

RICHARDS PACKAGING INCOME FUND ANNOUNCES PROPOSED CONVERSION TO A CORPORATION

TORONTO, Oct. 2, 2025 /CNW/ - Richards Packaging Income Fund (TSX: RPI.UN) (the "Fund" or "Richards Packaging") announced today a proposed conversion from an unincorporated, open-ended, limited purpose trust to a corporation incorporated under the *Business Corporations Act* (Ontario) (the "OBCA") named "Richards Group Inc." ("New PubCo") pursuant to a statutory plan of arrangement under the OBCA (the "Plan"), and subject to the terms and conditions set forth in an arrangement agreement entered between the Fund and New PubCo dated October 2, 2025 (the "Arrangement Agreement").

Background and Recommendation of the Board of Trustees

The Fund is an unincorporated, open-ended, limited purpose trust established under the laws of the Province of Ontario. The principal considerations in favour of converting the Fund to a corporation are to expand the Richards Group investor base, simplify the capital structure to one that is more generally accepted and understood by global investors, and remove inherent limits on capital deployment created by the Fund's income fund structure.

After due consideration of available information and financial, legal and accounting advice, and after considering their duties and responsibilities to the holders of trust units ("Units") and special voting units of the Fund ("Special Voting Units"), the trustees of the Fund (the "Trustees") unanimously concluded on October 2, 2025 that the Plan is in the best interests of the Fund and fair to the holders of Units and Special Voting Units (the "Unitholders") and resolved to recommend that Unitholders vote in favour of the Plan.

Planned Corporate Conversion

Pursuant to the Plan, holders of Units will receive one common share in the capital of New PubCo for each Unit held. Following the completion of the Plan, the Fund is intended to be terminated and New PubCo will effectively own and control all of Richards Packaging's business and assets in place of the Fund.

It is anticipated that prior to the record date for the special meeting of Unitholders to be held in connection with the Plan (the "Special Meeting"), holders ("Exchangeable Shareholders") of exchangeable shares ("Exchangeable Shares") of the Fund's subsidiary, Richards Packaging Holdings Inc. ("RPH"), will transfer their Exchangeable Shares to the Fund in exchange for the issuance of Units, following which such Exchangeable Shares held by the Fund will be converted to common shares of RPH and each of the issued and outstanding Special Voting Units previously issued to the Exchangeable Shareholders will be cancelled. Accordingly, it is expected that only Units will be voted at the Special Meeting.

Shortly following the effective date of the Plan (the "Effective Date"), the common shares of New PubCo are expected to commence trading on the Toronto Stock Exchange ("TSX") under a trading symbol to be determined by the Fund.

The Board of Directors of New PubCo will be comprised of the current Trustees of the Fund and management of New PubCo will be comprised of the current management of the Fund.

Security Based Compensation Plan

In connection with the Plan, each outstanding deferred share unit issued by the Fund to certain

Trustees, to the extent it has not been settled as of the Effective Date, shall be exchanged for one deferred share unit issued by New PubCo (each, a "Replacement DSU"). Such Replacement DSUs are expected to be governed by the terms and conditions of a security-based compensation plan to be adopted by New PubCo (the "New PubCo Equity Incentive Plan"), subject to approval of the New PubCo Equity Incentive Plan by the TSX and Unitholders.

Unitholder Approval

The Plan will be subject to the approval of the Unitholders to be sought at the Special Meeting. The Plan must be approved by at least 66 2/3% of the votes cast by Unitholders voting in person or by proxy at the Special Meeting. Additionally, the Plan is subject to the satisfaction of certain customary conditions, including the receipt of applicable regulatory approvals, court approval and TSX approval. In November 2025, Unitholders entitled to receive notice of and vote at the Special Meeting will receive by mail or notice-and-access, an information circular (the "Information Circular") in respect of the Special Meeting. Subject to the receipt of applicable approvals, the Plan is expected to be effective before December 31, 2025. Complete details of the terms of the Plan and a copy of the Arrangement Agreement will be provided in the Information Circular to be made available and filed on SEDAR+ (www.sedarplus.ca).

At the Special Meeting and in accordance with the policies of the TSX, Unitholders will also be asked to approve the New PubCo Equity Incentive Plan, the form of which will be included in the Information Circular. The New PubCo Equity Incentive Plan must be approved by at least a majority of the votes cast by Unitholders voting in person or by proxy at the Special Meeting.

About Richards Packaging Income Fund

The Fund owns Richards Packaging Inc., which since 1912 has served a wide customer base of over 24,000 healthcare, cosmetic, food & beverage, and other enterprises. Richards has over a century of rich history as a packaging distributor, and over the last decade has evolved a medical device and supplies operation that now drives the majority of the business.

Caution Concerning Forward-Looking Statements

This release contains certain forward-looking information and statements within the meaning of applicable securities laws (collectively, "Statements"), including statements related to the Plan and Unitholder approval thereof, court approval of the Plan, TSX approval of the Plan and other regulatory approvals, the Special Meeting, the exchange of the Exchangeable Shares for Units and the cancellation of the Special Voting Units and the timing thereof, the Effective Date, the completion of the Plan, the listing of common shares of New PubCo, the New PubCo Equity Incentive Plan and TSX and Unitholder approval thereof, and the expected benefits of converting the Fund to a corporation, including expanding the Fund's investor base, simplifying the organization's capital structure and removing inherent limits on capital deployment. The Statements are frequently identified by the use of such words as "will", "may", "could", "expect", "plan", "anticipate", "believe" and other similar terminology. These Statements reflect management's current beliefs and are based on information currently available to the management of Richards Packaging. A number of factors could cause actual events or results to differ materially from those predicted, expressed or implied in the Statements. Factors that could cause such differences include, among other things, general economic conditions, interest rates, changes in customer and supplier relationships, competition in the industry, inventory obsolescence, trade risks in respect to foreign suppliers and fluctuations in foreign exchange and interest rates. Although the Statements contained in this release are based upon what management believes to be reasonable assumptions, there can be no assurance that actual results will be consistent with these Statements. These Statements are made as of the date of this release and the Fund assumes no obligation to update or revise them to reflect new events or circumstances.

SOURCE Richards Packaging Inc.

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