These materials are important and require your immediate attention. They require shareholders of Imaflex Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you are a Shareholder and have any questions or require more information with regard to voting your Shares, please contact Imaflex Inc.'s transfer agent, Computershare Investor Services Inc., by telephone toll-free in North America at 1-800-564-6253 or outside of North America at 1-514-982-7555 or by email at service@computershare.com.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF IMAFLEX INC.

to be held on February 19, 2026

and

MANAGEMENT INFORMATION CIRCULAR

with respect to an

ARRANGEMENT

involving

IMAFLEX INC.

and

SOTERIA FLEXIBLES CORP. AND SOTERIA FLEXIBLES ACQUIRECO LTD.

THE BOARD OF DIRECTORS OF IMAFLEX INC. HAS UNANIMOUSLY DETERMINED THAT THE ARRANGEMENT IS IN THE BEST INTERESTS OF IMAFLEX INC. AND IS FAIR TO THE SHAREHOLDERS AND UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE

FOR

THE ARRANGEMENT RESOLUTION

January 16, 2026

Letter to Shareholders

January 16, 2026

Dear Shareholder,

Allow me to extend to you, on behalf of the board of directors (the "**Board**") of Imaflex Inc. ("**Imaflex**" or the "**Company**"), an invitation to attend the special meeting (the "**Meeting**") of the shareholders of Imaflex (the "**Shareholders**") to be held virtually via live webcast on February 19, 2026, at 10:00 a.m. (Eastern Time). The Meeting will be held virtually to allow for greater participation by Shareholders and their proxyholders. The notice of special meeting of shareholders and related material are enclosed, including how to access, participate and vote at the Meeting.

THE ARRANGEMENT

At the Meeting, pursuant to the interim order of the Superior Court of Québec (the "**Court**") (as same may be amended), the Shareholders will be asked to consider and, if deemed advisable, to pass a special resolution (the "**Arrangement Resolution**") approving a statutory plan of arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") involving the Company and Soteria Flexibles AcquireCo Ltd. (the "**Purchaser**"), a subsidiary of Soteria Flexibles Corp. (the "**Parent**"), to be carried out pursuant to an arrangement agreement dated December 17, 2025 among the Company, the Purchaser and the Parent (the "**Arrangement Agreement**"). Full details of the Arrangement are set out in the accompanying notice of special meeting of shareholders and management information circular (the "**Circular**").

The Arrangement Agreement provides for the implementation of the Arrangement pursuant to which, among other things, the Purchaser will acquire all of the issued and outstanding common shares of the Company (each, a "**Share**") for $**2.35** in cash per Share (the "**Consideration**"), representing approximately $123.0 million of equity value of the Company. The Consideration to be received by the Shareholders represents a premium of approximately 121.7% to the closing price of the Shares on the TSX Venture Exchange (the "**TSX-V**") on December 16, 2025, and a premium of approximately 135% to the 52-week low Share price on the TSX-V for the period ending on December 16, 2025, such date being the last trading day prior to the date of public announcement of the Arrangement.

Under the Arrangement, each issued and outstanding option to purchase a Share, whether vested or unvested, will be deemed to be unconditionally vested and exercisable and will be assigned and transferred to the Company in exchange for cash payment from the Company representing the amount by which the Consideration exceeds the relevant exercise price of such option, less applicable withholdings.

Shareholders should review the accompanying Circular, which describes the Arrangement and includes additional information to assist you in considering how to vote on the proposed Arrangement Resolution, including the background to the Arrangement as well as the reasons for the determinations and recommendations of the Special Committee (as defined below) and the Board.

APPROVAL REQUIREMENTS AND EXPECTED TIMING

The Arrangement is subject to certain closing conditions more fully described in the Circular, including Court approvals, the approval of at least 66 ⅔% of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or represented by proxy at the Meeting and the approval of a simple majority of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or represented by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions*.

Subject to obtaining the requisite approvals of the Shareholders and the Court, it is anticipated that the Arrangement will be completed as soon as practicable following receipt of the final order of the Court, which is expected to be obtained before the end of February 2026, and following the satisfaction or waiver of all other conditions precedent to the Arrangement.

FAIRNESS OPINION

Stifel Nicolaus Canada Inc. ("**Stifel**"), retained by the special committee of the Board (the "**Special Committee**"), as exclusive financial advisor to the Special Committee and the Board, provided an opinion (the "**Fairness Opinion**") to the Board to the effect that, as at December 17, 2025, subject to the scope of review, assumptions, qualifications and limitations provided therein, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The Fairness Opinion is included in the accompanying Circular.

BOARD RECOMMENDATION

After careful consideration and taking into account such matters as it considered relevant, including, among other things, the unanimous recommendation of the Special Committee and the Fairness Opinion, and after receiving legal and financial advice, the Board has unanimously determined that the Arrangement is in the best interests of Imaflex and is fair to the Shareholders.

THE BOARD OF DIRECTORS OF IMAFLEX UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

The determination of the Board is based on various factors described more fully in the accompanying Circular.

VOTING AND SUPPORT AGREEMENTS

In connection with the Arrangement, Mr. Joseph Abbandonato, Executive Chairman of the Company, who owns, directly or indirectly, approximately 25.9% of the issued and outstanding Shares, has entered into an irrevocable voting and support agreement pursuant to which he has agreed to vote all of his Shares in favour of the Arrangement at the Meeting. In addition, each of the other Company's directors and certain officers who collectively own approximately 27.5% of the issued and outstanding Shares have entered into revocable voting and support agreements pursuant to which, subject to certain terms and conditions, they have agreed to vote all of their Shares in favour of the Arrangement at the Meeting.

Shareholders should consider carefully all of the information in the accompanying Circular. **If you require assistance, you are urged to consult your financial, legal, tax or other professional advisor**.

If you have questions or require more information with regard to the procedures for voting or completing your proxy or voting instruction form, please contact the Company's transfer agent, Computershare Investor Services Inc., by telephone toll-free in North America at 1-800-564-6253 or outside of North America at 1-514-982-7555 or by email at service@computershare.com.

On behalf of Imaflex, I would like to thank all Shareholders for their continuing support.

Yours truly,

(signed) Joseph Abbandonato

Joseph Abbandonato
Executive Chairman of the Board of Directors

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders ("**Shareholders**") of common shares ("**Shares**") of Imaflex Inc. ("**Imaflex**" or the "**Company**") will be held at 10:00 a.m. (Eastern Time) on February 19, 2026, via live audio webcast only at meetnow.global/MMFSUZD, for the following purposes:

1. in accordance with the interim order of the Superior Court of Québec (the "**Court**") dated January 15, 2026, as may be further amended (the "**Interim Order**"), for Shareholders to consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") approving a plan of arrangement (the "**Plan of Arrangement**") under section 192 of the *Canada Business Corporations Act* (the "**Arrangement"**) involving the Company and Soteria Flexibles AcquireCo Ltd. (the "**Purchaser**"), a subsidiary of Soteria Flexibles Corp. (the "**Parent**"), as more particularly described in the accompanying management information circular (the "**Circular**");

2. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

A summary of the arrangement agreement (the "**Arrangement Agreement**") dated December 17, 2025, entered into among the Company, the Purchaser and the Parent is included in the Circular, and the full text thereof is available on SEDAR+ at www.sedarplus.ca. The full text of the Arrangement Resolution, the Plan of Arrangement and the Interim Order are respectively attached as Appendices "A", "B" and "C" to the Circular.

The Circular contains additional information relating to matters to be dealt with at the Meeting. Please read the Circular carefully before you vote.

THE BOARD OF DIRECTORS OF IMAFLEX UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

PARTICIPATING AT THE MEETING

The record date for determining the Shareholders entitled to receive notice of and vote at the Meeting is the close of business on January 15, 2026 (the "**Record Date**"). Only the Shareholders whose names have been entered in the register of the holders of Shares as of the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting in respect of such Shareholders' Shares.

The Meeting will be held in a virtual-only format by live webcast, and no in-person attendance will be available. The virtual format is intended to provide all Shareholders, regardless of geographic location, a convenient and equitable opportunity to participate, with participation rights and opportunities substantially equivalent to those of an in-person meeting. A Shareholder may attend the Meeting virtually or may be represented by proxy. Registered Shareholders and duly appointed proxyholders will be able to attend, vote and submit questions to management at the Meeting. Non-registered holder of Shares ("**Non-Registered Shareholder**") who hold their Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary ("**Intermediary**") and who have not duly appointed

themselves as proxyholder will not be able to participate, vote or ask questions at the Meeting but will be able to attend as guests.

This Circular is accompanied by a form of proxy, a voting instruction form and a letter of transmittal.

Whether or not you are able to attend the Meeting virtually, Shareholders are strongly encouraged to vote in advance electronically, by telephone or by mail, by following the instructions set out on the form of proxy or voting instruction form, as applicable. Detailed instructions on how to complete and return proxies and voting instruction forms by mail or email are provided starting on page 21 of the Circular. Proxies must be received by the Company's transfer agent, Computershare Investor Services Inc., at 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6, Attention: Proxy Department, no later than 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). The time limit for the deposit of proxies may also be waived or extended by the Chair of the Meeting without notice.

In order for Registered Shareholders to receive the Consideration that they are entitled to if and upon the completion of the Arrangement, such Registered Shareholders must complete and sign the letter of transmittal enclosed with this Circular (the "**Letter of Transmittal**") and return such Letter of Transmittal, together with their certificate(s) or DRS Advice(s) representing their Shares and any other required documents and instruments to the depositary named in the Letter of Transmittal, in accordance with the procedures set out in the Letter of Transmittal.

Non-Registered Shareholders should carefully follow the instructions set forth in the voting instruction form provided by their Intermediary to ensure that their Shares are voted at the Meeting in accordance with such Shareholder's instructions, to arrange for their Intermediary to complete the necessary transmittal documents and to ensure that they receive payment for their Shares if the Arrangement is completed.

The voting rights attached to the Shares represented by a proxy in the enclosed proxy form or the voting instructions form, as applicable, will be voted in accordance with the instructions indicated thereon. In respect of proxies in favour of management proxyholders in which Shareholders have failed to specify the manner of voting, the Shares represented by such proxies will be voted **FOR** the Arrangement Resolution.

DISSENT RIGHTS

Pursuant to and in accordance with the Interim Order and the provisions of Section 190 of the *Canada Business Corporations Act* (the "**CBCA**") (as may be modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court), each Registered Shareholder has the right to dissent with respect to the Arrangement. A Registered Shareholder wishing to exercise rights of dissent with respect to the Arrangement (the "**Dissent Rights**") must send to the Company a written objection to the Arrangement Resolution (a "**Dissent Notice**"), which written objection must be received by the Company at its registered office c/o Tony Abbandonato, Vice President Sales and Corporate Secretary, 5710 Notre-Dame Street West, Montréal, Québec H4C 1V2, with a copy to Lavery, de Billy, L.L.P. c/o Me Josianne Beaudry, 1 Place Ville Marie, Suite 4000, Montréal, Québec, Canada, no later than 5:00 p.m. (Eastern Time) on February 17, 2026 (or no later than 5:00 p.m. (Eastern Time) two Business Days prior to the date to which the Meeting may be adjourned or postponed from time to time), and must otherwise strictly comply with the dissent procedures described in this Circular, the Interim Order and the Plan of Arrangement. Failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent.

The Shareholders' rights to dissent are more particularly described in the Circular, and copies of the Plan of Arrangement, the Interim Order and the text of Section 190 of the CBCA are respectively set forth in Appendices "B", "C" and "E" respectively, of the Circular. **Anyone who is a Non-Registered Shareholder and who wishes to exercise Dissent Rights should be aware that only Registered Shareholders are entitled to exercise Dissent Rights.** Accordingly, a Non-Registered Shareholder who desires to exercise Dissent Rights must make arrangements for the Shares beneficially owned by such holder to be registered

in the name of such holder prior to the time the Dissent Notice is required to be received by the Company or, alternatively, make arrangements for its Intermediary to exercise Dissent Rights on behalf of such Non-Registered Shareholder. **It is recommended that you seek independent legal advice if you wish to exercise Dissent Rights.**

A Shareholder that has questions or requires more information about the voting of Shares should contact the Company's transfer agent, Computershare Investor Services Inc., by telephone toll-free in North America at 1-800-564-6253 or outside of North America at 1-514-982-7555 or by email at service@computershare.com.

DATED this 16 day of January, 2026.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Joseph Abbandonato

Joseph Abbandonato
Executive Chairman of the Board of Directors
Imaflex Inc.

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MANAGEMENT INFORMATION CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Imaflex Inc. (the "**Company**" or "**Imaflex**") for use at the Meeting to be held via live audio webcast only at meetnow.global/MMFSUZD, at 10:00 a.m. (Eastern Time) on **February 19, 2026** and at any adjournment(s) or postponement(s) thereof for the purposes set forth in the accompanying notice of special meeting of Shareholders (the "**Notice of Meeting**").

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set forth in the "*Glossary of Terms*" starting on page 88 of this Circular.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for the statements of historical fact contained herein, the information presented in this Circular and other written reports and releases and oral statements made from time to time by the Company contain "forward-looking information" within the meaning of applicable Securities Laws concerning the business, operations, plans and financial performance and condition of the Company. Often, but not always, forward-looking information can be identified by words such as "plans", "expects", "may", "should", "could", "will", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations including negative variations thereof of such words and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved. All statements that address expectations, possibilities or projections about the future, including without limitation, statements about our strategies for development, sources or adequacy of capital, expenditures, financial results and prospects, plans, timing and outcome of the Arrangement are forward-looking information.

Forward-looking information is subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the failure of the parties to obtain the necessary Shareholder and Court approvals or to otherwise satisfy the conditions to the completion of the Arrangement; failure of the parties to obtain such approvals or satisfy such conditions in a timely manner; significant transaction costs or unknown liabilities; failure to realize the expected benefits of the Arrangement; general economic conditions; and other risks and uncertainties identified under "*Risk Factors*" and "*Information concerning the Company*". Failure to obtain the necessary Shareholder and Court approvals, or the failure of the parties to otherwise satisfy the conditions to the completion of the Arrangement or to complete the Arrangement may result in the Arrangement not being completed on the proposed terms, or at all. In addition, if the Arrangement is not completed, and the Company continues as a publicly traded entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Company to the completion of the Arrangement could have an impact on its business and strategic relationships (including with future and prospective employees, customers, suppliers and partners), operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects. Furthermore, pursuant to the terms of the Arrangement Agreement, the Company may, in certain circumstances, be required to pay a fee to the Parent, the result of which could have an adverse effect on its financial position.

Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not

undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable Securities Laws.

Although the Company has attempted to identify important factors that could cause plans, actions, events or results to differ materially from those described in forward-looking information in this Circular, and the documents incorporated by reference herein, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate as actual plans, results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking information in this Circular, nor in the documents incorporated by reference herein. All of the forward-looking information included in this Circular, including all documents incorporated by reference herein, are qualified by these cautionary statements. Readers are cautioned that the foregoing list of factors is not exhaustive. For more information on the risks and uncertainties that could cause the Company's actual results to differ materially from current expectations, and about material factors or assumptions applied in forward-looking information, please see "*Risk Factors*" hereunder, and also refer to the Company's public filings made on SEDAR+ at www.sedarplus.ca under the Company's profile.

Shareholders are cautioned not to place undue reliance on forward-looking information. The Company undertakes no obligation to update any of the forward-looking information in this Circular or incorporated by reference herein, except as required by law.

NOTE TO U.S. SECURITYHOLDERS

Imaflex is a corporation governed by the CBCA. The solicitation of proxies and the transaction contemplated in this Circular involve securities of a Canadian issuer and are being effected in accordance with Canadian corporate and securities Laws. Shareholders in the United States should be aware that requirements under such Canadian corporate and securities Laws differ from requirements under United States corporate and securities Laws relating to United States corporations. The proxy rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Company nor to this solicitation and therefore this solicitation is not being effected in accordance with such securities Laws.

