123.546,21
III. Investments	1189		189		190	
IV. Cash at bank and in hand	1197		197	274.233,70	198	23.183,35
E. Prepayments	1199		199	715.728,22	200	89.843,20
TOTAL (ASSETS)			201	38.031.432,68	202	20.647.214,03

The notes in the annex form an integral part of the annual accounts

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301	7	301	35.185.138,41	302	11.480.217,28
I. Subscribed capital	1303	7	303	36.915.431,19	304	12.736.630,00
II. Share premium account	1305	7	305		306	100.027,62
III. Revaluation reserve	1307		307		308	
IV. Reserves	1309	7	309	785.135,68	310	
V. Profit or loss brought forward	1319	7	319	-1.356.440,34	320	-1.815.494,92
VI. Profit or loss for the financial year	1321	7	321	-1.158.988,12	322	459.054,58
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
B. Provisions	1331		331		332	
C. Creditors	1435	8	435	2.820.024,27	436	9.166.996,75
a) becoming due and payable within one year	1453	8	453	2.820.024,27	454	4.207.643,80
b) becoming due and payable after more than one year	1455	8	455		456	4.959.352,95
D. Deferred income	1403		403	26.270,00	404	
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	38.031.432,68	406	20.647.214,03

Registre de Commerce et des Sociétés
Numéro RCS : B162896
Référence de dépôt : L180110373
Déposé le 29/06/2018

ONFLUCX20180426T09470001_002

RCSL Nr. : B162896	Matricule : 2015 2453 583
	eCDF entry date : 26/04/2018

ABRIDGED PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2017 **to** 02 31/12/2017 *(in* 03 EUR *)*

Congra Software S.à r.l.

19/21, route d'Arlon
L-8009 Strassen

ABRIDGED PROFIT AND LOSS ACCOUNT

		Reference(s)		Current year		Previous year
1. to 5. Gross profit or loss	1651	9	651	397.181,15	652	479.658,75
6. Staff costs	1605	11	605	-6.286,76	606	-9.435,66
a) Wages and salaries	1607		607	-5.067,58	608	-7.125,01
b) Social security costs	1609		609		610	
i) relating to pensions	1653		653		654	
ii) other social security costs	1655		655		656	
c) Other staff costs	1613		613	-1.219,18	614	-2.310,65
7. Value adjustments	1657		657	-301.171,01	658	-1.270,64
a) in respect of formation expenses and of tangible and intangible fixed assets	1659	3/4	659	-301.171,01	660	-1.270,64
b) in respect of current assets	1661		661		662	
8. Other operating expenses	1621	12	621	-1.035.404,31	622	-31.680,26

The notes in the annex form an integral part of the annual accounts

RCSL Nr. : B162896	Matricule : 2015 2453 583

	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727	727 258.910,55	728 347.459,80
a) derived from affiliated undertakings	1729	729 119.148,20	730 333.122,60
b) other interest and similar income	1731	731 139.762,35	732 14.337,20
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	666
14. Interest payable and similar expenses	1627	627 -450.817,74	628 -314.977,41
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631 13	631 -450.817,74	632 -314.977,41
15. Tax on profit or loss	1635	635	636
16. Profit or loss after taxation	1667	667 -1.137.588,12	668 469.754,58
17. Other taxes not shown under items 1 to 16	1637	637 -21.400,00	638 -10.700,00
18. Profit or loss for the financial year	1669	669 -1.158.988,12	670 459.054,58

Registre de Commerce et des Sociétés
Numéro RCS : B162896
Référence de dépôt : L180110373
Déposé le 29/06/2018

Congra Software S.à r.l.
Société à responsabilité limitée
Notes to the annual accounts
at 31 december 2017

NOTE 1 - GENERAL INFORMATION

The company « Hybrid Software Europe » was incorporated on August 3rd, 2011 for an unlimited period of time in the form of a public limited liability company and has been converted into a private limited liability company under the name « Congra Software S.à r.l. » at the extraordinary general meeting of 4th august 2015.

