

SCHEME OF ARRANGEMENT

Low & Bonar PLC

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FOR IMMEDIATE RELEASE

7 May 2020

Recommended cash acquisition

of

Low & Bonar PLC

by

FV Beteiligungs-GmbH

COURT APPROVAL OF SCHEME

On 20 September 2019, Low & Bonar PLC (**Low & Bonar**) and FV Beteiligungs-GmbH (**FVB**), a wholly-owned subsidiary of Freudenberg SE (**Freudenberg**), announced their agreement on the terms of a recommended cash acquisition by FVB of the entire issued and to be issued ordinary share capital of Low & Bonar (the **Acquisition**), to be effected by means of a Court-approved scheme of arrangement under Part 26 of the Companies Act 2006 (the **Scheme**).

Further to the announcement on 5 November 2019 in relation to the results of the Court Meeting and General Meeting, Low & Bonar is pleased to announce that the Court has today made the Court Order sanctioning the Scheme.

The Scheme has become fully unconditional, subject only to the delivery of a copy of the Court Order to the Registrar of Companies in Scotland. It is anticipated that the Effective Date will be 12 May 2020, being the date on which a copy of the Court Order is expected to be delivered to the Registrar of Companies in Scotland.

The listing of Low & Bonar Shares on the Official List and dealings in Low & Bonar Shares on the London Stock Exchange are each expected to be suspended with effect from 7.30 a.m. on 12 May 2020. The last day for dealings in, and for registration of transfers of, and disablement in CREST of, Low & Bonar Shares will be 11 May 2020.

Subject to the Scheme becoming effective on 12 May 2020, it is expected that the listing of Low & Bonar Shares on the Official List will be cancelled and that Low & Bonar Shares will cease to be admitted to trading on the London Stock Exchange's main market for listed securities with effect from 8.00 a.m. on 13 May 2020.

Low & Bonar further announces that Daniel Dayan will step down as a director and Executive Chairman and leave the Company once the Court Order sanctioning the Scheme has been delivered to the Registrar of Companies in Scotland and the Scheme has become effective.

Under the settlement agreement between the Company and Mr. Dayan, he will be paid his salary in respect of a five month period, less PAYE deductions, and he has agreed to provide, without further remuneration, up to 60 days integration support within a six-month period following his leaving date.

The Board of Low & Bonar would like to thank Mr. Dayan for his leadership since September 2018 and for his contribution to successfully concluding the sale of the Company to FVB.

In addition, having given notice of their intention to resign as non-executive directors with effect from the time at which the Scheme becomes effective, each of Peter Bertram, Mike Powell and Trudy Schoolenberg, will also stand down as directors of Low & Bonar with effect from the Scheme becoming effective. Each non-executive director will receive their pro-rated fee in lieu of their notice period.

Ian Ashton will continue as a director of Low & Bonar following the Effective Date.

Terms defined in the scheme document dated 11 October 2019 containing the full terms and conditions of the Acquisition (the ***Scheme Document***) have the same meanings in this announcement.

All references in this announcement to time are to London times unless otherwise stated. The dates and times given above are indicative only and are based on Low & Bonar's current expectations and may be subject to change.

Enquiries:

Low & Bonar PLC **+44 (0) 20 7535 3180**

Daniel Dayan, Executive Chairman

Ian Ashton, Group Chief Financial Officer

Rothschild & Co (Financial adviser to Low & Bonar) **+44 (0) 20 7280 5000**

Stuart Vincent

Sabina Pennings

Instinctif Partners (PR adviser to Low & Bonar) **+44 (0) 20 7457 2020**

Matthew Smallwood

Rosie Driscoll

Important notices relating to financial advisers

N.M. Rothschild & Sons Limited (Rothschild & Co), which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Low & Bonar and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Low & Bonar for providing the protections afforded to clients of Rothschild & Co, nor for providing advice in relation to any matter referred to in this announcement.

Further information

This announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Low & Bonar in any jurisdiction in contravention of applicable law. The Acquisition will be made solely by means of the scheme circular (or any subsequent document by which the Acquisition is made), which contains the full terms and conditions of the Acquisition.

This announcement does not constitute a prospectus or a prospectus equivalent document.