The enforcement by Shareholders of civil liabilities under the U.S. federal or state securities legislation may be affected adversely by the fact that the Company is governed by the CBCA, that the directors of the Company are residents of Canada, that the experts named in this Circular are residents of Canada, and that a large portion of the assets of the Company and such persons are located in Canada. In addition, the courts of Canada may not enforce judgments of U.S. courts obtained in actions against such persons predicated upon civil liabilities under the federal and state securities legislation in the United States and all rules, regulations and orders promulgated thereunder.

This transaction has not been approved or disapproved by the Securities and Exchange Commission or any other securities regulatory authority in the United States, nor has any United States securities regulatory authority passed upon the fairness or the merits of this transaction or upon the accuracy or adequacy of the information contained in this Circular.

Shareholders in the United States are advised to consult their independent tax advisors regarding the U.S. federal, state, local and foreign tax consequences to them of participating in the Arrangement.

GENERAL MATTERS

REPORTING CURRENCIES

Unless otherwise indicated, all references to "$" in this Circular refer to Canadian dollars.

The Consideration and any cash payable in respect of Company Options will be denominated in Canadian dollars. A Shareholder may request that the Consideration be paid in U.S. dollars by checking the applicable box on the Letter of Transmittal. The Depositary's currency exchange services will be used to convert payment of these amounts that each Shareholder is entitled to receive. There is no additional fee payable by Shareholders in relation to such conversions of payments.

The exchange rates that will be used to convert payments from Canadian dollars into U.S. dollars will be the rate established by Computershare Investor Services Inc., in its capacity as the foreign exchange service provider, on the date that the funds are converted, which rates will be based on the prevailing market rates available to the Depositary on such date. All risks associated with the currency conversion from Canadian dollars to U.S. dollars, including risks relating to change in rates, the timing of exchange or the selection of a rate for exchange, and all costs incurred with the currency conversion are for the Shareholder's sole account and will be at such Shareholder's sole risk and expense. Computershare Investor Services Inc. will act as principal in such currency conversion transactions.

INFORMATION CONTAINED IN THIS CIRCULAR

The information contained in this Circular is given as at January 16, 2026, except where otherwise noted and references to the "Company" and "Imaflex" refer to Imaflex Inc., its direct and indirect Subsidiaries, predecessors and other entities controlled by them. No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by the Company.

Information contained in this Circular should not be construed as legal, tax or financial advice. **Shareholders are urged to consult with their own professional advisors to obtain legal, tax or financial advice.**

Descriptions in this Circular of the terms of the Arrangement Agreement, the Plan of Arrangement and the Voting and Support Agreements are summaries of the terms of those documents and are qualified in their entirety by such terms. Shareholders should refer to the full text of each of the Arrangement Agreement, the Plan of Arrangement and the Voting and Support Agreements for complete details of those documents. The full text of the Arrangement Agreement and the Voting and Support Agreements is available on SEDAR+ under the Company's issuer profile at www.sedarplus.ca. The Plan of Arrangement is attached as Appendix "B" to this Circular.

NO CANADIAN SECURITIES REGULATORY AUTHORITY NOR THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE OR PROVINCIAL SECURITIES COMMISSION HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

SUMMARY OF CIRCULAR

This summary should be read together with and is qualified in its entirety by the more detailed information contained elsewhere in this Circular, including the appendices hereto and documents incorporated into this Circular by reference. All capitalized terms not otherwise defined herein have the meanings set forth in the "Glossary of Terms" starting on page 88 of this Circular. The full text of the Arrangement Agreement, which is incorporated by reference in this Circular, may be viewed on SEDAR+ under the Company's issuer profile at www.sedarplus.ca.

THE MEETING

The Meeting will be held at 10:00 a.m. (Eastern Time), on **February 19, 2026,** via live audio webcast only at meetnow.global/MMFSUZD. The Meeting is a special meeting of the Shareholders at which the Shareholders will be voting on the Arrangement Resolution, the full text of which is set forth in Appendix "A". Shareholders may also be asked to consider other business that properly comes before the Meeting or any adjournment(s) or postponement(s) thereof. See "*General Proxy Information – Purpose of the Meeting*".

RECORD DATE

The Shareholders entitled to vote at the Meeting are those holders of Shares as of the close of business on the Record Date, being January 15, 2026. Only Shareholders whose names have been entered in the register of the Company as of the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting. See "*General Proxy Information - Date, Time and Place of Meeting, Record Date and Quorum*".

PARTIES TO THE ARRANGEMENT

The Company

Established in 1994, Imaflex is focused on the development and manufacturing of innovative solutions for the flexible packaging and agriculture industries. The Company's products consist primarily of polyethylene (plastic) film and bags, including metalized plastic film, for the industrial, agricultural and consumer markets. The Company has manufacturing facilities in Canada and the United States.

The Shares are listed and traded on the TSX-V under the symbol "IFX". As of at the Record Date, 52,088,637 Shares were issued and outstanding.

The Company is incorporated under the laws of Canada. The Company's head and registered office is located at 5710 Notre-Dame Street West, Montreal, Quebec, Canada. See "*Information Concerning the Company*".

The Purchaser and the Parent

The Purchaser was incorporated under the laws of the Province of Ontario as a wholly owned Subsidiary of the Parent for the purposes of completing the Arrangement. The Purchaser has not engaged in any business other than in connection with the Arrangement and related transactions.

The Parent was incorporated under the laws of the State of Delaware. The Parent is a North American manufacturer of high-performance films and flexible packaging solutions, serving customers across a wide range of end markets, including food, healthcare, industrial, and consumer applications. The Parent is a portfolio company of T.J.C. L.P., a private equity investment firm.

THE ARRANGEMENT

The Arrangement Agreement provides for, among other things, the acquisition by the Purchaser of all of the issued and outstanding Shares by way of a statutory plan of arrangement under Section 192 of the CBCA. A copy of the Plan of Arrangement is attached to this Circular as Appendix "B". See "*The Arrangement*".

Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Dissenting Shareholders) will receive **$2.35** in cash for each Share held. See "*The Arrangement - Sources of Funds for the Arrangement"*

REQUIRED SHAREHOLDER APPROVAL

The Arrangement Resolution must be approved by: (i) at least 66 ⅔% of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting; and (ii) a simple majority of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with Regulation 61-101. **The Arrangement Resolution must be approved in order for the Company to seek the Final Order and implement the Arrangement on the Effective Date**. See "*Certain Legal and Regulatory Matters – Required Shareholder Approval*".

COURT APPROVALS

The Arrangement requires the Court's granting of the Final Order. Accordingly, on January 15, 2026, the Company obtained the Interim Order authorizing and directing the Company to call, hold and conduct the Meeting and to submit the Arrangement to the Shareholders for approval. A copy of the Interim Order is attached as Appendix "C" to this Circular. Subject to the terms of the Arrangement Agreement and receipt of the Required Shareholder Approval, the Company will make an application to the Court for the Final Order. The application for the Final Order approving the Arrangement is expected to take place before the Superior Court of Québec (Commercial Division), sitting in the district of Montréal, before the end of February 2026, in a room to be communicated by the Court, in the Courthouse located at 1, Notre-Dame Street East, Montréal, Québec, at 9:00 a.m. (Eastern Time) (or as soon as counsel may be heard). See "*Certain Legal and Regulatory Matters – Court Approvals and Completion of the Arrangement*".

EFFECTIVE TIME AND OUTSIDE DATE

Pursuant to Section 192 of the CBCA, the Arrangement will become effective on the date the Articles of Arrangement are filed, as shown on the Certificate of Arrangement. Closing of the Arrangement will occur as soon as reasonably practicable after the date on which the Required Shareholder Approval and the Final Order have been obtained and all other conditions to the completion of the Arrangement have been satisfied or waived.

It is currently anticipated that the Effective Date will occur before the end of February 2026. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order. As provided under the Arrangement Agreement, the Company will send the Articles of Arrangement to the Director on the fifth Business Day after the satisfaction or, where not prohibited, the waiver by the applicable party or parties in whose favour the condition is, of the conditions set out in Article 6 *[Conditions]* of the Arrangement Agreement (excluding conditions that, by their terms, are to be satisfied on the Effective Date), unless another time or date is agreed to in writing by the Parties.

The Arrangement Agreement may be terminated by the Parties thereto if the Arrangement is not completed on or prior to the Outside Date. See "*The Arrangement Agreement - Effective Date of the Arrangement"*

BACKGROUND TO THE ARRANGEMENT

The Arrangement involving the Company, the Purchaser and the Parent is the result of extensive negotiations between the Company and the Parent and their respective advisors and representatives.

A summary of the main events that led to the execution of the Arrangement Agreement and certain meetings, negotiations, discussions and actions of the Parties that preceded the public announcement of the Arrangement on December 17, 2025 is provided under "*The Arrangement – Background to the Arrangement*".

DETERMINATIONS AND RECOMMENDATIONS OF THE SPECIAL COMMITTEE AND THE BOARD

Having undertaken a thorough review of, and carefully considered, information concerning the Arrangement, the Fairness Opinion, and after consulting with and receiving advice from financial and legal advisors, the Special Committee determined that the Arrangement is in the best interests of Imaflex and is fair to the Shareholders, and unanimously recommended that the Board approves the Arrangement.

After careful consideration and taking into account such matters as it considered relevant, including, among other things, the unanimous recommendation of the Special Committee and the Fairness Opinion, and after receiving legal and financial advice, the Board has unanimously determined that the Arrangement is in the best interests of Imaflex and is fair to the Shareholders, and unanimously recommends that the Shareholders vote **FOR** the Arrangement Resolution.

INTEREST OF CERTAIN PERSONS IN THE ARRANGEMENT

In considering the unanimous recommendation of the Board, Shareholders should be aware that certain directors and senior officers of the Company may have interests in the Arrangement that differ from, or are in addition to, the interests of Shareholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement. The Board is aware of these interests and considered them along with other matters described herein. See *"The Arrangement - Interest of Certain Persons in the Arrangement"*

REASONS FOR THE DETERMINATIONS AND RECOMMENDATIONS OF THE SPECIAL COMMITTEE AND THE BOARD

In making their respective determinations that the Arrangement is in the best interests of the Company and is fair to the Shareholders, as well as their respective unanimous recommendations in favour of the Arrangement, the Special Committee and the Board, with the assistance of financial and legal advisors, considered and relied upon a number of substantive factors, including, among others:

- ***Substantial and Compelling Premium***. The Consideration to be received by the Shareholders represents a substantial and compelling premium of approximately 121.7% to the last closing price of the Shares on the TSX-V on December 16, 2025, and a premium of approximately 135% to the 52-week low Share price on the TSX-V for the period ending on December 16, 2025, such date being the last trading day prior to the date of public announcement of the Arrangement.

- ***Certainty of Value and Liquidity***. The Consideration being offered to the Shareholders under the Arrangement is all cash, which allows Shareholders to immediately realize value for all of their investment and provides certainty of value and immediate liquidity at a premium to the market price, as described above.

- ***Comprehensive Arm's Length Negotiations.*** Over the past five years, the Company evaluated business and strategic opportunities with the objective of maximizing shareholder value in a manner

consistent with the best interests of the Company. The Arrangement Agreement is the result of extensive arm's length negotiations between the Company and the Parent. Extensive financial, legal and other advice was also provided to the Special Committee and the Board.

- ***Maintenance of Status Quo not Attractive***. The Special Committee and the Board, with the assistance of their financial and legal advisors, and based upon their collective knowledge of the business, affairs, operations, assets and liabilities, financial condition, results of operation and prospects of the Company and the current and prospective environment in which the Company operated, believe that the Arrangement is more favourable to the Shareholders relative to the status quo and is more favourable than the potential value that could result from remaining a publicly traded company and continuing to pursue the Company's strategic business plan or from the other alternatives that could reasonably be available to the Company, in each case, taking into account the execution risks and other factors deemed relevant by the Special Committee and the Board.

- ***Special Committee and Board Oversight***. The Special Committee, which is comprised entirely of independent directors, oversaw, reviewed and considered the Arrangement. The Special Committee and the Board were advised by highly qualified financial and legal advisors. The Arrangement was unanimously recommended to the Board by the Special Committee, and was unanimously approved by the Board. The Special Committee has unanimously recommended to the Board that the Board approve the Arrangement and recommend that the Shareholders vote in favour of the Arrangement Resolution.

- ***Fairness Opinion***. Stifel provided an opinion (the text of which is available in Appendix "D") to the Board to the effect that, as of December 17, 2025, and subject to assumptions, qualifications and limitations discussed in such opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

- ***Ability to Respond to Superior Proposals***. The terms and conditions of the Arrangement Agreement, including the amount of the Termination Fee payable by the Company under certain circumstances, and the obligation to hold the Meeting even in the context of a Change in Recommendation, do not preclude a third party from proposing or making a Superior Proposal. Notwithstanding the non-solicitation provisions of the Arrangement Agreement, if, at any time prior to obtaining the approval by the Shareholders of the Arrangement Resolution, Imaflex receives an unsolicited written Acquisition Proposal and the Board determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal constitutes or may reasonably be expected to constitute or lead to a Superior Proposal, and after consultation with its outside legal counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties to the Company, Imaflex may engage in or participate in discussions or negotiations with such third party regarding such Acquisition Proposal in certain limited circumstances.

- ***Shareholder and Court Approvals***. The Arrangement is subject to the following Shareholder and Court approvals, which provide additional protection to Shareholders:

  i. the Arrangement Resolution must be approved by (i) at least 66 ⅔% of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting; and (ii) a simple majority of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with Regulation 61-101; and

  ii. the Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to Shareholders.

- ***Significant Shareholder Support.*** The Executive Chairman of the Company, who owns, directly or indirectly, approximately 25.9% of the issued and outstanding Shares has entered into an

irrevocable voting support agreement pursuant to which he has agreed to vote all of his Shares in favour of the Arrangement at the Meeting. In addition, each of the other Company's directors as well as certain officers who collectively own approximately 27.5% of the issued and outstanding Shares have entered into revocable voting support agreements pursuant to which, subject to certain terms and conditions, they have agreed to vote all of their Shares in favour of the Arrangement at the Meeting.

- ***Terms of the Arrangement Agreement are Reasonable***. The terms and conditions of the Arrangement Agreement, including the Company's and the Purchaser and the Parent's representations, warranties and covenants and the conditions to completion of the Arrangement are, after consultation with its outside legal counsel, reasonable in light of the circumstances, including the Consideration offered by the Purchaser.

- ***Reverse Termination Fee***. The Company is entitled to receive the Reverse Termination Fee of $3.7 million if the Arrangement Agreement is terminated in the event of a wilful breach or fraud by the Purchaser in certain circumstances or a failure by the Purchaser to consummate closing in certain circumstances.

- ***Dissent Rights***. Registered Shareholders may, provided they meet certain conditions and under certain circumstances, exercise their dissent rights and, if ultimately successful, receive the fair value of their shares as determined by the Court.

- ***Credibility of the Purchaser and Likelihood of Completion***. The Parent is a trusted player in the flexible packaging industry, built on consistent delivery, technical expertise, and a disciplined approach to quality. The Purchaser has represented and warranted to the Company that it will have sufficient immediate available funds to satisfy the Consideration payable pursuant to the Arrangement in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement, and the Parent has unconditionally and irrevocably guaranteed in favour of the Company the Purchaser's covenants, obligations and undertakings under the Arrangement Agreement, including the due and punctual payment of the aggregate Consideration and all other amounts payable in connection with the Arrangement, including the payment of the Reverse Termination Fee, if applicable.