The purpose of the Company is the development, marketing, distribution and implementation of software, primarily for the graphics industry, and the management of intellectual property rights pertaining thereto. The Company will perform these activities itself or through its subsidiaries, other entities in which it holds an interest or joint ventures.
The Company may acquire, hold and transfer interests in companies or other entities, in Luxembourg and abroad, and may manage such ownership interests. The Company may acquire by subscription, purchase, exchange and in any other manner, shares, bonds, certificates of deposit, trust units and more generally any type of Securities and financial instruments issued by a public or private entity, including partnerships. It may participate in the development, management and control of any company or enterprise. It may acquire and manage portfolios of intellectual property rights.
The Company may borrow funds by contracting loans or issuing notes, bonds and any other kind of debt Securities, including but not limited to preferred equity certificates and warrants, whether convertible or not; borrowing by the public issue of debt instruments is, however, excluded.
The Company may lend funds, including, without limitation, the proceeds of any borrowings, to affiliated companies as well as to any other company or entity. It may give guarantees and pledge, mortgage, transfer, encumber or otherwise create and *grant* security over all or some of its assets in favor of third parties to secure its obligations, the obligations of its affiliated companies or any other company.
The Company may employ techniques and utilize instruments to protect the Company against any type of risk, including credit, interest rate and currency risk.
The Company may be appointed as director or liquidator of any corporate or other entity.
The Company may carry out any commercial, financial or industrial operations and any transactions with respect to real estate or movable property, which directly or indirectly, enhance or relate to its purpose.
The Company will not enter into any transaction or activity, which implies prior authorization or recognition by a regulator unless it has obtained such authorization or recognition.

The registered office of the company is established at L-8009 Strassen, 19-21, route d'Arlon.

The company's financial year begins on January 1st and ends on December 31 of each year.

On the basis of the criteria set by Luxembourg law, the company is exempt from the obligation to draw up consolidated accounts and a consolidated management report for the year ended December 31, 2017.

NOTE 2 - ACCOUNTING PRINCIPLES, RULES AND METHODS

General principles
The annual accounts are drawn up in accordance with Luxembourg's legal and regulatory provisions and with the generally accepted accounting practices.

Significant accounting policies
Currency conversion
The company holds its accounts in euros (EUR); the balance sheet and profit and loss account are expressed in this currency.
At the reporting date:
- formation expenses and intangible, tangible and financial fixed assets expressed in a currency other than the currency of the balance sheet remain converted at the historical exchange rate in force on the transaction date;
- cash at banks are converted at the exchange rate current at the reporting date. The resulting foreign exchange gains and losses are recorded in the profit and loss account for the financial year;

- other asset items expressed in a currency other than the currency of the balance sheet are measured individually at the lower of their value at the historical exchange rate or their value determined on the basis of the exchange rate current at the reporting date;
- liability items expressed in a currency other than the currency of the balance sheet are measured individually at the higher of their value at the historical exchange rate or their value determined on the basis of the exchange rate current at the reporting date.

  Therefore, only realized gains and losses and unrealized losses arising from foreign currency conversion are recognized in the profit and loss account. The exchange gains are recorded in the profit and loss account at the moment of their realisation.

Income and expenses in currencies other than the currency of the balance sheet are converted into the balance sheet currency at the exchange rate in force at the date of the transactions.

Formation expenses

Formation expenses are amortized on a straight-line basis over a period of 5 years.

Intangible fixed assets

Intangible fixed assets are valued at the acquisition price, which includes incidental expenses, after deduction of value adjustments. Value adjustments are calculated on a straight-line basis and determined on the basis of expected useful life.

Financial fixed assets

Shares in affiliated undertakings, participating interests, amounts owed by these enterprises, securities held as fixed assets, other loans are valued either at their historical acquisition cost or at nominal value (for loans and receivables) which includes incidental expenses.

In the event of impairment which the Board of Managers considers lasting in nature, value adjustments are made to these financial assets to apply the lower value which is to be attributed to them at the balance sheet date. These value adjustments are not maintained when the conditions under which they were made cease to apply.