This announcement has been prepared for the purposes of complying with English law, the rules of the London Stock Exchange, the Listing Rules and the City Code on Takeovers and Mergers 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 and regulations of any jurisdictions outside the United Kingdom.

Overseas jurisdictions

The release, publication or distribution of this announcement in or into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement and the scheme circular have been prepared for the purposes of complying with UK company law and the City Code and the information disclosed may not be the same as that which would have been disclosed if they had been prepared in accordance with the laws of other jurisdictions.

Unless otherwise determined by FVB or required by the City Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws of that jurisdiction and no person may vote in favour of the Acquisition by any 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. Accordingly, copies of this announcement and the scheme circular will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in, into or from such jurisdictions where to do so would violate the laws of that jurisdiction.

The availability of the Acquisition to Low & Bonar Shareholders who are not resident in the UK may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the UK should inform themselves of, and observe, any applicable requirements.

Notice to US Low & Bonar Shareholders

The Acquisition is being made to acquire the securities of a Scottish company by means of a scheme of arrangement under the Companies Act and the laws of Scotland. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to disclosure requirements and practices applicable in the UK to schemes of arrangement, which are different from the disclosure requirements of the US tender offer rules. The financial information included in the scheme circular has been prepared in accordance with accounting standards applicable in the UK 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 US.

It may be difficult for US holders of Low & Bonar Shares to enforce their rights and claims arising out of the US federal securities laws, since FVB and Low & Bonar are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US holders of Low & Bonar Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

The receipt of cash pursuant to the Acquisition by a US holder as consideration for the transfer of its Low & Bonar Shares pursuant to the Scheme will likely 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 Low & Bonar Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him or her.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, FVB or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Low & Bonar Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com/prices-and-news/prices-news/home.htm>.

Forward looking statements

This announcement, the scheme circular (including information incorporated by reference in the scheme circular), oral statements made regarding the Acquisition, and other information published by Freudenberg, FVB and Low & Bonar contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Freudenberg, FVB and Low & Bonar about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in the scheme circular include statements relating to the expected effects of the Acquisition on Freudenberg, FVB and Low & Bonar, the expected timing and scope of the Acquisition and other statements other than historical facts. All statements other than statements of historical facts included in the scheme circular and this announcement may be forward-looking statements. Without limitation, any statement preceded or followed by or that include the words "targets", "plans", "believes", "expects",

"aims", "intends", "will", "should", "could", "would", "may", "anticipates", "estimates", "synergy", "cost-saving", "projects", "goal", "strategy", "budget", "forecast" or "might" or, words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Freudenberg's, FVB's or Low & Bonar's operations and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on Freudenberg's, FVB's or Low & Bonar's business.

These forward-looking statements are not guarantees of future financial performance. Except as expressly provided in the scheme circular and this announcement, they have not been reviewed by the auditors of Freudenberg, FVB or Low & Bonar or their respective financial advisers. Such forward-looking statements involve known and unknown risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. These factors include the satisfaction of the Conditions, as well as additional factors, such as: fluctuations in the capital markets; fluctuations in interest and exchange rates; the occurrence of unforeseen disasters or catastrophes; political or economic instability in principal markets; adverse outcomes in litigation; and general, local and global economic, political, business and market conditions. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Freudenberg, FVB nor Low & Bonar, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in the scheme circular or this announcement will actually occur. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements. All subsequent oral or written forward-looking statements attributable to Freudenberg, FVB or Low & Bonar or any of their respective members, directors, officers or employees or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Freudenberg, FVB and Low & Bonar disclaim any obligation to update or revise any forward-looking or other statements contained in the scheme circular other than in accordance with their legal and regulatory obligations.

Disclosure requirements of the Takeover Code (the Code)

Under Rule 8.3(a) of the Code, any person who is interested in 1% 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 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (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 1% 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 pm (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 Takeover 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.

Publication on website and availability of hard copies

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, free of charge on Low & Bonar's website at www.lowandbonar.com. For the avoidance of doubt, the contents of that website is not incorporated into and does not form part of this announcement.

Low & Bonar Shareholders may request a hard copy of this announcement by contacting Low & Bonar on +44 (0)20 7535 3191.