- ***Stakeholders***. In the view of the Special Committee and the Board, the terms of the Arrangement Agreement treat stakeholders of the Company equitably and fairly, including the holders of Company Options under the Arrangement. The Board conducted its assessment and evaluation of all alternatives having regard to, among other things, the effect on the Company and its stakeholders, including shareholders, Company Employees, customers and other partners.

- ***Limited Number of Conditions***. The Purchaser and the Parent's obligation to complete the Arrangement is subject to a limited number of conditions that the Special Committee and the Board believe are reasonable in the circumstances. The completion of the Arrangement is not subject to any financing condition.

- ***Limited Restrictions on the Business***. The Special Committee considered that the restrictions under the Arrangement Agreement on the Company's business until the Arrangement is completed or the Arrangement Agreement is terminated in accordance with its terms are reasonable and are not expected to impair or materially affect the Company's business during such period.

The Special Committee, in making its unanimous recommendation, and the Board, in reaching its determination, also considered a number of potential risks and potential negative factors relating to the Arrangement, including the following:

- the risks and costs to Imaflex, although mitigated by the Reverse Termination Fee (if payable), if the Arrangement is not completed, including the diversion of the attention of the Company's

management and Company Employees and the potential effect on the Company's business and its relationships with its stakeholders;

- the restrictions on the conduct of Imaflex's business prior to the completion of the Arrangement, which may delay or prevent Imaflex from undertaking business opportunities that may arise pending completion of the Arrangement;

- the fact that, following the Arrangement, the Company will no longer exist as a public company, the Shares will be delisted from the TSX-V and Shareholders will forego any future increases in value that might result from the achievement of the Company's long-term plans;

- the conditions to the Purchaser's obligation to complete the Arrangement and the rights of the Purchaser to terminate the Arrangement Agreement in certain circumstances, including if the Effective Time does not occur on or prior to the Outside Date;

- the restrictions in the Arrangement Agreement on Imaflex's ability to solicit, respond to and negotiate Acquisition Proposals from third parties;

- the presence of the Purchaser and the fact it could potentially deter interest in another transaction, including a Superior Proposal;

- the fact that if the Arrangement Agreement is terminated in certain circumstances, Imaflex must pay the Termination Fee to the Parent and the possible deterrent effect that the Termination Fee and the Purchaser's right to match under the Arrangement Agreement might have on other potential acquirors proposing an alternative transaction that may be more advantageous to the Shareholders; and

- the Arrangement will generally be a taxable transaction and, as a result, the holders of Shares will generally realize gains or losses as a result from the receipt of the Consideration pursuant to the Arrangement.

The foregoing summary of the information and factors considered by the Special Committee and the Board is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with the Arrangement, neither the Special Committee nor the Board find it practicable to, and did not, quantify or otherwise attempt to assign any relative weight to each of the specific factors considered in reaching its conclusions and recommendation. See "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board"*.

FAIRNESS OPINION

In making their respective unanimous recommendations in favour of the Arrangement, the Special Committee and the Board considered, among other things, the Fairness Opinion. Stifel provided an opinion to the effect that, as of December 17, 2025, and subject to the scope of the assumptions, qualifications and limitations discussed in such opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

VOTING AND SUPPORT AGREEMENTS

In connection with the Arrangement, Mr. Joseph Abbandonato, Executive Chairman of the Company, who owns, directly or indirectly, approximately 25.9% of the issued and outstanding Shares, has entered into an irrevocable voting and support agreement pursuant to which he has agreed to vote all of his Shares in favour of the Arrangement at the Meeting. In addition, each of the other Company's directors and certain officers who collectively own approximately 27.5% of the issued and outstanding Shares have entered into revocable voting and support agreements pursuant to which, subject to certain terms and conditions, they

have agreed to vote all of their Shares in favour of the Arrangement at the Meeting. See "*The Arrangement – Voting and Support Agreements*".

THE ARRANGEMENT AGREEMENT

The following is a summary of certain material terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement which is available on SEDAR+ at www.sedarplus.ca. See "*The Arrangement Agreement*" of this Circular for a more detailed summary of the Arrangement Agreement.

Covenants, Representations and Warranties

The Arrangement Agreement contains, among others, customary covenants, representations and warranties for an agreement of this nature. A summary of the covenants, representations and warranties is provided in the Circular under "*The Arrangement Agreement – Covenants*" and "*The Arrangement Agreement – Representations and Warranties*".

Conditions to the Arrangement

The obligations of the Company, the Purchaser and the Parent to complete the Arrangement are subject to the closing conditions set out in the Arrangement Agreement being satisfied or waived. These conditions include, among others, the receipt of the Required Shareholder Approval and Court approvals. A summary of the conditions is provided in the main body of this Circular under "*The Arrangement Agreement – Closing Conditions*".

Non-Solicitation Provisions

Except as expressly provided for in the Arrangement Agreement, Imaflex and its Subsidiaries agreed pursuant to the Arrangement Agreement that they shall not, directly or indirectly, through any of its Representatives, or otherwise, and shall not permit any such Person to:

i. solicit, assist, initiate, encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

ii. enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than with the Purchaser and the Parent) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal; provided that, for greater certainty, the Company shall be permitted to (i) communicate with any Person for the purposes of ascertaining facts from such Person and clarifying the terms and conditions of any inquiry, proposal or offer made by such Person, (ii) advise any Person of the restrictions of the Arrangement Agreement, and (iii) advise any Person making an Acquisition Proposal that the Board has determined that such Acquisition Proposal does not constitute or is not reasonably expected to constitute a Superior Proposal;

iii. withdraw, amend, modify or qualify, or publicly propose or state an intention to withdraw, amend, modify or qualify, the Board Recommendation*;*

iv. accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced Acquisition Proposal for a period of no more than five

Business Days following the public announcement of such Acquisition Proposal will not be considered to be in violation of Section 5.1 *[Non-Solicitation]* of the Arrangement Agreement provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or

v. accept or enter into (other than a confidentiality and standstill agreement permitted by and in accordance with Section 5.3 *[Responding to an Acquisition Proposal]* of the Arrangement Agreement) or publicly propose to accept or enter into any agreement, letter of intent, understanding or arrangement in respect of an Acquisition Proposal or any inquiry, proposal or offer that may reasonably be expected to constitute or lead to an Acquisition Proposal.

See "*The Arrangement Agreement – Covenants – Additional Covenants Regarding Non-Solicitation – Non-Solicitation*".

Notification of Acquisition Proposals

The Company shall promptly notify the Purchaser, at first orally, and then within 24 hours, in writing, of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal received by the Company or any of its Subsidiaries or any of their respective Representatives, as more fully under "*The Arrangement Agreement – Covenants – Additional Covenants Regarding Non-Solicitation – Notification of Acquisition Proposals*".

Responding to an Acquisition Proposal

If, at any time prior to obtaining the Required Shareholder Approval, the Company receives an unsolicited written Acquisition Proposal, the Company may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal and may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries to such Person, subject to certain conditions which are described under "*The Arrangement Agreement – Covenants – Additional Covenants Regarding Non-Solicitation – Responding to an Acquisition Proposal*", including the execution of a confidentiality and standstill agreement between the Company and such Person that is otherwise on terms no less onerous or more beneficial to such Person than the Confidentiality Agreement.

Right to Match

If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to obtaining the Required Shareholder Approval, the Board may make a Change in Recommendation and enter into a definitive agreement with respect to such Superior Proposal, subject to certain conditions which are described under "*The Arrangement Agreement – Covenants – Additional Covenants Regarding Non-Solicitation*", including the delivery to the Purchaser of a written notice of the determination of the Board to make a Change in Recommendation and enter into a definitive agreement with respect to such Superior Proposal, and a copy of the proposed definitive agreement with respect to such Superior Proposal.

During the five Business Day period commencing on the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement with respect to the Superior Proposal, the Board shall give the opportunity to the Purchaser to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal. In addition, during such five Business Day period, the Board shall review in good faith any offer made by the Purchaser to amend the terms of the Arrangement Agreement and the Arrangement to determine whether such proposal would result in the Acquisition Proposal ceasing to be a Superior Proposal, and the Company shall and shall cause its Representative to, negotiate in good faith with the Purchaser to make such amendments to the terms of

the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions completed therein on such amended terms.

The Board shall promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or the Board determines that a proposed amendment to the terms of the Arrangement Agreement would result in an Acquisition Proposal no longer being a Superior Proposal.

Notwithstanding the receipt by the Company of a Superior Proposal in accordance with the Arrangement Agreement and regardless of whether there is a Change in Recommendation, unless otherwise agreed to in writing by the Purchaser, the Company will continue to take all steps necessary to hold the Meeting and to cause the Arrangement to be voted on at the Meeting.

See "*The Arrangement Agreement – Covenants – Additional Covenants Regarding Non-Solicitation – Right to Match*".

Termination

The Arrangement Agreement may be terminated at any time prior to the Effective Date by mutual written agreement of the Parties and by either the Purchaser or the Company in certain other circumstances. A summary of the termination provisions is provided in the main body of this Circular under "*The Arrangement Agreement – Termination".*

Termination Fee and Reverse Termination Fee

The Arrangement Agreement provides that a Termination Fee in the amount of $3.7 million is payable by the Company to the Parent if the Arrangement Agreement is terminated in certain circumstances, including if the Company terminates the Arrangement Agreement upon making a Change in Recommendation.

The Arrangement Agreement provides that a Reverse Termination Fee in the amount of $3.7 million is payable by the Purchaser to the Company if the Arrangement Agreement is terminated in the event of a wilful breach or fraud by the Purchaser in certain circumstances or a failure by the Purchaser to consummate closing in certain circumstances. See "*The Arrangement Agreement - Termination Fees*"

Implementation of the Arrangement

The Arrangement will be implemented by way of a statutory plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

i. the Required Shareholder Approval must be obtained;

ii. the Court must grant the Final Order approving the Arrangement;

iii. all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or, subject to the discretion of the party permitted to waive such conditions, waived by the appropriate party; and

iv. the Articles of Arrangement in the form prescribed by the CBCA must be filed with the Director and a Certificate of Arrangement issued in relation thereto.

If all conditions to the implementation of the Arrangement have been satisfied or, subject to the discretion of the party permitted to waive such conditions, waived, the steps, qualified in their entirety by the full text of the Plan of Arrangement attached as Appendix "B", described in the section "*The Arrangement – Arrangement Steps"* will occur under the Plan of Arrangement at the Effective Time.

SOURCES OF FUNDS FOR THE ARRANGEMENT

The Purchaser and the Parent have represented and warranted to the Company that it will collectively have sufficient funds available to satisfy the aggregate Consideration payable pursuant to the Arrangement in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement. The Purchaser and the Parent intend to fund such amounts by using existing cash on hand and/or from drawings on existing credit facilities. See "*The Arrangement - Sources of Funds for the Arrangement"*

DISSENT RIGHTS

Pursuant to and in accordance with the Arrangement, the Interim Order and the provisions of section 190 of the CBCA (as modified by the Interim Order and the Plan of Arrangement), Registered Shareholders have the right to dissent with respect to the Arrangement. **A Registered Shareholder wishing to exercise Dissent Rights must send to the Company a Dissent Notice, which Dissent Notice must be received by the Company at its registered office c/o Tony Abbandonato, Vice President Sales and Corporate Secretary, 5710 Notre-Dame Street West, Montréal, Québec H4C 1V2, with a copy to Lavery, de Billy, L.L.P. c/o Me Josianne Beaudry, 1 Place Ville Marie, Suite 4000, Montréal, Québec, Canada, no later than 5:00 p.m. (Eastern Time) on February 17, 2026 (or no later than 5:00 p.m. (Eastern Time) two Business Days immediately preceding the date to which the Meeting may be adjourned or postponed from time to time).**

It is a condition to the Purchaser's obligation to complete the Arrangement that Shareholders holding no more than 5% of the Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

The statutory provisions covering the right to dissent are technical and complex. **Failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any Dissent Right. Anyone who is a beneficial owner of Shares registered in the name of an Intermediary and who wishes to exercise Dissent Rights should be aware that only Registered Shareholders are entitled to exercise Dissent Rights**. Accordingly, a Non-Registered Shareholder who desires to exercise Dissent Rights must make arrangements for the Shares beneficially owned by such holder to be registered in the name of such holder prior to the time the Dissent Notice is required to be received by the Company or, alternatively, make arrangements for the Registered Shareholder of such Shares to exercise Dissent Rights on behalf of such Shareholder. A Shareholder wishing to exercise Dissent Rights may only exercise such rights with respect to all Shares registered in the name of such Shareholder if such Shareholder exercised all the voting rights carried by those Shares against the Arrangement Resolution. It is recommended that you seek independent legal advice if you wish to exercise Dissent Rights. See "*Dissenting Shareholders Rights*".

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

This Circular contains a summary of certain Canadian federal income tax considerations generally applicable to certain Shareholders who, under the Arrangement, ultimately dispose of one or more Shares to the Purchaser for cash. The summary describes the principal Canadian federal income tax considerations for Shareholders who dispose of their Shares in return for the Consideration pursuant to the Arrangement and who, for the purposes of the Tax Act and at all relevant times, hold their Shares as capital property, deal at arm's length with the Company and the Purchaser and the Parent, and are not affiliated with the Company or any of the Purchaser or the Parent. See the discussion under "*Certain Canadian Federal Income Tax Considerations*".

INFORMATION ON DEPOSITARY

Computershare Investor Services Inc. will act as the depositary for the receipt of share certificates or DRS Advices, related Letters of Transmittal and the payments the Consideration to be made to Shareholders pursuant to the Arrangement. See "*Arrangement Mechanics* - Depositary *Agreement*".

RISK FACTORS

There is a risk that the Arrangement may not be completed. If the Arrangement is not completed, the Company will continue to face, and Shareholders will remain exposed to, the risks that the Company currently faces with respect to its affairs, business and operations and prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Shares.

The risk factors described under "*Risk Factors*" should be carefully considered by Shareholders in evaluating whether to approve the Arrangement Resolution.

TSX VENTURE EXCHANGE DELISTING AND REPORTING ISSUER STATUS

The Company and the Purchaser have agreed to cause the Shares to be delisted from the TSX-V promptly, with effect as soon as practicable following the Effective Time. Following the Effective Date, it is expected that the Purchaser will cause the Company to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

QUESTIONS AND ANSWERS ABOUT THE ARRANGEMENT

The following is a summary of certain information contained in or incorporated by reference into this Circular, together with some of the questions that you, as a Shareholder, may have and answers to those questions. You are urged to read the remainder of this Circular, including the attached appendices, the enclosed form of proxy and voting instruction form, as applicable, and Letter of Transmittal carefully, because the information contained below is of a summary nature, and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference into this Circular, the attached appendices, the enclosed form of proxy and voting instruction form, as applicable, and Letter of Transmittal, all of which are important and should be reviewed carefully. All capitalized terms not otherwise defined herein have the meanings set forth in the "Glossary of Terms" starting on page 88 of this Circular.

*This Circular is provided to you in connection with the solicitation by or on behalf of management of Imaflex of proxies to be used at the Meeting to be held via live audio webcast only at meetnow.global/MMFSUZD, at 10:00 a.m. (Eastern Time) on **February 19, 2026** and any adjournment(s) or postponement(s) thereof for the purposes indicated in the Notice of Meeting.*

Your vote is very important. We encourage you to exercise your right to vote by proxy if:

1) you cannot attend the Meeting; or

2) you plan to attend the Meeting, but prefer the convenience of voting in advance.

Only Registered Shareholders and proxyholders can vote at the Meeting. If you hold your Shares with an Intermediary, please follow the instructions provided by such Intermediary.

The questions and answers below give general guidance for voting your Shares and other matters related to the proposed Arrangement involving the Company, the Purchaser and the Parent. Unless otherwise noted, all answers relate to both Registered Shareholders and Non-Registered Shareholders. If you have any questions, please feel free to contact the Company's transfer agent, Computershare Investor Services Inc., by telephone toll-free in North America at 1-800-564-6253 or outside of North America at 1-514-982-7555 or by email at service@computershare.com.