Current assets

Current assets are recorded at their nominal value. A value adjustment is applied where their collectability is questionable. These value adjustments are not maintained when the reasons for which they were made cease to apply.

The amounts of currents assets recorded in the balance sheet assets are net of value adjustments.

Prepayments

The Prepayments includes the expenses recorded before the reporting date and relating to a subsequent financial year.

Deferred income

The Deferred income includes the income received before the reporting date and relating to a subsequent financial year.

Value adjustments

Value adjustments are deducted directly from the asset concerned.

Creditors

Creditors are recorded at their redemption value.

Gross profit or loss

The companies aimed to article 47 of the Law of December 19th, 2002 (small and medium-sized companies) can derogate from the diagram of the article 46 per regrouping of the accounts "Net turnover", "Variation in stocks of finished goods, and in work in progress", "Work performed by the undertaking for its own purposes and capitalized", "Other operating income" and "Raw materials and consumables and other external expenses" under a single account called "Gross Profit or Loss"

NOTE 3 - FORMATION EXPENSES

In EUR	**Formation expenses**
Gross book value - opening balance 01/01/2017	7.939,93
Additions for the year	0,00
Disposals for the year	0,00
Gross book value - closing balance 31/12/2017	**7.939,93**
Accumulated value adjustment - opening balance 01/01/2017	-7.818,41
Allocations for the year	-121,52
Reversals for the year	0,00
Accumulated value adjustment - closing balance 31/12/2017	**-7.939,93**
Net book value - closing balance 31/12/2017	**0,00**
Net book value - closing balance 31/12/2016	**121,52**

NOTE 4 - INTANGIBLE FIXED ASSETS

In EUR	**Concessions, patents, licences, trademarks and similar rights**
Gross book value - opening balance 01/01/2017	1.312.019,73
Additions for the year	660.000,00
Disposals for the year	0,00
Gross book value - closing balance 31/12/2017	**1.972.019,73**
Accumulated value adjustment - opening balance 01/01/2017	0,00
Allocations for the year	-301.049,49
Reversals for the year	0,00
Accumulated value adjustment - closing balance 31/12/2017	**-301.049,49**
Net book value - closing balance 31/12/2017	**1.670.970,24**
Net book value - closing balance 31/12/2016	**1.312.019,73**

The value adjustment rate applied is 20% since 01/01/2017.

NOTE 5 - FINANCIAL FIXED ASSETS

In EUR	Shares in affiliated undertakings
Gross book value - opening balance 01/01/2017	10.163.379,45
Additions for the year	14.427.016,21
Disposals for the year	0,00
Gross book value - closing balance 31/12/2017	**24.590.395,66**
Accumulated value adjustment - opening balance 01/01/2017	0,00
Allocations for the year	0,00
Reversals for the year	0,00
Accumulated value adjustment - closing balance 31/12/2017	**0,00**
Net book value - closing balance 31/12/2017	**24.590.395,66**
Net book value - closing balance 31/12/2016	**10.163.379,45**

Financial fixed assets at 31 december 2017:

Name	Registered office	% held	Last reporting date	Currency of annual accounts	Capital denominated in foreign currencies excluding income for the year	Profit or loss for the last financial year
Hybrid Software NV	Guldensporenpark 18, block B, B-9820 Merelbeke	99,98%	31/12/2017	EUR	1.396.367,00	723.475,00
Hybrid Software GMBH	Uhlandstrasse 9. D-79102 Fribourg	100,00%	31/12/2017	EUR	104.682,86	(206.817,34)
Hybrid Software Development NV (old Nixps NV)	Guldensporenpark 18, block B, B-9820 Merelbeke	99,99%	31/12/2017	EUR	(489.603,00)	272.253,00
Hybrid Integration LLC	1709 Langhorne Newton Rd Ste 6 Langhorne Pa 19047 (USA)	100,00%	31/12/2017	USD	324.894,00	7.649,00
Hybrid Software Italy SRL	Viale Sondrio, 2 I-20124 Milano	100,00%	31/12/2017	EUR	626.655,00	(200.532,00)
Hybrid Software France SAS	15 rue Marsollier F-75002 Paris	100,00%	31/12/2017	EUR	25.000,00	29.075,00
Lynasoft Development SA	19-21 route d'Arlon L-8009 Strassen	100,00%	31/12/2017	EUR	2.208.353,45	2.169.977,87
Explio NV	Poortakkerstraat 35 B-9051 Sint-Denijs-Westrem	99,85%	31/12/2017	EUR	(2.036.850,68)	(195.954,06)

