RECOMMENDED CASH OFFER for SCAPA GROUP PLC by AMS HOLDCO 2 LIMITED (an indirectly wholly-owned subsidiary of Schweitzer-Mauduit International, Inc.) Update on Credit Agreement

February 10, 2021

Alpharetta, Feb. 09, 2021 (GLOBE NEWSWIRE) -- On 27 January 2021, the board of directors of AMS Holdco 2 Limited ("**SWM Bidco**"), an indirectly wholly-owned subsidiary of Schweitzer-Mauduit International, Inc. ("**SWM**"), and the board of directors of Scapa Group plc (" **Scapa**"), announced (the "**Announcement**") their agreement on the terms of a recommended cash offer by SWM Bidco for the acquisition of the entire issued and to be issued ordinary share capital of Scapa (the "**Offer**"). Capitalised terms used and not defined herein have the meaning given to them in the Announcement.

SWM has entered into an amendment to its existing Credit Agreement to, among other things, add a new $350 million Term Loan B facility with a seven-year maturity (the "**Term Loan B**"). SWM commenced the syndication of the Term Loan B facility on 9 February 2021, which is expected to be completed by 23 February 2021.

In conjunction with the intended syndication of the Term Loan B, SWM is providing an update on certain expected fourth quarter and full year 2020 financial results, which is available at https://ir.swmintl.com/news-releases/news-release-details/swm-announces-amendment-existing-credit-facility-including-new.

A copy of this announcement and the relevant documents in relation to the Term Loan B will be uploaded to SWM's website at https://ir.swmintl.com/update-disclaimer by 12 noon (UK time) on the Business Day following the date of this announcement.

Enquiries:

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Important notices relating to financial advisers

*J.P. Morgan Securities LLC and its affiliate J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove, which is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated in the UK by the Financial Conduct Authority (the "**FCA**") and the PRA (together, "**J.P. Morgan**"), are acting exclusively for SWM and SWM Bidco and no one else in connection with the Offer and shall not be responsible to anyone other than SWM and SWM Bidco for providing the protections afforded to clients of J.P. Morgan or its affiliates nor for providing advice in connection with the Offer or any other matter or arrangement referred to herein.*

Further information

This Announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire or subscribe for or dispose of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be made solely through the Scheme Document (or, in the event that the Offer is to be implemented by means of a Takeover Offer, the Offer Document), which, together with the Forms of Proxy, will contain the full terms and conditions of the Offer, including details of how to vote in respect of the Scheme.

This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside England and Wales.

Overseas shareholders

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are not resident in the United Kingdom or who are subject to the laws of any jurisdiction other than the United Kingdom (including Restricted Jurisdictions) should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom or who are subject to the laws of another jurisdiction to participate in the Offer or to vote their Scheme Shares in respect of the Scheme at the Court Meeting or in respect of the Resolutions to be proposed at the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting and/or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. Any failure to comply with applicable legal or regulatory requirements of

any jurisdiction may constitute a violation of securities laws in that jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person.

Unless otherwise determined by SWM Bidco or required by the Code, and permitted by applicable law and regulation, the Offer shall not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Offer by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.

Copies of this announcement and any formal documentation relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction or any jurisdiction where to do so would constitute a violation of the laws of such jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Offer.

If the Offer is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.

The availability of the Offer to Scapa Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements. Further details in relation to Scapa Shareholders in overseas jurisdictions will be contained in the Scheme Document.

The Offer will be subject to English law and the applicable requirements of the Court, the Code, the Panel, the London Stock Exchange, the AIM Rules and the FCA.

Notice to U.S. investors

*The Offer relates to shares of a UK company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**").*

Accordingly, the Offer is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules. Furthermore, the payment and settlement procedure with respect to the Offer will comply with the relevant rules under the Code, which differ from U.S. payment and settlement procedures, particularly with regard to the date of payment of consideration.

However, if SWM Bidco were to elect to implement the Offer by means of a Takeover Offer, such Takeover Offer would be made in compliance with all applicable United States laws and regulations, including any applicable exemptions under the U.S. Exchange Act. Such a Takeover Offer would be made in the United States by SWM Bidco and no one else, in compliance with U.S. law and regulations, including Section 14(e) of the U.S. Exchange Act and Regulation 14E thereunder.

In accordance with normal United Kingdom practice, SWM, SWM Bidco or their nominees or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Scapa outside of the U.S., other than pursuant to the Offer, until the date on which the Offer and/or Scheme becomes Effective, lapses or is otherwise withdrawn, in compliance with applicable law, including the U.S. Exchange Act. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases or arrangements to purchase shall be disclosed as required in the United Kingdom, shall be reported to the Regulatory Information Service and shall be available on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of consideration by a U.S. holder for the transfer of its Scapa Shares pursuant to the Offer will likely be a taxable transaction for United States federal income tax purposes. Each U.S. holder of Scapa Shares is urged to consult their independent professional adviser immediately regarding the tax consequences of the Offer applicable to such holder, including under applicable United States state and local tax laws, as well as overseas and other tax laws that may be applicable.