Q: Does the Board support the Arrangement?

A: Yes. After careful consideration and taking into account such matters as it considered relevant, including, among other things, the unanimous recommendation of the Special Committee and the Fairness Opinion, and after receiving legal and financial advice, the Board has unanimously determined that the Arrangement is in the best interests of Imaflex and is fair to the Shareholders. **Accordingly, the Board unanimously recommends that Shareholders vote FOR the Arrangement Resolution.**

In making its recommendation, the Board considered a number of factors as described in this Circular under the heading "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board"*

", including the recommendation of the Special Committee and receipt of the Fairness Opinion, which each determined that, as of December 17, 2025, subject to the scope of review, assumptions, limitations and qualifications contained therein, the Consideration to be received by Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders. See *"The Arrangement – Fairness Opinion".*

Q: What will I receive for my Shares under the Arrangement?

A: If the Arrangement is completed, pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder will be entitled to receive from the Purchaser **$2.35** in cash per Share held, subject to any applicable withholding under the Plan of Arrangement.

Q: Am I entitled to vote?

A: You are entitled to vote if you were a holder of Shares as of the close of business on January 15, 2026. Each Shareholder is entitled to one vote per Share held on all matters to come before the Meeting, including the Arrangement Resolution. Holders of Company Options are not entitled to vote in respect of any such securities on any matters at the Meeting.

Q: What am I voting on?

A: If you are a holder of Shares, you are voting to approve the Arrangement Resolution, the full text of which is set out in Appendix "A" to this Circular, providing for the proposed Arrangement involving Imaflex, the Purchaser and the Parent. Under the proposed Arrangement, the Purchaser will acquire all of the issued and outstanding Shares of the Company.

Q: What if amendments are made to these matters or if other business matters are brought before the Meeting?

A: If you attend the Meeting virtually, you may vote on the business matters as you choose.

If you have completed and returned a proxy form, the persons named in the proxy form will have discretionary authority to vote on amendments or variations to the business matters identified in the Notice of Meeting, and on other matters that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of the Circular, management of the Company is not aware of any amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting.

Q: How many Shares are entitled to vote?

A: The Board has fixed January 15, 2026, as the Record Date for determining the Shareholders who are entitled to receive notice of and vote at the Meeting. Only Registered Shareholders whose names have been entered in the register of the Company as at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting. No other Imaflex securityholders are entitled to vote at the Meeting. Holders of Company Options are not entitled to vote in respect of any such securities on any matters at the Meeting.

As at the Record Date, 52,088,637 Shares were issued and outstanding. Each Share outstanding on the Record Date carries the right to one vote.

Q: How do I vote my Shares?

A: If you are a Registered Shareholder, you may vote by: (i) attending the Meeting virtually, (ii) appointing a proxyholder designated by the Company in the form of proxy as your proxyholder, (iii) appointing a third party as your proxyholder by following the procedures outlined in the Circular, or (iv) Internet, telephone or mail.

If you are a Non-Registered Shareholder, you may vote (i) through your Intermediary in accordance with the instructions provided by your Intermediary, (ii) virtually at the Meeting by appointing yourself or a third party as proxyholder by following the procedures included in the Circular, or (iii) by Internet, telephone or mail as permitted and described in the voting instruction form provided to you. Whether or not you are able to attend the Meeting virtually, Shareholders are strongly encouraged to vote in advance by Internet,

telephone or mail, by following the instructions set out on the form of proxy or voting instruction form, as applicable, provided to you.

Proxies must be received by the Company's transfer agent, Computershare Investor Services Inc., at 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6, Attention: Proxy Department, no later than 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). If you hold your Shares through an Intermediary, a completed voting instruction form should be deposited in accordance with the instructions printed on the form

See "General Proxy Information – How to Vote at the Meeting"

Q: If my Shares are held by my broker, will my broker vote my Shares for me?

A: If you are a NOBO, you must provide your voting instructions to the Company's agent (Computershare). If you are an OBO, a broker or other Intermediary will only vote the Shares held by you if you provide instructions to your broker or other Intermediary directly on how to vote. Without instructions, those Shares may not be voted. Most Intermediaries delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge will forward your instructions to the Company's agent. Broadridge typically mails a scannable voting instruction form in lieu of a form of proxy to Non-Registered Shareholders and provides appropriate instructions respecting voting of Shares to be represented at the Meeting. Non-Registered Shareholders should complete the voting instruction form by following the directions provided on the form. Unless your broker or other Intermediary gives you its specific proxy, voting instruction form or other method to provide voting instructions to vote the Shares at the Meeting, you should complete the voting instruction form provided. See *"General Proxy Information – How to Vote at the Meeting".*

Q: Should I send in my proxy or voting instructions now?

A: Whether or not you expect to attend the Meeting virtually, we encourage you to take the time to complete, sign, date and return the enclosed form of proxy or voting instruction form, as applicable, in accordance with the instructions set out therein so that your Shares can be voted at the Meeting. Proxies must be received by the Company's transfer agent, Computershare Investor Services Inc., no later than 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). If you hold your Shares through a broker or other Intermediary, a completed voting instruction form should be deposited in accordance with the instructions printed on the form received. See "*General Proxy Information – How to Vote at the Meeting"*

Q: Can I revoke a proxy or voting instruction?

A: Yes. If you are a Registered Shareholder and have returned a proxy form, you may revoke it by:

i. completing and signing a proxy bearing a later date and depositing it with Computershare in accordance with the instructions set out above;

ii. depositing an instrument in writing executed by the Registered Shareholder or by such Shareholder's personal representative authorized in writing:

   a. at the office of Computershare no later than 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed); or

   b. with the Chair of the Meeting before the Meeting begins or, if the Meeting is adjourned, before the adjourned Meeting begins; or

iii. any other manner permitted by law.

In addition, if you are a Registered Shareholder, once you join the Meeting online and you accept the terms and conditions, you may (but are not obliged to) revoke any and all previously submitted proxies by voting by ballot on the matters put forth at the Meeting. If you attend the Meeting but do not vote by ballot, your previously submitted proxy will remain valid.

If you are a Non-Registered Shareholder, contact your Intermediary. The change or revocation of voting instructions by Non-Registered Shareholders can take several days or longer to complete and accordingly, any such action should be completed well in advance of the deadline given in the voting instruction form provided by the Intermediary.

See "*General Proxy Information - Appointment and Revocation of Proxies*"

Q: Who is soliciting my proxy?

A: This Circular is furnished in connection with the solicitation of proxies by and on behalf of management of the Company in connection with the Meeting and the associated costs will be borne by the Company. Whether or not you plan to attend virtually the Meeting, management of Imaflex, with the support of the Board, requests that you fill out your form of proxy or voting instruction form, as applicable to ensure your votes are cast at the Meeting.

It is expected that the solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally or by telephone, email, internet, facsimile transmission or other electronic or other means of communication by directors, officers, Company Employees, agents or other representatives of the Company. See "*General Proxy Information - Solicitation of Proxies*"

Q: Who votes my Shares and how will they be voted if I return a proxy form?

A: By properly completing and returning a form of proxy or voting instruction form, as applicable, you are authorizing the persons named in that form to attend the Meeting and to vote your Shares.

The Shares represented by properly executed proxies will be voted for or against any matter to be acted upon where such Shareholder specifies a choice for such matter. If you are a Non-Registered Shareholder, your broker or other Intermediary will only vote the Shares held by you if you provide instructions to your broker or other Intermediary directly on how to vote. Without instructions, those Shares may not be voted

NOTE TO SHAREHOLDERS: In respect of proxies in favour of management proxyholders in which Shareholders have failed to specify the manner of voting, the Shares represented by such proxies will be voted **FOR** the Arrangement Resolution.

See "*General Proxy Information - Exercise of Vote by Proxy"*

Q: Can I appoint someone other than those named in the enclosed proxy forms to vote my Shares?

A: Yes. You have the right to appoint another person of your choice. They do not need to be a Shareholder to attend and act on your behalf at the Meeting. To appoint someone who is not named in the proxy form or voting instruction form, as applicable, strike out those printed names appearing on the form and print in the space provided the name of the person you choose. Non-Registered Shareholders should carefully follow the instructions on the voting instruction form to appoint someone else to represent them at the Meeting. See "*General Proxy Information – How to Vote at the Meeting*"

NOTE TO SHAREHOLDERS: It is important for you to ensure that any other person you appoint will attend the Meeting virtually and know you have appointed them.

Q: What will I have to do as a Shareholder to obtain the Consideration?

A: Registered Shareholders will have received with this Circular a Letter of Transmittal. In order to receive the Consideration, Registered Shareholders must properly complete and duly execute the Letter of Transmittal and deliver such Letter of Transmittal and the other documents and instruments referred to therein or reasonably required by the Depositary, including the certificate(s) or DRS Advice(s) representing their Shares, to the Depositary in accordance with the instructions contained in the Letter of Transmittal. Non-Registered Shareholders must contact their Intermediary to arrange for their Intermediary to complete the necessary transmittal documents and to ensure that they receive payment for their Shares if the Arrangement is completed. See "*Arrangement Mechanics*"

Q: What approvals are required to be given by Shareholders at the Meeting?

A: Completion of the Arrangement is also conditional upon approval of the Arrangement Resolution, which must be approved, with or without variation, by the affirmative vote of : (i) at least 66 ⅔% of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting; and (ii) a simple majority of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with Regulation 61-101. See "*Certain Legal and Regulatory Matters – Required Shareholder Approval*".

Q: What other approvals are required for the Arrangement?

A: The Arrangement must also be approved by the Court. The Court will be asked to make a final order approving the Arrangement and to determine that the Arrangement is fair to the Shareholders. Imaflex will apply to the Court for this final order if the Shareholders approve the Arrangement at the Meeting. See "*Certain Legal and Regulatory Matters*".

Q: What will happen to Imaflex if the Arrangement is completed?

A: If the Arrangement is completed, the Purchaser will acquire all of Imaflex's Shares and Imaflex will become a wholly-owned Subsidiary of the Purchaser. It is anticipated that the Purchaser will apply to the applicable Canadian securities regulators to have Imaflex cease to be a reporting issuer and have the Shares delisted from the TSX-V immediately following completion of the Arrangement.

Q: What will happen if the Arrangement Resolution is not approved, or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated and Imaflex will continue to carry on its business operations in the normal and usual course.

In certain circumstances, Imaflex will be required to pay the Termination Fee of $3.7 million to the Parent in connection with such termination, including upon making a Change in Recommendation. See "*The Arrangement Agreement – Termination Fees*".

In addition, the Purchaser can be required to pay the Reverse Termination Fee of $3.7 million to the Company in connection with such termination, including in the event of a wilful breach or fraud by the Purchaser in certain circumstances or a failure by the Purchaser to consummate closing in certain circumstances. See "*The Arrangement Agreement – Termination Fees*".

Q: When will the Arrangement become effective?

A: Subject to obtaining the requisite approvals of the Shareholders and the Court described above, it is anticipated that the Arrangement will be completed as soon as practicable following receipt of the Final Order, which is expected to be obtained before the end of February 2026, and following the satisfaction or waiver (by the parties entitled to the benefit thereof) of all other conditions precedent to the Arrangement.

Q: Do I have Dissent Rights?

A: Only Registered Shareholders as of the Record Date are entitled to Dissent Rights. Shareholders should carefully read the section entitled *"Dissenting Shareholders Rights"* if they wish to exercise Dissent Rights and seek their own legal advice as failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of Dissent Rights. See Appendix "C" and Appendix "E" to this Circular for a copy of the Interim Order and certain information relating to the Dissent Rights under the CBCA. A Registered Shareholder wishing to exercise rights of dissent with respect to the Arrangement must send to the Company a Dissent Notice to the Arrangement Resolution, which Dissent Notice must be received by the Company at its registered office c/o Tony Abbandonato, Vice President Sales and Corporate Secretary, 5710 Notre-Dame Street West, Montréal, Québec H4C 1V2, with a copy to Lavery, de Billy, L.L.P. c/o Me Josianne Beaudry, 1 Place Ville Marie, Suite 4000, Montréal, Québec, Canada, no later than 5:00 p.m. (Eastern Time) on February 17, 2026 (or no later than 5:00 p.m. (Eastern Time) two Business Days prior to the date to which the Meeting may be adjourned or postponed from time to time), and must otherwise strictly comply with the dissent procedures described in this Circular, the Interim Order and the Plan of Arrangement.

None of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Options; and (ii) Shareholders who vote or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution (but only in respect of such Shares); and (iii) Shareholders who fail to vote or instruct a proxyholder to exercise the voting rights attached to their Shares against the Arrangement Resolution (but only in respect of such Shares).

A Non-Registered Shareholder who wishes that Dissent Rights be exercised in respect of its Shares should immediately contact the Intermediary with whom the Non-Registered Shareholder deals.

Q: What if I have other questions?

A: If you have any questions regarding the Meeting, please contact the Transfer Agent:

Computershare Investor Services Inc.
1-800-564-6253 (North American Toll Free)
514- 982-7555 (Collect Outside North America)
service@computershare.com

GENERAL PROXY INFORMATION

PURPOSE OF THE MEETING

The purpose of the Meeting is for Shareholders to consider and vote upon the Arrangement Resolution, the full text of which is set out in Appendix "A" to this Circular. Particulars of the subject matter relating to the Arrangement are described in this Circular under the heading "*The Arrangement*".

MANAGEMENT AND THE BOARD OF IMAFLEX UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

Important information relating to the Arrangement Resolution, including the details relating to the Arrangement are found in this Circular. Shareholders are urged to closely review the information in this Circular.

DATE, TIME AND PLACE OF MEETING, RECORD DATE AND QUORUM

The Meeting will be held via live audio webcast only at meetnow.global/MMFSUZD, at 10:00 a.m. (Eastern Time) on **February 19, 2026**. The Board has fixed January 15, 2026 as the Record Date, being the date for the determination of the Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournment(s) or postponement(s) thereof. Only Registered Shareholders whose names have been entered in the register of the Company as at the close of business on the Record Date will be entitled to receive notice of and vote at the Meeting. No other Imaflex securityholders are entitled to vote at the Meeting. Holders of Company Options are not entitled to vote in respect of any such securities on any matters at the Meeting. A quorum of Shareholders will be present at the Meeting if the holders of at least 10% of the Shares entitled to vote at the Meeting are present virtually or duly represented by proxy at the Meeting, irrespective of the number of persons present virtually at the Meeting.

ACCESSING AND VOTING VIRTUALLY

Registered Shareholders and duly-appointed proxyholders can attend and vote virtually by following these steps:

1. Log into meetnow.global/MMFSUZD at least 15 minutes before the meeting starts;
2. Click "Shareholder" and enter the control number contained on your form of proxy or, for proxyholders, click "Invitation" and enter the invitation code emailed to you by Computershare;
3. Follow the instructions on screen to vote as needed

The "control number" of a Registered Shareholder is the 15-digit control number located on the form of proxy received. The "invitation code" of a proxyholder is the 4-letter code that Computershare will send to the proxyholder by email after the cut-off time for voting, provided the proxyholder was designated.

Guests and Non-Registered Shareholders who have not appointed themselves as proxyholder can attend virtually by following these steps:

1. Log into meetnow.global/MMFSUZD at least 15 minutes before the meeting starts;
2. Click "I am a guest" and fill in the online form (guests are permitted to attend, but not vote).

How to Vote During the Meeting

Once voting has opened, the voting tab will appear on the navigation bar at the top of your screen. The resolutions and voting choices will then be displayed. After you vote, a message confirming "vote received" will appear. Your vote can be changed by simply clicking the other option. If you wish to cancel your vote, please press "cancel".