At 31 december 2017, the financial fixed assets are also composed of guarantees for an amount of EUR : 3.534,70 (2016 : EUR 3.534,70).

NOTES 6 - DEBTORS

At 31 december 2017, Debtors becoming due and payable within one year are composed of :

In EUR	31/12/2017	31/12/2016
Commercial receivables	3.088.991,86	4.446.112,75
Loans owed by affiliated undertakings	2.544.865,13	1.475.250,39
Interest on loans owed by affiliated undertakings	82.560,08	638.577,09
Other receivables owed by affiliated undertakings	0,00	9.048,38
Direct tax authorities (ACD) and Indirect tax authorities (AED)	1.060.153,09	337.588,38
Other miscellaneous receivables	4.000.000,00	25.008,88
TOTAL	**10.776.570,16**	**6.931.585,87**

At 31 december 2016, Debtors becoming due and payable after more than one year was composed by a loan owed by an affiliated undertakings for EUR 2.123.546,21.

NOTE 7 - CAPITAL AND RESERVES

In EUR	Subscribed Capital	Share premium account (warrant)	Other distributable reserves	Profit or loss brought forward	Profit or loss for the financial year	Total
At 31 december 2016	**12.736.630,00**	**100.027,62**	**0,00**	**-1.815.494,92**	**459.054,58**	**11.480.217,28**
EGM on 04/04/2017	9.625.293,00					**9.625.293,00**
EGM on 20/12/2017	14.553.508,19	-100.027,62	785.135,68			**15.238.616,25**
Allocation of result of the financial year 2016				459.054,58	-459.054,58	**0,00**
Profit or loss for the financial year 2017					-1.158.988,12	**-1.158.988,12**
At 31 december 2017	**36.915.431,19**	**0,00**	**785.135,68**	**-1.356.440,34**	**-1.158.988,12**	**35.185.138,41**

Subscribed capital

At 31 december 2016, the share capital of the Company is set at EUR 12.736.630,00 represented by 396.234 ordinary shares without nominal value, each subscribed and fully paid-up.

The extraordinary general meeting of 4th april 2017 has decided to increase of the share capital of the Company by an amount of EUR 9.625.293,00 so as to raise it from its current amount of EUR 12.736.630,00 to EUR 22.361.923,00 by the issuance of 301.818 ordinary shares of the Company without nominal value, each subscribed and fully paid-up.

The extraordinary general meeting of 20th december 2017 has decided :

- to decrease the share capital of the Company by an amount of EUR 785.135,68 so as to bring it from EUR 22.361.923,00 to EUR 21.576.787,32 by an allocation to the other distributable reserves of the Company;
- the creation of two classes of shares of the Company, namely class A ordinary shares without nominal value and class B ordinary shares without nominal value. Subsequent conversion of 91.472 shares into class B ordinary shares and reclassification of the remaining 606.580 existing shares into class A ordinary shares;
- the increase of the share capital of the Company by an amount of EUR 9.838.714,82 so as to raise it from EUR 21.576.787,32 to EUR 31.415.502,14 by the issuance of 318.302 new class A ordinary shares of the Company without nominal value, each subscribed and fully paid-up.
- the increase of the share capital of the Company by an amount of EUR 5.499.929,05 so as to raise it from EUR 31.415.502,14 to EUR 36.915.431,19 by the issuance of 62.111 new class B ordinary shares of the Company without nominal value, each subscribed and fully paid-up.