Some or all of Scapa's officers and directors reside outside the U.S., and some or all of its assets are or may be located in jurisdictions outside the United States. Therefore, investors may have difficulty effecting service of process within the U.S. upon those persons or recovering against Scapa or its officers or directors on judgments of U.S. courts, including judgments based upon the civil liability provisions of the U.S. federal securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment. It may not be possible to sue Scapa or its officers or directors in a non-U.S. court for violations of the U.S. securities laws.

Neither the SEC nor any U.S. state securities commission has approved or disproved or passed judgment upon the fairness or the merits of the Offer or determined if this announcement is adequate, accurate or complete.

Financial information relating to Scapa included the Scheme Document has been or will have been prepared in accordance with IFRS and may not therefore be comparable to the financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

SWM financial results

The financial information relating to SWM included in, or incorporated by reference into, this announcement has been prepared in accordance with accounting standards applicable in the U.S. that may not be comparable to the financial statements or information of UK companies or companies where financial statements are prepared in accordance with generally accepted accounting principles in the UK. Further, SWM has provided guidance with respect to Adjusted EBITDA, which is a financial metric that has not been determined in accordance with accounting principles generally accepted in the United States and is therefore a "non-GAAP" financial measure.

Forward-looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Offer, and other information published by Scapa, any member of the Scapa Group, SWM, SWM Bidco or any other member of the SWM Group contain statements which are, or may be deemed to be, "forward looking statements". These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as, without limitation, "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "aim", "will", "may", "hope", "continue", "would", "could" or "should" or other words of similar meaning or the negative thereof. Forward-looking statements include, but are not limited to, statements relating to the following: (i) future capital expenditures, expenses, revenues, economic performance, financial conditions, dividend policy, losses and future prospects, (ii) business and management strategies and the expansion and growth of the operations of Scapa, any member of the Scapa Group, SWM, SWM Bidco or any other member of the SWM Group, (iii) the effects of government regulation on the business of Scapa, any member of the Scapa Group, SWM, SWM Bidco or any other member of the SWM Group, (iv) negative effects relating to this announcement and/or status of the Offer, (v) the possibility that any of the conditions to the Offer will not be satisfied, and (vi) significant transaction costs (including litigation) or unknown liabilities. There are many factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among such factors are changes in global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or disposals. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations.

These forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which Scapa, any member of the Scapa Group, SWM, SWM Bidco or any member of the SWM Group shall operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. By their nature, these forward-looking statements involve known and unknown risks, and uncertainties because they relate to events and depend on circumstances that will occur in the future. The factors described in the context of such forward-looking statements in this announcement may cause the actual results, performance or achievements of any such person, or industry results and developments, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that such expectations will prove to have been correct and persons reading this announcement are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this announcement. None of Scapa, any member of the Scapa Group, SWM, SWM Bidco or any other member of the SWM Group, or their respective members, directors, officers, employees, advisers or any person acting on behalf of one or more of them, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

None of Scapa, any member of the Scapa Group, SWM, SWM Bidco or any other member of the SWM Group, or their respective members, directors, officers, employees, advisers or any person acting on behalf of one or more of them, has any intention or accepts any obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except to the extent legally required. All subsequent oral or written forward-looking statements attributable to Scapa, any member of the Scapa Group, SWM, SWM Bidco or any other member of the SWM Group or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above.

No profit forecasts or estimates

No statement in this announcement is intended as a profit forecast or estimate for SWM, SWM Bidco or Scapa for any period and no statement in this announcement should be interpreted to mean that cash flow from operations, earnings, or earnings per share or income of those persons (where relevant) for the current or future financial years would necessarily match or exceed the historical published cash flow from operations, earnings, earnings per share or income of those persons (as appropriate).

Publication on a website

A copy of this announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on SWM's website at https://ir.swmintl.com/update-disclaimer and Scapa's website at https://www.scapa.com/News/CashOfferForScapaGroupplc by no later than 12:00 noon on the Business Day following the date of this announcement.

Neither the content of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this announcement.

Requesting hard copy documents

In accordance with Rule 30.3 of the Code, a person so entitled may request a copy of this Announcement (and any information incorporated into it by reference to another source) in hard copy form free of charge. A person may also request that all future documents, announcements and information sent to that person in relation to the Offer should be in hard copy form. For persons who have received a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent to you unless you have previously notified Scapa's registrar, Link Asset Services that you wished to receive all documents in hard copy form or unless requested in accordance with the procedure set out below.

If you would like to request a hard copy of this Announcement from Scapa please contact Scapa's registrar, Link Market Services Limited, on 0371 664 0321 (from within the UK) or on +44 371 664 0321 (from outside the UK), or by writing to Link Market Services Limited, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. Calls are charged at 12 pence per minute and will vary by provider. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Link Market Services Limited is open between 9:00 a.m. and 5:30 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Link Market Services Limited cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following

the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

General

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Dates and time

All references to dates and times in this announcement are to the dates and times in London, unless otherwise stated.

Source: Schweitzer-Mauduit International, Inc.