How to Ask Questions During the Meeting

Questions can be submitted virtually at any time during the Meeting by Registered Shareholders and proxyholders. To submit a question, select the Q&A tab at the top of your screen. Type your message within the text box at the top of the messaging screen and then click the send button. Please note that questions submitted during the Meeting via the online platform will be moderated before being sent to the Chair. Questions on the same topic or otherwise substantially similar may be grouped, summarized and addressed at the same time to avoid repetition. The Chair of the Meeting reserves the right to edit or reject questions that are inappropriate and to limit the number of questions per Shareholder in order to ensure that as many Shareholders as possible have the opportunity to ask questions. Guests will not be able to submit questions.

Difficulties in Accessing the Meeting

Internal network security protocols including firewalls and VPN connections may block access to the Computershare platform. If you are experiencing any difficulty connecting or watching the Meeting, ensure your VPN setting is disabled or use a computer on a network not restricted to security settings or your organization. For further help, contact Computershare Investor Services Inc., by telephone toll-free in North America at 1-888-724-2416 or outside of North America at 1-781-575-2748 or by email at service@computershare.com.

AVAILABILITY OF PROXY MATERIALS

The Company is not relying on the notice-and-access delivery procedures outlined in *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* to distribute copies of the proxy-related materials in connection with the Meeting. As a result, all Shareholders will receive paper copies of the Circular and related materials via prepaid mail, which includes both Registered Shareholders and Non-Registered Shareholders through their Intermediaries, which are required to forward the proxy-related materials to Non-Registered Shareholders unless a Non-Registered Shareholders has waived the right to receive them.

HOW TO VOTE AT THE MEETING

The manner in which you vote your Shares depends on whether you are a Registered Shareholder or a Non-Registered Shareholder. You are a **Registered Shareholder** if you have a share certificate or DRS Advice issued in your name and you appear as the Registered Shareholder on the books of the Company. You are a **Non-Registered Shareholder** if your Shares are registered in the name of an intermediary, generally being a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary (collectively "**Intermediaries**", and each an "**Intermediary**").

Registered Shareholders

VOTING METHODS FOR REGISTERED SHAREHOLDERS

VIA THE INTERNET	BY TELEPHONE	BY MAIL	AT THE MEETING VIRTUALLY	BY PROXYHOLDER
Go to www.investorvote.com Enter the 15-digit control number located on your proxy form	Call 1-866-732-VOTE (8683) Enter the 15-digit control number located on your proxy form	Return your proxy form to: Computershare 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6	meetnow.global/MMFSUZD Enter the 15-digit control number located on your proxy	Appoint your proxyholder by submitting your proxy form and register your proxyholder at http://www.computershare.com/Imaflex. See detailed instructions below. meetnow.global/MMFSUZD Your proxyholder must enter the 4-letter code received from Computershare

As a Registered Shareholder, you may vote by: (i) attending the Meeting virtually, (ii) appointing a proxyholder designated by the Company in the form of proxy as your proxyholder, (iii) appointing a third party as your proxyholder by following the procedures below, or (iv) Internet, telephone or mail.

Voting at the Meeting

If you are a Registered Shareholder, you may attend the Meeting and vote virtually by logging on a voting platform specifically designed for this matter via live audio webcast only at meetnow.global/MMFSUZD.

If you wish to attend and vote virtually at the Meeting, you will need the 15-digit control number located on the form of proxy that has been provided to you with this Circular and your proxyholder will need the 4-letter invitation code to be provided by Computershare by email. Once you have identified your control number, follow the instructions in the above section entitled "*General Proxy Information– Accessing and Voting Virtually*" to participate virtually in the Meeting.

Appointing a Proxy Designated by the Company

Voting by proxy is the easiest way for Registered Shareholders to vote at the Meeting. As a Registered Shareholder, you have received a form of proxy with this Circular. Proxyholders named in the enclosed form of proxy are requested to vote the Shares with respect of which they are appointed in accordance with the instructions on the form of proxy. If you do not plan to participate at the Meeting, or you do not intend to nominate a proxyholder to vote at the Meeting in your place, the Company encourages you to vote by proxy in any of the following ways:

- By Internet: Follow the instructions for Internet voting on the form of proxy.
- By Telephone: Call Computershare at 1-866-732-8683 (for shareholders outside of North America, call 312-588-4290) and follow the voice instructions. You will need your 15-digit control number, which can be found on your form of proxy.
- By Mail: Complete, date and sign the form of proxy in accordance with the instructions included on the form of proxy. Return the completed form of proxy in the envelope provided to Computershare, Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6.

To be voted at the Meeting, proxies must be received by Computershare no later than 10:00 a.m. (Eastern Time) on February 17, 2026, or no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postponed, provided however, that the Chair of the Meeting may, in his or her sole discretion, accept proxies delivered to him or her up to the time when any vote is taken at the Meeting or any adjournment(s) or postponement(s) thereof, or in accordance with any other manner permitted by law.

Appointing a Third Party as Proxy

You may appoint a person or company other than the proxyholders designated by the Company on your form of proxy to represent you and vote on your behalf at the Meeting. This person does not need to be a Shareholder to be appointed as your proxyholder.

Step 1 - Submit your proxy form. Insert the name of the person that you are appointing in the space provided on the proxy form. Follow the voting instructions included on the form of proxy and then sign and date the form of proxy. Once complete, return the form of proxy to the offices of Computershare, Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6, to arrive no later than 10:00 a.m. (Eastern Time) on February 17, 2026, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postponed, provided however, that the Chair of the Meeting may, in his or her sole discretion, accept proxies delivered to him or her up to the time when any vote is taken at the Meeting or any adjournment(s) or postponement(s) thereof, or in accordance with any other manner permitted by Law.

Step 2 – Register your proxyholder. In order for your proxyholder to access the virtual Meeting, go to https://computershare.com/imaflex and register your proxyholder as appropriate no later than 10:00 a.m. (Eastern Time) on February 17, 2026, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postpone. Following the proxy vote cut-off time, Computershare will provide the proxyholder with a 4-letter invitation code as login credentials in order to attend and vote in the virtual Meeting. **Without an invitation code, proxyholders will not be able to virtually attend, participate or vote at the Meeting.**

Your proxyholder must follow the instructions in the above section entitled "*General Proxy Information–Accessing and Voting Virtually*" for accessing and voting at the Meeting.

Non-Registered Shareholders

Under applicable Securities Laws, there are two types of Non-Registered Shareholders: (i) a "non-objecting beneficial owner" ("**NOBO**") when such Non-Registered Shareholder has or is deemed to have provided instructions to the Intermediary holding the securities on such Shareholder's behalf not objecting to the Intermediary disclosing ownership information about the Non-Registered Shareholder in accordance with said legislation, and (ii) an "objecting beneficial owner" ("**OBO**") when such Non-Registered Shareholder has or is deemed to have provided instructions objecting to same.

If you are a NOBO, the Company's agent (Computershare) has sent the materials related to the Meeting directly to you. Your name and address and information about your holdings of Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Company has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please provide your voting instructions to the Company's agent (Computershare) as specified in the voting instruction form provided by the Company's agent (Computershare).

If you are an OBO, you received the materials related to the Meeting from your Intermediary or its agent (such as Broadridge), and your Intermediary is required to seek your instructions as to how to vote your Shares. The Company has agreed to pay for Intermediaries to deliver to OBOs the proxy-related materials and related voting instruction form. The voting instruction form that is sent to an OBO by the Intermediary or its agent (such as Broadridge) should contain an explanation as to how you can exercise your voting rights, including how to attend and vote directly at the Meeting. Please provide your voting instructions to your Intermediary as specified in the voting instruction form provided by such Intermediary

Voting as a NOBO

VOTING METHODS FOR "NON-OBJECTING BENEFICIAL OWNERS" (NOBOs)				
VIA THE INTERNET	**BY TELEPHONE**	**BY MAIL**	**AT THE MEETING VIRTUALLY**	**BY PROXYHOLDER**
Go to www.investorvote.com Enter the 15-digit control number located on your voting instruction form	Call 1-866-734-VOTE (8683) Enter the 15-digit control number located on your voting instruction form	Return your voting instruction form to: Computershare 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6	Appoint yourself as proxyholder by submitting your voting instructions form and register yourself at http://www.computershare.com/Imaflex. See detailed instructions below. meetnow.global/MMFSUZD Enter the 4-letter code received from Computershare	Appoint your proxyholder by submitting your voting instructions form and register your proxyholder at http://www.computershare.com/Imaflex. See detailed instructions below. meetnow.global/MMFSUZD Your proxyholder must enter the 4-letter code received from Computershare

If you are a NOBO, you have received a voting instruction form from the Company's agent (Computershare) in this package. As a NOBO, you may vote (i) by appointing a proxyholder designated by the Company in the voting instruction form as your proxyholder, (ii) at the Meeting virtually by appointing yourself or a third party as proxyholder by following the procedures below, or (iii) by Internet, telephone or mail as permitted and described in the voting instruction form provided to you.

The Company's agent (Computershare) will only vote the Shares held by you if you provide instructions to the Company's agent (Computershare) directly on how to vote. Without instructions, those Shares may not be voted.

Appointing a Proxy Designated by the Company

If you are a NOBO and do not plan to participate at the Meeting, or you do not intend to nominate a proxyholder to vote at the Meeting in your place, Imaflex encourages you to vote by proxy in any of the following ways:

- By Internet: Follow the instructions for Internet voting on the voting instruction form.
- By Telephone: Call Computershare at 1-866-732-8683 (for shareholders outside of North America, call 312-588-4290) and follow the voice instructions. You will need your 15-digit control number, which can be found on your voting instruction form.
- By Mail: Complete, date and sign the form of proxy in accordance with the instructions included on the form of proxy. Return the completed voting instruction form in the envelope provided to Computershare, Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6.

Voting at the Meeting or Appointing a Third Party as Proxy

If you are a NOBO, you may appoint yourself or a person or company other than the proxyholders designated by the Company on your voting instruction form to represent you and vote on your behalf at the Meeting. If you wish to participate and vote at the Meeting as a NOBO, you must appoint yourself as proxyholder. You may appoint yourself or a person or company other than the proxyholders designated by the Company on your voting instruction form to represent you and vote on your behalf at the Meeting or, if you appoint yourself, to vote directly at the Meeting. This person does not need to be a Shareholder to be appointed as your proxyholder.

Step 1 - Submit your proxy form. Insert your name or the name of the person or company you wish to appoint as proxyholder in the blank space provided in the voting instruction form. Follow the voting instructions included on the voting instruction form and then sign and date the voting instruction form. Once complete, return the voting instruction form to the offices of Computershare, Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6 to arrive no later than 10:00 a.m. (Eastern Time) on February 17, 2026, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postponed, provided however, that the Chair of the Meeting may, in his or her sole discretion, accept proxies delivered to him or her up to the time when any vote is taken at the Meeting or any adjournment(s) or postponement(s) thereof, or in accordance with any other manner permitted by Law. This must be completed prior to registering you or your proxyholder, as applicable, as proxyholder with Computershare.

Step 2 – Register you or your proxyholder. In order for you or your proxyholder, as applicable, to access the virtual Meeting, go to https://computershare.com/imaflex and register you or your proxyholder, as applicable, no later than 10:00 a.m. (Eastern Time) on February 17, 2026, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postpone. Following the proxy vote cut-off time, Computershare will provide you or the proxyholder, as applicable, with a 4-letter invitation code as login credentials in order to attend and vote in the virtual Meeting. **Without an invitation code, you or your proxyholder, applicable, will not be able to virtually attend, participate or vote at the Meeting.**

You or your proxyholder, as applicable, must follow the instructions in the above section entitled "*General Proxy Information– Accessing and Voting Virtually*" for accessing and voting at the Meeting. You can also attend the Meeting virtually as a "Guest" if you do not appoint yourself as proxy by following the above instructions.

Voting as an OBO

VOTING METHODS FOR "OBJECTING BENEFICIAL OWNERS" (OBOs)				
VIA THE INTERNET	**BY TELEPHONE**	**BY MAIL**	**AT THE MEETING VIRTUALLY**	**BY PROXYHOLDER**
Go to www.proxyvote.com Enter the 16-digit control number on your VIF	Call 1-800-474-7493 (English) or 1-800-474-7501 (French)	Follow the instructions provided by your Intermediary	Appoint yourself as proxyholder by following the instructions provided by your Intermediary and register yourself at http://www.computershare.com/Imaflex. meetnow.global/MMFSUZD Enter the 4-letter invitation code received from Computershare	Appoint your proxyholder by following the instructions provided by your Intermediary and register your proxyholder at http://www.computershare.com/Imaflex. meetnow.global/MMFSUZD Your proxyholder must enter the 4-letter code received from Computershare

If you are an OBO, you have received a voting instruction form from your Intermediary or its agent (such as Broadridge) in this package. As an OBO, you may vote (i) through your Intermediary in accordance with the instructions provided by your Intermediary, (ii) at the Meeting virtually by appointing yourself or a third party as proxyholder by following the procedures below, or (iii) by Internet, telephone or mail as permitted and described in the voting instruction form provided to you.

In the case of OBOs, most Intermediaries delegate responsibility for obtaining instructions from clients to Broadridge. Broadridge will forward your instructions to Computershare. Broadridge typically mails a scannable voting instruction form in lieu of a form of proxy to OBOs and provides appropriate instructions respecting voting of Shares to be represented at the Meeting. OBOs should complete the voting instruction form by following the directions provided on the form. Unless your broker or other Intermediary gives you its specific proxy, voting instruction form or other method to provide voting instructions to vote the Shares at the Meeting, you should complete the voting instruction form provided therein.

Your broker or other Intermediary will only vote the Shares held by you if you provide instructions to your broker or other Intermediary directly on how to vote. Without instructions, those Shares may not be voted.

Voting Through Your Intermediary

If you are an OBO, to vote your Shares held through an Intermediary at the Meeting or any adjournment(s) or postponement(s) thereof, you must carefully follow the instructions on the voting instruction form provided by your Intermediary**. Intermediaries may set deadlines for voting that are further in advance of the Meeting than those set out in this Circular**. Please contact your Intermediary if you did not receive a voting instruction form or have any questions about how to participate or vote at the Meeting.

Voting at the Meeting or Appointing a Third Party as Proxy

If you are an OBO and wish to participate and vote at the Meeting or appoint a third-party proxyholder to participate and vote on your behalf at the Meeting, you must appoint yourself or another person or company, as applicable, as proxyholder.

Step 1 - Submit your voting instruction form. Insert your name or the name of the person or company you wish to appoint as proxyholder in the blank space provided in the voting instruction form and then follow your Intermediary's instructions for returning the voting instruction form within the prescribed deadline. **Non-Registered Shareholders who have appointed themselves as proxyholders and who wish to attend and vote at the Meeting should not complete the voting section of the voting instruction form.** Your voting instruction form must be received in sufficient time to be forwarded by your Intermediary to Computershare before 10:00 a.m. (Eastern Time) on February 17, 2026, or not later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postponed. This must be completed prior to registering you or your proxyholder, as applicable, as proxyholder with Computershare. It is important that you comply with the signature and return instructions provided in the voting instruction form by your Intermediary and return the voting instruction form in accordance with those instructions, within the prescribed deadline.