At 31 december 2017, the share capital of the Company is set at EUR 36.915.431,19 represented by 924.882 class A ordinary shares without nominal value and 153.583 class B ordinary shares without nominal value, each subscribed and fully paid-up.

Own shares
At 31 december 2017, the entity held no own shares.

Legal reserve
Under current legislation, from the annual profits of the company, at least 5% of net profit shall each year be allocated to the legal reserve. This allocation will cease to be required as long as the legal reserve amounts to 10% of the share capital of the company.

NOTE 8 - CREDITORS

At 31 december 2017, Creditors becoming due and payable within one year are composed :

In EUR	**31/12/2017**	**31/12/2016**
Commercial payable	2.801.272,22	2.054.527,88
Interest on shareholder advance	0,00	821.512,04
Debts to affiliated undertakings	0,00	1.312.019,73
Direct tax authorities (ACD)	16.585,00	18.190,00
Foreign social security debts	0,00	15,59
Staff remuneration payable	0,00	1.332,08
Other miscellaneous debts	2.167,05	46,48
TOTAL	**2.820.024,27**	**4.207.643,80**

At 31 december 2016, Creditors becoming due and payable after more than one year was composed by a shareholder advance of EUR 4.959.352,95 bearing interests.

NOTE 9 - GROSS PROFIT OR LOSS

In EUR	31/12/2017	31/12/2016
Raw materials and consumables	0,00	-1.205,14
Other external expenses	-5.528.534,48	-3.741.743,11
Net turnover	5.919.865,63	3.743.677,34
Extraordinary income	5.850,00	478.929,66
TOTAL	**397.181,15**	**479.658,75**

NOTE 10 - MANAGER'S REMUNERATION

The Managers have received no remuneration during the course of the financial year.

NOTE 11 - STAFF

In 2017, the company employed in average 0,2 staff (2016 : 0,2).

NOTE 12 - OTHER OPERATING EXPENSES

In EUR	31/12/2017	31/12/2016
Fees and royalties	196.630,55	0,00
Extraordinary charges	838.773,76	31.680,26
TOTAL	**1.035.404,31**	**31.680,26**

NOTE 13 - INTEREST PAYABLE AND SIMILAR EXPENSES

In EUR	31/12/2017	31/12/2016
Bank interests	27,20	12,61
Shareholder interests	390.628,05	294.336,80
Foreign currency exchange losses	60.106,36	20.262,20
Other financial charges	56,13	365,80
TOTAL	**450.817,74**	**314.977,41**

NOTE 14 - TAXES

The company is subject to taxes and duties levied in accordance with its corporate purpose and in keeping with its activities during the previous year.

Congra Software S.à r.l.
Société à responsabilité limitée
R.C.S. Luxembourg: B 162896
19-21 Route d'Arlon
L-8009 Strassen
Subscribed capital of EUR 11,358,550

Company incorporated under the name Hybrid Europe Software SA on 03/08/2011.
Articles of association last amended on 20/12/2017.

Allocation of the results for the financial year ending on 31/12/2017

The Annual General Meeting of 27/6/2018 decided, in accordance with the proposal of the Board of Managers, to allocate the loss for the year ending 31/12/2017 as follows:

Loss brought forward on 1st January, 2017	(EUR 1.356.440,34)
Loss of the year 2017	(EUR 1.158.988,12)
Losses carried forward on 1st January , 2018	(EUR 2.515.428,46)

The Board of Managers

- Mrs. Ingrid Hoolants; manager (category A), residing professionally at 19-21 Route d'Arlon, L-8009 Strassen;
- Powergraph, a besloten vennootschap met beperkte aansprakelijkheid under Belgian law, represented by its managing director, Mr. Guido Van der Schueren; manager (category B), with registered address at B-9830 Sint-Martens-Latem, Zuylenveld, 10, registered with the Belgian Banque-Carrefour des Entreprises under number 0454.469.744;
- Mr. Marc Ecker; manager (category B), residing professionally at 19-21 Route d'Arlon, L-8009 Strassen;
- Mr. Stéphane Vandervelde; manager (category B), having his address at B-8300 Knokke-Heist, Kustlaan, 15.
- Mr Luca Gallinelli; manager (category C), having his address at L-8043 Strassen, 3, rue des Ardennes

Certified true and correct.