Step 2 – Register you or your proxyholder. In order for you or your proxyholder, as applicable, to access the virtual Meeting, go to https://computershare.com/imaflex and register you or your proxyholder, as applicable, no later than 48 hours (excluding Saturdays, Sundays and statutory holidays) before any reconvened meeting if the Meeting is adjourned or postponed. Following the proxy vote cut-off time, Computershare will provide you or your proxyholder, as applicable, with a 4-letter invitation code as login credentials in order to attend and vote in the virtual Meeting. **Without an invitation code, you or your proxyholder, applicable, will not be able to virtually attend, participate or vote at the Meeting.**

OBOs located outside Canada

If you are an OBO located outside of Canada (including an OBO located in the United States) wishing to participate and vote at the Meeting or, if permitted, wishing to appoint a third party as their proxyholder, additional steps may be required, in addition to the steps described above and below, to obtain a valid legal proxy from their Intermediary. You must then follow the instructions from your Intermediary included with the legal form of proxy and in the voting instruction form sent to you or contact your Intermediary to request a legal form of proxy or a legal proxy if you have not received one. After obtaining a valid legal proxy from your Intermediary, you must then submit such legal proxy to Computershare by following the instructions set out in the form of proxy. OBOs located in the United States may send their legal form of proxy to Computershare by (i) mail at: Attention: Proxy Department, 320 Bay Street, 14th Floor, Toronto, Ontario, Canada, M5H 4A6; or (ii) by email at uslegalproxy@computershare.com. Requests for registration must be labeled as "Legal Proxy" and must be received no later than 10:00 a.m. (Eastern Time) on February 17, 2026, (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). You will receive a confirmation of your registration by email after Computershare receives your registration materials.

In all cases, your voting instructions must be received in sufficient time to allow your voting instruction form to be forwarded by your Intermediary to Computershare before 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). If you plan to participate in the Meeting (or to have your proxyholder attend the Meeting), you or your proxyholder will not be entitled to vote or ask questions online unless the proper documentation is completed and received by your Intermediary well in advance of the Meeting to allow them to forward the necessary information to Computershare before 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed). If you wish to attend and vote virtually at the Meeting (or to have your proxyholder attend the Meeting), you will also need to register yourself or your proxyholder, as applicable, with Computershare as instructed in *Step 2 – Register you or your proxyholder* under "*Voting as an OBO – Voting at the Meeting or Appointing a Third Party as Proxy*" above. You can also attend the Meeting virtually as a "Guest" if you do not appoint yourself as proxy by following the above instructions.

You should contact your Intermediary well in advance of the Meeting and follow their instructions if you want to participate, or have your third-party proxyholder participate on your behalf, at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

By returning a form of proxy or voting instruction form, you are authorizing the person named in the proxy or voting instruction form to be able to attend the Meeting and vote your Shares on each item of business according to your instructions. The persons named in the enclosed form of proxy or voting instruction form are officers and/or directors of the Company.

A Registered Shareholder desiring to appoint some other person or company, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of

proxy and, in either case, depositing the completed and executed proxy in the manner described above.

A Non-Registered Shareholder desiring to appoint some other person or company, who need not be a Shareholder, to represent him or her at the Meeting, may do so by following the instructions on the voting instruction form.

A Registered Shareholder who has submitted a proxy may revoke such proxy by: (a) completing and signing a proxy bearing a later date and depositing it with Computershare in accordance with the instructions set out above, or (b) depositing an instrument in writing executed by the Registered Shareholder or by such Shareholder's personal representative authorized in writing (i) at the office of Computershare no later than 10:00 a.m. (Eastern Time) on February 17, 2026 (or not later than 48 hours, excluding Saturdays, Sundays and statutory holidays, before any reconvened meeting if the Meeting is adjourned or postponed), (ii) with the Chair of the Meeting, prior to the commencement of the Meeting on the day of the Meeting, or where the Meeting has been adjourned or postponed, prior to the commencement of the reconvened or postponed Meeting on the day of such reconvened or postponed Meeting, or (iii) in any other manner permitted by Law. In addition, if you are a Registered Shareholder, once you join the Meeting online and you accept the terms and conditions, you may (but are not obliged to) revoke any and all previously submitted proxies by voting by ballot on the matters put forth at the Meeting. If you attend the Meeting but do not vote by ballot, your previously submitted proxy will remain valid.

The revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

EXERCISE OF VOTE BY PROXY

The Shares represented by properly executed proxies will be voted for or against any matter to be acted upon where such Shareholder specifies a choice for such matter. **In respect of proxies in favour of management proxyholders in which Shareholders have failed to specify the manner of voting, the Shares represented by such proxies will be voted <u>FOR</u> the Arrangement Resolution.**

The form of proxy also confers discretionary authority upon the management proxyholders in respect of amendments or variations to matters identified in the notice of Meeting or other matters that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. Management knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the notice calling the Meeting. However, if any amendments, variations or other matters which are not now known to management should properly come before the Meeting or any adjournment(s) or postponement(s) thereof, the Shares represented by proxies in favour of management proxyholders will be voted on such amendments, variations or other matters in accordance with the best judgment of the proxyholder.

SOLICITATION OF PROXIES

It is expected that the solicitation of proxies will be made primarily by mail, but proxies may also be solicited personally or by telephone, email, internet, facsimile transmission or other electronic or other means of communication by directors, officers, Company Employees, agents or other representatives of the Company.

The Company is not relying on the "notice-and-access" provisions of applicable Securities Laws in Canada. In some instances, the Company has distributed copies of this Circular and other related materials to Intermediaries for onward distribution to Shareholders whose Shares are held by or in the custody of those Intermediaries. The Intermediaries are required to forward the Meeting materials to OBOs. The Company intends to reimburse such Intermediaries for permitted fees and costs incurred by them in mailing the Meeting materials to beneficial owners.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

As of the date of this Circular, the Shares are the only outstanding voting shares of the Company. The holders of Shares as at the close of business on the Record Date are entitled to vote on all matters brought before a meeting of the Shareholders. The holders of Shares are entitled to one vote per Share. As at the Record Date, there were 52,088,637 Shares issued and outstanding.

To the knowledge of the directors and officers of Imaflex, as of the Record Date, no person beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the Shares, other than as set out below:

Name of Shareholder	Number of Shares[2]	Percentage of Shares[3]
Joseph Abbandonato[1]	13,471,400	25.90%
Pathfinder Asset Management Ltd.	6,047,000	11.61%

Notes:

(1) Of the 13,471,400 Shares controlled by Joseph Abbandonato, 3,909,890 are held by Roncon Consultants Inc., a corporation controlled by Joseph Abbandonato, and 9,561,510 are held directly by Joseph Abbandonato.

(2) The information as to Shares beneficially owned, controlled or directed, not being within the knowledge of Imaflex, has been obtained by Imaflex from publicly-disclosed information and confirmed by the Shareholder listed above.

(3) Calculated on a non-diluted basis on the basis of 52,088,637 issued and outstanding Shares as at the Record Date.

QUESTIONS

Shareholders who would like additional copies, without charge, of this Circular or have additional questions about the Arrangement or the Meeting, including the procedures for voting Shares, should contact the Company's Transfer Agent:

Computershare Investor Services Inc.
1-800-564-6253 (North American Toll Free)
514- 982-7555 (Collect Outside North America)
service@computershare.com

THE ARRANGEMENT

BACKGROUND TO THE ARRANGEMENT

The entering into of the Arrangement Agreement is the result of extensive arm's length negotiations between the Company and the Parent and their respective advisors and representatives. The following is a summary of the main events that led to the execution of the Arrangement Agreement and of certain meetings, negotiations, discussions and actions of the Parties that preceded the public announcement of the Arrangement on December 17, 2025.

The Board of Directors and senior management of the Company, as part of their ongoing mandate to act in the best interests of the Company, including by strengthening its business, enhancing value for Shareholders and considering the interests of stakeholders, routinely consider and assess the Company's performance, growth prospects, capital requirements, overall corporate strategy and long-term strategic plans.

Over the course of several years, the management teams of the Company and the Parent have cultivated and maintained occasional discussions with one another. In October 2024, these occasional discussions progressed into discussions regarding a potential transaction between the Company and the Parent.

On October 10, 2024, the Company received a non-binding preliminary expression of interest from Soteria (the "**Expression of Interest**") to acquire all of the Shares of the Company at $2.00 per Share, representing approximately $104 million of equity value of the Company.

The Expression of Interest was communicated to the members of the Board shortly thereafter and, on October 21, 2024, a Special Committee comprised of Philip Nolan (Chair), Michel Baril, Consolato Gattuso, Roberto Longo and Lorne Steinberg, each of whom are independent directors of the Company, was formed and met for the first time to (i) review and evaluate the Expression of Interest and (ii) further consider and evaluate other potential alternatives available to the Company. At that meeting, the Special Committee considered, among other things: (i) the premium implied by the Expression of Interest relative to the then-current trading price; (ii) whether the Expression of Interest adequately reflected the Company's intrinsic value; and (iii) the Company's recent trading and relative performance and momentum The Special Committee was given the mandate to make such recommendations as it considered appropriate in that regard to the Board, to supervise the conduct of the Company in negotiations or discussions with respect to any strategic transaction, and to retain financial and legal advisors as it deemed appropriate.

Following the meeting and after extensive discussion, the Special Committee determined that the Expression of Interest undervalued the Company and advised Soteria that although the Special Committee was not prepared to consider a sale of the Company at the purchase price set out in the Expression of Interest, it was prepared to engage in further discussions with Soteria to determine whether a higher purchase price and other material terms could be agreed upon.

On December 16, 2024, the Company and Soteria entered into a non-disclosure agreement to facilitate strategic discussions and provide Soteria with an opportunity to conduct due diligence on the Company.

On February 7, 2025, Mr. Roberto Longo resigned from the Board and Mr. Mario Settino was appointed as new Board member. Mr. Settino has been a director of Imaflex previously from June 2017 to February 2022. Mr. Settino, being an independent director of the Company, became a member of the Special Committee upon his appointment as new director of the Company.

On February 21, 2025, the Company announced that it had experienced a cybersecurity incident, which temporarily disrupted certain systems and operations which resulted in a delay in negotiations with Soteria. On March 27, 2025, Imaflex confirmed that all systems and data had been fully restored and that operations had returned to normal.

During the period from October 2024 to April 2025, the Special Committee and Soteria continued periodic discussions regarding the terms of a potential transaction while Soteria continued to conduct due diligence on the Company.

On March 19, 2025, Lavery was formally retained as legal counsel to the Special Committee and the Company in the context of a potential transaction. Upon being retained, Lavery advised the Special Committee of the importance of ensuring that an independent, diligent and rigorous process be put in place for the review of a potential transaction and also advised the members of the Special Committee on their fiduciary duties and responsibilities in their review and evaluation of a potential transaction.

On April 28, 2025, the Company and Soteria entered into a non-binding proposal ("**Revised Offer #1**") providing for the acquisition by Soteria of all of the Shares of the Company at $2.45 per Share representing approximately $128.3 million of equity value of the Company. The Revised Offer #1 also provided for an initial exclusivity period of 60 days, subject to mutually agreed extensions, to complete Soteria's due diligence and proceed with the negotiation of definitive documentation.

The exclusivity period continued to be extended until it expired on July 27, 2025. Given the prolonged duration of the diligence and negotiation period, the Parties agreed to negotiate without extension of exclusivity following its expiry date on July 27, 2025. Throughout the exclusivity period, the Special

Committee held several meetings with management and Lavery to receive updates on the progress with Soteria.

On July 31, 2025, following an extensive due diligence process conducted by Soteria, the Company received a revised non-binding proposal ("**Revised Offer #2**") from Soteria to acquire all of the Shares of the Company at $2.29 per Share representing approximately $119.8 million of equity value of the Company.

The Special Committee met on August 4, 2025, to discuss the Revised Offer #2. The Special Committee, while acknowledging the significant market premium represented by the revised purchase price, determined that it was in the best interest of the Company to pursue further negotiations with Soteria to determine whether a higher purchase price could be agreed upon. The determination was primarily driven by the lower purchase price proposed under Revised Offer #2 relative to what was offered under Revised Offer #1. The Special Committee also decided to retain the services of a financial advisor.

On August 15, 2025, the Special Committee met with representatives of Lavery, at that meeting, the Special Committee, having regard for Stifel's independence and qualifications, decided to retain Stifel as its financial advisor to the Special Committee. A formal engagement letter was entered into between the Company and Stifel on August 15, 2025, which provided for, among other things, the terms relating to the preparation and delivery of a fairness opinion by Stifel.

In August 2025, further discussions were held amongst the Parties and their respective advisors.

On August 27, 2025, the Company received a final non-binding proposal (the "**Final Offer**") from Soteria to acquire all of the Shares of the Company at $2.35 per Share, representing approximately $123 million of equity value of the Company, with the following additional conditions of closing that: (i) the Company would deliver a cash balance of 10.8 million; (ii) no debt would be outstanding; capital lease obligations would not be greater than $5.9 million (except capital lease obligations relating to the three facility property leases); and (iii) transaction expenses would not be greater than $2 million. the Special Committee met with its advisors on such date to assess the aforementioned conditions, including forecasted cash levels of the Company, its capital lease obligations and projected transaction expenses that would be incurred in connection with the Arrangement.

At such meeting, after extensive discussion and after concluding that the Final Offer is more favourable to the Shareholders relative to the status quo and is more favourable than the potential value that could result from remaining a publicly traded company and continuing to pursue the Company's strategic business plan or from the other alternatives that could reasonably be available to the Company, in each case, taking into account the execution risks and other factors deemed relevant by the Special Committee, the Special Committee authorized the Company to enter into exclusivity with Soteria to allow for completion of due diligence and negotiation of definitive documentation. Later that day, the Company returned a countersigned copy of the Final Offer.

Soteria provided an initial draft of an arrangement agreement to Imaflex on September 8, 2025, which the Company proceeded to review with its legal and financial advisors.

On September 10, 2025, the Special Committee met with representatives of Stifel and Lavery present to further review and evaluate the Final Offer. At the meeting, Stifel delivered an initial fairness opinion to the effect that, as of September 10, 2025, and subject to assumptions, qualifications and limitations discussed in such opinion, the consideration to be received by the Shareholders pursuant to the Final Offer is fair, from a financial point of view, to the Shareholders.

During the period from April 28 and December 15, 2025, the Special Committee held meetings on 19 occasions to oversee and supervise the due diligence process and to negotiate the definitive transaction documents. Members of senior management of the Company and Lavery were present at several of these meetings, and Stifel was present at 5 of such meetings.

On December 8, representatives of the Company and Soteria met in person at the Company's offices to discuss outstanding matters required for Soteria to complete its financial due diligence. Following this meeting, Soteria reaffirmed the price of $2.35 per share as set out in the Final Offer.

On December 12, 2025, in light of this prolonged period of negotiations and due diligence, the Company notified Soteria that although the Company would continue to negotiate in good faith to reach a binding agreement by December 22, 2025, the Company would terminate the exclusivity on December 15, 2025.

On December 15, 2025, Lavery provided close to final drafts of the Arrangement Agreement, the Plan of Arrangement, the Voting and Support Agreements and related agreements to the Special Committee and the Board.

Due to the time elapsed between Stifel's initial evaluation as to the fairness of the Consideration to be received by the Shareholders in September 2025 and the execution of the Arrangement Agreement on December 17, 2025, the Company and Stifel agreed, pursuant to an amendment to the Stifel Engagement letter, to an additional fee of $50,000 for the delivery of an updated Fairness Opinion.

On December 17, 2025, the Special Committee held a meeting with its legal and financial advisors to consider the proposed Arrangement and to determine whether to make a recommendation to the Board. The Company's legal and financial advisors presented to the Special Committee regarding the material terms of the Arrangement and the Arrangement Agreement. Stifel was invited to make a presentation on its views regarding the financial assessment of the Consideration offered by Soteria. Stifel summarized its approach in assessing the fairness of the Consideration offered by Soteria, from a financial point of view, to the Shareholders and confirmed that as of December 17, 2025, and based upon and subject to the assumptions, qualifications and limitations set forth in each such opinion, the Consideration offered by Soteria to the Shareholders pursuant to the Arrangement is fair. Following discussions about the factors supporting the proposed Arrangement as well as the risks and uncertainties associated with the proposed Arrangement, the Special Committee unanimously determined that the Arrangement was in the best interests of the Company and unanimously recommended that the Board approve the Arrangement.