Done in Strassen, on 27/6/2018

ANNEX 4

CREST Manual

(i) Action to be taken to accept the Takeover Bid in CREST:

If your Shares are held in uncertificated form, to accept the Takeover Bid you should take (or procure the taking of) the action set out below to transfer your Shares to the appropriate escrow balance(s), specifying the Link Asset Services (in its capacity as a CREST participant under the Escrow Agent's participant ID referred to below) as the Escrow Agent, as soon as possible and in any event so that the TTE instruction settles not later than 4.00 p.m. CET (3.00pm GMT) on 25 February 2019.

Note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE instruction accordingly.

The input and settlement of a TTE instruction in accordance with Section 7.10 of this document constitutes an acceptance of the Takeover Bid in respect of the number of Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Only your CREST sponsor will be able to send the TTE instruction(s) to Euroclear in relation to your Shares.

After settlement of a TTE instruction, you will not be able to access the Shares concerned in CREST for any transaction or charging purposes.

You are recommended to refer to the CREST Manual issued by Euroclear for further information on the CREST procedures outlined below. You should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction relating to your Shares to settle prior to 4.00 p.m. CET (3.00 p.m. GMT) on 25 February 2019.

In this regard, you are referred in particular to those sections of the CREST Manual concerning the practical limitations of the CREST system and timings.

To accept the Takeover Bid in respect of your Shares held in uncertificated form, you should send (or, if you are a CREST sponsored member, procure that your CREST sponsor sends) a TTE instruction to Euroclear in respect of such shares. A TTE instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to the other information that is required for a TTE instruction to settle in CREST, the following details:

- the ISIN number for the Shares (which is GB00BYN5BY03);
- the number of Shares in respect of which you wish to accept the Takeover Bid (i.e. the number of Shares to be transferred to an escrow balance);
- your member account ID;
- your participant ID;
- the participant ID of the Escrow Agent (which is RA10);
- the member account ID of the Escrow Agent for the Takeover Bid (which is CONGLO01);
- the intended settlement date (this should be as soon as possible and, in any event, not later than 4.00 p.m. CET (3.00pm London time) on 25 February 2019.
- the corporate action number of the Takeover Bid (this is allocated by Euroclear and will be available on screen from Euroclear);
- input with a standard delivery instruction priority of 80; and

- the contact name and telephone number in the shared note field.

(ii) Action to be taken to withdraw your acceptance in CREST:

In the case of Shares held in uncertificated form, withdrawals are permitted pursuant to section 7.10 of this document and an accepting Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA Instruction must, in order for it to be valid and settle, include the following details:

- the number of Shares to be withdrawn;
- the ISIN number for the Shares (which is GB00BYN5BY03);
- the participant ID of the accepting shareholder;
- the member account ID of the accepting shareholder;
- the member account ID of the Escrow Agent included in the relevant Electronic
- acceptance to be withdrawn (which is CONGLO01);
- the Escrow Agent's participant ID (which is RA10);
- the CREST transaction reference number of the Electronic Acceptance to be withdrawn to be inserted at the beginning of the shared note field;
- the intended settlement date for the withdrawal;
- the corporate action number for the Takeover Bid allocated by Euroclear; and
- input with a standard delivery instruction priority of 80.

Any such withdrawal will be conditional upon Link Asset Services verifying that the withdrawal request is validly made. Accordingly, Link Asset Services will, on behalf of the Bidder either reject or accept the withdrawal by transmitting in CREST a receiving agent reject (AEAD) message or a receiving agent accept (AEAN) message, as appropriate.