On the same day, following the meeting of the Special Committee, the Board held a meeting to consider and approve the proposed Arrangement. During this meeting, the Company's legal advisors presented the material terms of the Arrangement Agreement and the other definitive transaction documents to the Board members, the conclusions of Stifel as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders and confirmed that the Arrangement Agreement and all other related transaction documents were substantially in final form. The Board then received the unanimous recommendation of the Special Committee. Following the presentations, the Board deliberated on the proposed Arrangement and after discussions amongst the members of the Board and after receiving legal and financial advice and the unanimous recommendation of the Special Committee, the Board unanimously determined that the Arrangement is in the best interests of the Company and unanimously recommended that Shareholders vote **for** the adoption of the Arrangement Resolution.

The Arrangement Agreement and the other definitive transaction documents were finalized and executed by the Parties on December 17, 2025, and Imaflex issued a press release publicly announcing the Arrangement on the same date.

DETERMINATIONS AND RECOMMENDATIONS OF THE SPECIAL COMMITTEE AND THE BOARD

The Board established the Special Committee for the purposes of, inter alia: (i) reviewing and considering the proposed form, structure, terms, conditions and timing of the Arrangement, as well as any alternative transaction proposal received by the Company, (ii) making such recommendations to the Board as it considers appropriate or desirable in relation to any such transaction (including whether or not to proceed with the Arrangement), and (iii) providing advice and guidance to the Board as to whether one or more transaction(s) is or are in the best interests of the Company.

The Special Committee, after having undertaken a thorough review of, and having carefully considered, information concerning the Arrangement the Fairness Opinion, and after having received advice from its financial advisor and legal counsel, unanimously determined that that the Arrangement is in the best interests of the Company and is fair to the Shareholders and unanimously recommended that the Board approve the Arrangement.

The Board, after having undertaken a thorough review of, and having carefully considered, information concerning the Arrangement and the Fairness Opinion, and after having received advice from its financial advisor and legal counsel, and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of the Company and is fair to the Shareholders. Accordingly, the Board unanimously recommends that the Shareholders vote in favour of the Arrangement Resolution.

THE BOARD OF DIRECTORS OF IMAFLEX UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

REASONS FOR THE DETERMINATIONS AND RECOMMENDATIONS OF THE SPECIAL COMMITTEE AND THE BOARD

The Special Committee, in unanimously recommending that the Board approve the Arrangement, and the Board, in unanimously determining that the Arrangement is in the best interests of the Company and is fair to the Shareholders, considered and relied upon a number of factors, including, among others, the significant factors discussed below.

- ***Substantial and Compelling Premium***. The Consideration to be received by the Shareholders represents a substantial and compelling premium of approximately 121.7% to the last closing price of the Shares on the TSX-V on December 16, 2025, and a premium of approximately 135% to the 52-week low Share price on the TSX-V for the period ending on December 16, 2025, such date being the last trading day prior to the date of public announcement of the Arrangement.

- ***Certainty of Value and Liquidity***. The Consideration being offered to the Shareholders under the Arrangement is all cash, which allows Shareholders to immediately realize value for all of their investment and provides certainty of value and immediate liquidity at a premium to the market price, as described above.

- ***Comprehensive Arm's Length Negotiations.*** Over the past five years, the Company evaluated business and strategic opportunities with the objective of maximizing shareholder value in a manner consistent with the best interests of the Company. The Arrangement Agreement is the result of extensive arm's length negotiations between the Company and the Parent. Extensive financial, legal and other advice was also provided to the Special Committee and the Board.

- ***Maintenance of Status Quo not Attractive***. The Special Committee and the Board, with the assistance of their financial and legal advisors, and based upon their collective knowledge of the business, affairs, operations, assets and liabilities, financial condition, results of operation and prospects of the Company and the current and prospective environment in which the Company operated, believe that the Arrangement is more favourable to the Shareholders relative to the status quo and is more favourable than the potential value that could result from remaining a publicly traded company and continuing to pursue the Company's strategic business plan or from the other alternatives that could reasonably be available to the Company, in each case, taking into account the execution risks and other factors deemed relevant by the Special Committee and the Board.

- ***Special Committee and Board Oversight***. The Special Committee, which is comprised entirely of independent directors, oversaw, reviewed and considered the Arrangement. The Special Committee and the Board were advised by highly qualified financial and legal advisors. The

Arrangement was unanimously recommended to the Board by the Special Committee, and was unanimously approved by the Board. The Special Committee has unanimously recommended to the Board that the Board approve the Arrangement and recommend that the Shareholders vote in favour of the Arrangement Resolution.

- ***Fairness Opinion***. Stifel provided an opinion (the text of which is available in Appendix "D") to the Board to the effect that, as of December 17, 2025, and subject to assumptions, qualifications and limitations discussed in such opinion, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

- ***Ability to Respond to Superior Proposals***. The terms and conditions of the Arrangement Agreement, including the amount of the Termination Fee payable by the Company under certain circumstances and the obligation to hold the Meeting even in the context of a Change in Recommendation, do not preclude a third party from proposing or making a Superior Proposal. Notwithstanding the non-solicitation provisions of the Arrangement Agreement, if, at any time prior to obtaining the approval by the Shareholders of the Arrangement Resolution, Imaflex receives an unsolicited written Acquisition Proposal and the Board determines in good faith, after consultation with its financial advisors and outside legal counsel, that such Acquisition Proposal constitutes or may reasonably be expected to constitute or lead to a Superior Proposal, and after consultation with its outside legal counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties to the Company, Imaflex may engage in or participate in discussions or negotiations with such third party regarding such Acquisition Proposal in certain limited circumstances.

- ***Shareholder and Court Approvals***. The Arrangement is subject to the following Shareholder and Court approvals, which provide additional protection to Shareholders:

  i. the Arrangement Resolution must be approved by (i) at least 66 ⅔% of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting; and (ii) a simple majority of the votes cast by the Shareholders entitled to vote at the Meeting present virtually or by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with Regulation 61-101; and

  ii. the Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to Shareholders.

- ***Significant Shareholder Support.*** The Executive Chairman of the Company, who owns, directly or indirectly, approximately 25.9% of the issued and outstanding Shares has entered into an irrevocable voting support agreement pursuant to which he has agreed to vote all of his Shares in favour of the Arrangement at the Meeting. In addition, each of the other Company's directors as well as certain officers who collectively own approximately 27.5% of the issued and outstanding Shares have entered into revocable voting support agreements pursuant to which, subject to certain terms and conditions, they have agreed to vote all of their Shares in favour of the Arrangement at the Meeting.

- ***Terms of the Arrangement Agreement are Reasonable***. The terms and conditions of the Arrangement Agreement, including the Company's and the Purchaser and the Parent's representations, warranties and covenants and the conditions to completion of the Arrangement are, after consultation with its outside legal counsel, reasonable in light of the circumstances, including the Consideration offered by the Purchaser.

- ***Reverse Termination Fee***. The Company is entitled to receive the Reverse Termination Fee of $3.7 million if the Arrangement Agreement is terminated in the event of a wilful breach or fraud by the Purchaser in certain circumstances or a failure by the Purchaser to consummate closing in certain circumstances.

- ***Dissent Rights***. Registered Shareholders may, provided they meet certain conditions and under certain circumstances, exercise their dissent rights and, if ultimately successful, receive the fair value of their shares as determined by the Court.

- ***Credibility of the Purchaser and Likelihood of Completion***. The Parent is a trusted player in the flexible packaging industry, built on consistent delivery, technical expertise, and a disciplined approach to quality. The Purchaser has represented and warranted to the Company that it will have sufficient immediate available funds to satisfy the Consideration payable pursuant to the Arrangement in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement, and the Parent has unconditionally and irrevocably guaranteed in favour of the Company the Purchaser's covenants, obligations and undertakings under the Arrangement Agreement, including the due and punctual payment of the aggregate Consideration and all other amounts payable in connection with the Arrangement, including the payment of the Reverse Termination Fee, if applicable.

- ***Stakeholders***. In the view of the Special Committee and the Board, the terms of the Arrangement Agreement treat stakeholders of the Company equitably and fairly, including the holders of Company Options under the Arrangement. The Board conducted its assessment and evaluation of all alternatives having regard to, among other things, the effect on the Company and its stakeholders, including shareholders, Company Employees, customers and other partners.

- ***Limited Number of Conditions***. The Purchaser and the Parent's obligation to complete the Arrangement is subject to a limited number of conditions that the Special Committee and the Board believe are reasonable in the circumstances. The completion of the Arrangement is not subject to any financing condition.

- ***Limited Restrictions on the Business***. The Special Committee considered that the restrictions under the Arrangement Agreement on the Company's business until the Arrangement is completed or the Arrangement Agreement is terminated in accordance with its terms are reasonable and are not expected to impair or materially affect the Company's business during such period.

The Special Committee, in making its unanimous recommendation, and the Board, in reaching its determination, also considered a number of potential risks and potential negative factors relating to the Arrangement, including the following:

- the risks and costs to Imaflex, although mitigated by the Reverse Termination Fee (if payable), if the Arrangement is not completed, including the diversion of the attention of the Company's management and Company Employees and the potential effect on the Company's business and its relationships with its stakeholders;

- the restrictions on the conduct of Imaflex's business prior to the completion of the Arrangement, which may delay or prevent Imaflex from undertaking business opportunities that may arise pending completion of the Arrangement;

- the fact that, following the Arrangement, the Company will no longer exist as a public company, the Shares will be delisted from the TSX-V and Shareholders will forego any future increases in value that might result from the achievement of the Company's long-term plans;

- the conditions to the Purchaser's obligation to complete the Arrangement and the rights of the Purchaser to terminate the Arrangement Agreement in certain circumstances, including if the Effective Time does not occur on or prior to the Outside Date;

- the restrictions in the Arrangement Agreement on Imaflex's ability to solicit, respond to and negotiate Acquisition Proposals from third parties;

- the presence of the Purchaser and the fact it could potentially deter interest in another transaction, including a Superior Proposal;

- the fact that if the Arrangement Agreement is terminated in certain circumstances, Imaflex must pay the Termination Fee to the Parent and the possible deterrent effect that the Termination Fee and the Purchaser's right to match under the Arrangement Agreement might have on other potential acquirors proposing an alternative transaction that may be more advantageous to the Shareholders; and

- the Arrangement will generally be a taxable transaction and, as a result, the holders of Shares will generally realize gains or losses as a result from the receipt of the Consideration pursuant to the Arrangement.

The foregoing summary of the information and factors considered by the Special Committee and the Board is not intended to be exhaustive of the factors considered by the Special Committee and the Board in reaching their respective conclusions and making their respective recommendations, but includes the material information, factors and analysis considered by the Special Committee and the Board in reaching such conclusions and making such recommendations. The members of the Special Committee and the Board evaluated the various factors summarized above in light of their own knowledge of the business of Imaflex and the industry in which Imaflex operates and of the Company's financial condition and prospects and were assisted in this regard by the Company's management and their legal and financial advisors. In view of the numerous factors considered in connection with their respective evaluations of the Arrangement, the Special Committee and the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching their respective decisions. In addition, individual members of the Special Committee and the Board may have given different weights to different factors. The respective conclusions and unanimous recommendations of the Board and the Special Committee were made after considering all the information and factors involved.

FAIRNESS OPINION

In determining that the Arrangement is in the best interests of the Company and is fair to the Shareholders, the Board and the Special Committee considered, among other things, the Fairness Opinion. The Fairness Opinion states that, as at December 17, 2025, and subject to the scope of review, assumptions, limitations and qualifications set forth therewith, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders.

The following summary of the Fairness Opinion is qualified in its entirety by reference to the full text of the Fairness Opinion attached to this Circular as Appendix "D". The Company encourages you to read the Fairness Opinion in its entirety. The Fairness Opinion is not recommendations as to how any Shareholder should vote with respect to the Arrangement or any other matter.

Retention of Stifel's services

By letter of engagement dated August 15, 2025 (the "**Stifel Engagement Letter**"), Stifel was engaged by the Special Committee, as financial advisor to the Special Committee and the Board and pursuant to which, among other things, Stifel agreed to provide the Company with an opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders pursuant to the Arrangement.

Pursuant to the terms of the Stifel Engagement Letter, Imaflex agreed to pay Stifel a fixed fee of $250,000 plus applicable taxes (the "**Opinion Fee**") for delivery of a written fairness opinion and reasonable and documented out-of-pocket expenses incurred by Stifel for a maximum of $7,500 (exclusive of taxes). The Opinion Fee was payable on the date that Stifel verbally delivered its opinion regardless of its conclusions. The Company has also agreed to indemnify Stifel against certain liabilities. Stifel will not receive any success fee upon completion of the Arrangement.

Due to the time elapsed between Stifel's initial evaluation as to the fairness of the Consideration to be received by the Shareholders in September 2025 and the execution of the Arrangement Agreement on December 17, 2025, the Company and Stifel agreed, pursuant to an amendment to the Stifel Engagement letter, to an additional fee of $50,000 for the delivery of an updated Fairness Opinion.

Independence of Stifel

Stifel is not an associated entity or affiliated entity of the Company or an issuer insider (as those terms are defined under Regulation 61-101) of the Company or any other interested party (as such term is defined under Regulation 61-101) or any of their respective associates or affiliates. Stifel has not provided any financial advisory services to any interested party. Stifel does not have any agreements, commitments or understandings in respect of any future business involving any of the interested parties. There are no other understandings, agreements or commitments between Stifel and any of such parties with respect to any current or future business dealings which would be material to the Fairness Opinion. Stifel may, from time to time in the future, seek or be provided with assignments from one or more of the interested parties.

Conclusions

Stifel delivered its oral fairness opinion, which opinion was subsequently delivered in writing, to the effect that as of December 17, 2025, the Consideration to be received by the Shareholders pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders.

The Fairness Opinion does not constitute a recommendation to any Shareholder as to how such Shareholder should act or vote on any matters relating to the Arrangement. This summary of the Fairness Opinion is qualified in its entirety by the full text of such opinion. Shareholders are urged to read the Fairness Opinion in its entirety. See Appendix "D" to the Circular.

The Fairness Opinion may be relied upon by the Board but may not be used or relied upon by any other Person without the prior written consent of Stifel. Except as required by applicable law or the policies, rules or requirements of the regulatory authorities or any stock exchange having jurisdictional authority, the Fairness Opinion shall not be referred to, summarized, circulated, publicized, reproduced or used by any other Person, unless Stifel's prior written consent is obtained thereto.

SOURCES OF FUNDS FOR THE ARRANGEMENT

The Purchaser and Parent has represented and warranted to the Company that it will collectively have sufficient funds available to satisfy the aggregate Consideration payable pursuant to the Arrangement in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement. The Purchaser and the Parent intend to fund such amounts by using existing cash on hand and/or from drawings on existing credit facilities.

CONSIDERATION

Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Dissenting Shareholders) will be entitled to receive from the Purchaser $2.35 in cash per Share held, subject to adjustment if, prior to the Effective Time, the Company sets aside or pays any dividend or other distribution on the Shares, and subject to applicable withholdings under the Plan of Arrangement.

EXPENSES OF THE ARRANGEMENT

Imaflex estimates that expenses in the aggregate amount of approximately $2 million will be incurred by Imaflex in connection with the Arrangement, including fees and expenses of the financial advisor, any fees

payable to legal advisors, auditors or other professionals or consultants, and printing, mailing and other costs and expenses relating to the Meeting ("**Company Transaction Expenses**").

Except as otherwise expressly provided in the Arrangement Agreement (including the Termination Fee and the Reverse Termination Fee), all costs and expenses incurred in connection with the Arrangement shall be paid by the Party incurring such cost or expense.

As a condition precedent to the obligations of the Purchaser under the Arrangement, it is required that the Company Transaction Expenses shall not exceed $2 million as of the Effective Time. *See "The Arrangement Agreement – Closing Conditions - Additional Conditions Precedent to the Obligations of the Purchaser".*

EFFECT OF THE ARRANGEMENT

The Arrangement Agreement provides for the effective acquisition of all of the issued and outstanding Shares by the Purchaser by way of statutory plan of arrangement under Section 192 of the CBCA. Following completion of the Arrangement, the Purchaser will own all of the issued and outstanding Shares.

Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Shareholder (other than the Dissenting Shareholders) will be entitled to receive from the Purchaser $2.35 in cash per Share held, and the name of such holder shall be removed from the register of Shareholders and the Purchaser shall be recorded as the registered holder of each such Share and shall be deemed to be the legal and beneficial owner thereof.

VOTING AND SUPPORT AGREEMENTS

On December 17, 2025, the Supporting Shareholders entered into Voting and Support Agreements with the Purchaser in connection with the Arrangement. The Supporting Shareholders collectively hold approximatively 53.3% of the issued and outstanding Shares and have agreed, subject to the terms of the Voting and Support Agreements, to vote such Shares held by them in favour of the Arrangement Resolution, subject to the terms and conditions of the Voting and Support Agreements.

The Voting and Support Agreements signed by each director and certain officers of the Company, other than Mr. Joseph Abbandonato, terminate automatically, in particular, upon a Change in Recommendation in accordance with the terms of the Arrangement Agreement (the "**D&O Voting and Support Agreements**"). In the aggregate, as of the Record Date, 14,301,335 Shares are subject to the D&O Voting and Support Agreements, representing approximately 27.5% of the issued and outstanding Shares.

Under the Voting and Support Agreement signed by the Executive Chairman of the Board, Mr. Joseph Abbandonato (the "**Founder Voting and Support Agreement**"), Mr. Abbandonato is required to vote, at the Shareholders meeting for the Arrangement, in favor of the Arrangement even if there is a Change in Recommendation. In the aggregate, as of the Record Date, 13,471,400 Shares are subject to the Founder Voting and Support Agreement, representing approximately 25.9% of the issued and outstanding Shares.

The Arrangement is structured as a force-the-vote transaction. As such, should the Company receive a Superior Proposal, the Shareholders will first be invited to vote on the Arrangement and should the Arrangement fail to receive the Shareholder approval, the Arrangement Agreement will terminate, and a subsequent meeting of Shareholders will be held to vote on the Superior Proposal.

INTEREST OF CERTAIN PERSONS IN THE ARRANGEMENT

The directors and senior officers of the Company may have interests in the Arrangement that are, or may be, different from, or in addition to, the interests of other Shareholders. These interests include those described below. The Board was aware of these interests and considered them, among other matters, when recommending approval of the Arrangement by Shareholders.

Except for the New Real Property Leases, all of the benefits received, or to be received, by directors or senior officers of the Company and its Subsidiaries as a result of the Arrangement are, and will be, solely in connection with their services as directors or senior officers of the Company. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for the Shares held by such persons and no consideration is, or will be, conditional on the person supporting the Arrangement.

Holdings of Securities by Directors and Senior Officers

To the knowledge of the Company, as of the Record Date, the directors and senior officers of the Company beneficially owned, or exercised control or director over, directly or indirectly, in the aggregate of 28,140,335 Shares, representing in the aggregate approximately 54.02% of all issued and outstanding Shares, and 150,000 Company Options.

The following table sets out the name and position(s) of the directors and senior officers of the Company and as of the record Date, the number of Shares and Company Options owned or over which control or direction is exercised, directly or indirectly, by each such director and senior officer of the Company, and where known after reasonable inquiry, by their respective associates or affiliates.

Name and Position(s) with the Company	Number of Shares Held	Number of Options Held	% Voting[(1)]
Joseph Abbandonato *Executive Chairman of the Board*	13,471,400[(2)]	-	25.86%
Tony Abbandonato *Director, Vice President Sales, Secretary*	3,684,112[(3)]	-	7.07%
Michel Baril *Director*	70,000	-	0.13%
Consolato Gattuso *Director*	95,316	-	0.18%
Philip Nolan *Director*	4,839,000[(4)]	-	9.29%
Lorne Steinberg *Director*	100,000	-	0.19%
Mario Settino *Director*	99,300	-	0.19%
Stephan Yazedjian *Director, President and Chief Executive Officer*	900,000[(4)]	-	1.73%
Robert Therrien *Director of Finance*	-	-	-
John Ripplinger *Vice President Corporate Affairs*	727,300	150,000[(5)]	1.40%

Name and Position(s) with the Company	Number of Shares Held	Number of Options Held	% Voting[(1)]
Ralf Dujardin *Vice President Marketing & Innovation*	367,600	-	0.71%
Gerry Phelps *Vice President Operations*	3,786,307[(6)]	-	7.27%

Notes:

(1) Percentage of Shares and total voting power reported on an undiluted basis, calculated by dividing the number of Shares held by such Person by the number of issued and outstanding Shares on the Record Date, being 52,088,637.

(2) Of the 13,471,400 Shares controlled by Joseph Abbandonato, 3,909,890 are held by Roncon Consultants Inc., a corporation controlled by Joseph Abbandonato, and 9,561,510 are held directly by Joseph Abbandonato.

(3) Of the 3,684,112 Shares controlled by Tony Abbandonato, 1,690,268 are held by 3479528 Canada Inc., a corporation controlled by Tony Abbandonato, and 1,993,844 are held directly by Tony Abbandonato.

(4) These 4,839,000 Shares are held by 3342913 Canada Inc., a corporation controlled by Philip Nolan.

(5) Of the 900,000 Shares controlled by Stephan Yazedjian, 20,430 are held by 7657188 Canada Inc., a corporation controlled by Stephan Yazedjian, 400,000 are held by SEEA Family Trust and 479,570 Shares are held directly by Stephan Yazedjian.

(6) The exercise price of Mr. Ripplinger's Company Options is equal to $1.25, which is lower than the Consideration. See "*The Arrangement - Arrangement Steps*" for a description of how Company Options will be treated under the Arrangement.

(7) Of the 3,786,307 Shares controlled by Gerry Phelps, 3,515,885 are held by 3479501 Canada Inc., a corporation controlled by Gerry Phelps, and 270,422 are held directly by Gerry Phelps.

All of the Shares and Company Options held by the directors and senior officers will be treated in the same fashion under the Arrangement as Shares and Company Options held by every other Shareholder. If the Arrangement is completed, the current directors and senior officers of Imaflex will receive, in exchange for such Shares and Company Options, an aggregate amount of approximately $66.3 million.

The directors of the Company, beneficially owning or exercising control or direction over an aggregate of 23,259,128 Shares, representing approximately 44.65% of the issued and outstanding Shares, have each entered into a voting and support agreement pursuant to which they have each agreed to vote their respective Shares in favour of the Arrangement. See "*The Arrangement – Voting and Support* Agreements".

Change of Control Benefits

On September 23, 2024 (the "**Effective Date**"), the Company entered into an executive employment agreement with Stephan Yazedjian in connection with Mr. Yazedjian's position as President and Chief Executive Officer of the Company for an indefinite term commencing on October 28, 2024 (the "**CEO Employment Agreement**"). Under the terms of the CEO Employment Agreement, in the event of a Change of Control (as defined below) of the Company, Mr. Yazedjian may terminate his employment. In which case, the Company shall pay Mr. Yazedjian an amount equal to six months' base salary in effect at the date of termination. In the event of a termination without cause by the Company or in the event of a termination for Good Reason (as defined below), the Company shall pay to Mr. Yazedjian an amount equal to six months base salary if the termination occurs within twelve months of the Effective Date and an additional month's salary for every year of service or pro-rated month's salary for every part year of service thereafter if the termination occurs later than the first anniversary after the Effective Date.

Under the CEO Employment Agreement, "Change of Control" means either: (i) merger or acquisition in which the Company is not the surviving entity; or (ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company; or (iii) any other corporate reorganization or business combination in which 50% or more of the outstanding voting stock of the Company is transferred, or exchanged through merger, to different holders in a single transaction of the Company or in a series of related transactions completed within 12 months. "Good Reason" means the occurrence of any of the following without Mr. Yazedjian's written consent: (i) a material adverse change in Mr. Yazedjian's position or duties; (ii) a reduction by the Company of Mr. Yazedjian's annual salary, or (iii) any material breach by the Company of any provision of the CEO Employment Agreement where the Company within a reasonable period of time after receipt of written notice of such breach fails to rectify the breach.

Transaction Bonuses

In addition to the CEO Employment Agreement, in connection with the Arrangement, the Board approved transaction bonuses to certain senior officers in order to, among other things, reward their contribution to the Arrangement and the additional work required to be performed by them in connection therewith, and to recognize the role that they had in maximizing value in connection with the Arrangement. Each such officer is entitled to a cash bonus equal to 10% of such officer's annual base salary ("**Transaction Bonuses**"), payable only if the Arrangement is completed and subject to applicable withholdings. The Transaction Bonuses are not payable if the Arrangement is not completed. The Transaction Bonuses would be paid in lump sum and be "single-trigger" payments, which means that the amounts, if authorized, would not be conditioned upon a termination or resignation of the senior officer.

Name and Position(s) with the Company	Transaction Bonuses ($)
Stephan Yazedjian *President & CEO*	$25,000
Robert Therrien *Director of Finance*	$18,000
John Ripplinger *Vice-President Corporate Affairs*	$22,000

Insurance and Indemnification

In addition, consistent with standard practice in similar transactions, in order to ensure that directors and officers do not lose or forfeit their protection under liability insurance policies maintained by Imaflex, the Arrangement Agreement provides for the maintenance of such protection for six (6) years. See "*The Arrangement Agreement – Covenants – Insurance and Indemnification*".

Leases

Joseph Abbandonato, Executive Chairman of the Board, is the controlling shareholder of Roncon Consultants Inc. ("**Roncon**"), a corporation having a place of business in Montréal, Québec. The Company's operating facilities in Montréal, Québec and Victoriaville, Québec are leased from Roncon and parties related to Roncon under long-term lease agreements. Imaflex USA's operating facility in Thomasville, North Carolina is leased from Picou Sou Abbandonato, a party related to Mr. Joseph Abbandonato. The Arrangement is conditional upon the execution of (i) new real property lease agreements for the Company's operating premises (the "**New Real Property Leases**") and (ii) the termination of the existing lease agreements relating to the Company's operating premises (the "**Existing Real Property Leases**"). Such New Real Property Leases will not become effective unless the Arrangement is completed. The terms of the New Real Property Leases were negotiated at arm's length between Joseph Abbandonato and the Purchaser and reflect market standard terms typical of leases between arm's length parties, replacing the Existing Real Property Leases terms. Key details are as follows:

- The Existing Real Property Leases will be terminated at the closing of the Arrangement, with the respective lessor for each facility assuming all environmental liabilities prior to the commencement of the New Real Property Leases.

- The New Real Property Leases are entered into for an initial term of two years, renewable for two additional five-year periods.

- The base rent for the initial term is the same rent as the rent currently paid by Imaflex for each facility.

- The lessor is responsible for all capital repairs and replacements, but the lessee remains responsible for the functioning, maintenance in good condition, non-capital repair and replacement of all the systems and equipment of the premises.

- The New Real Property Leases are not transferable without the lessor's prior consent, which consent may not be refused or withheld without serious reason, except to an affiliate or a partnership controlled by the lessee, or in connection with the sale of all or substantially all of the lessee's assets as a going concern, where consent shall not be required and only a notice shall be provided to the lessor.

This summary does not purport to be complete and is qualified in its entirety by reference to the New Real Property Leases, the full text of which are attached as schedules to the Arrangement Agreement and may be viewed on SEDAR+ under the Company's issuer profile at www.sedarplus.ca

ARRANGEMENT STEPS

The following summarizes the steps that will occur under the Plan of Arrangement on the Effective Date, if all conditions to the completion of the Arrangement have been satisfied or, subject to the discretion of the party permitted to waive such conditions, waived. The following description is qualified in its entirety by reference to the full text of the Plan of Arrangement attached as Appendix "B" to this Circular.

If all conditions to the implementation of the Arrangement have been satisfied or, subject to the discretion of the party permitted to waive such conditions, waived, qualified in their entirety by the full text of the Plan of Arrangement attached as Appendix "B", commencing at the Effective Time, each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

i. each Company Option outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the Stock Option Plan, shall be deemed to be unconditionally vested and exercisable, and such Company Option shall, without any further action by or on behalf of a holder of Company Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price of such Company Option, less applicable withholdings, and each such Company Option shall immediately be cancelled and, for greater certainty, where such amount is a negative, neither the Company nor the Purchaser shall be obligated to pay the holder of such Company Option any amount in respect of such Company Option;

ii. (i) each holder of Company Options shall cease to be a holder of such Company Options, (ii) such holder's name shall be removed from each applicable register, (iii) the Stock Option Plan and all agreements relating to the Company Options shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the consideration to which they are entitled pursuant to Paragraph i. above at the time and in the manner specified in Paragraph i. above;

iii. each of the Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3 *[Rights of Dissent]* of the Plan of Arrangement:

(i) such Dissenting Shareholders shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1 *[Rights of Dissent]* of the Plan of Arrangement;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Shares from the registers of Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Liens, and shall be entered in the register of Shares maintained by or on behalf of the Company;

iv. each Share outstanding immediately prior to the Effective Time, other than Shares held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised and any Shares held by the Purchaser and any of its affiliates, shall, without any further action by or on behalf of a Shareholder, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Consideration, and:

(i) the holders of such Shares shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares (free and clear of all Liens) and shall be entered in the register of the Shares maintained by or on behalf of the Company.

CANCELLATION OF RIGHTS AFTER SIX YEARS

In accordance with the Plan of Arrangement, each certificate or DRS Advice that immediately prior to the Effective Time represented Shares not duly deposited on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Company, the Purchaser or the Parent. On such date, all cash to which such former holder was entitled shall be deemed to have been deposited to the Purchaser or the Company, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Date, and any right or claim to payment under the Plan of Arrangement that remains outstanding, on the sixth anniversary of the Effective Date, shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for its Shares and, if applicable, Company Options, pursuant to the Plan of Arrangement and shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

CERTAIN LEGAL AND REGULATORY MATTERS

IMPLEMENTATION OF THE ARRANGEMENT AND TIMING

The Arrangement will be implemented by way of a statutory plan of arrangement under the CBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

i. the Required Shareholder Approval must be obtained;

ii. the Court must grant the Final Order approving the Arrangement;

iii. all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or, subject to the discretion of the party permitted to waive such conditions, waived by the appropriate party; and

iv. the Articles of Arrangement in the form prescribed by the CBCA must be filed with the Director and a Certificate of Arrangement issued in relation thereto.

It is currently anticipated that the Effective Date will occur before the end of February 2026. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be earlier than anticipated or could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order. As provided under the Arrangement Agreement, the Company will file the Articles of Arrangement, unless another time or date is agreed to in writing by the Parties, on the fifth Business Day after the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in the Arrangement Agreement (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date). The Arrangement Agreement may be terminated by the parties thereto if the Arrangement is not completed on or prior to the Outside Date, being May 15, 2026. See "*The Arrangement Agreement – Effective Date of the Arrangement*".

COURT APPROVALS AND COMPLETION OF THE ARRANGEMENT

Interim Order

An arrangement under the CBCA requires Court approval. Accordingly, on January 15, 2026, Imaflex obtained the Interim Order, which provides for, among other things:

- the calling and holding of the Meeting, including the record date for determining the Persons to whom notice of the Meeting is to be provided and for the manner in which such notice is to be provided;
- the Required Shareholder Approval;
- the terms, restrictions and conditions of the Company's Constating Documents, including quorum requirements and all other matters, shall apply in respect of the Meeting;
- the Dissent Rights to Registered Shareholders;
- the notice requirements with respect to the presentation of the application to the Court for the Final Order; and
- the ability of the Company to adjourn or postpone the Meeting from time to time in accordance with the terms of the Arrangement Agreement without the need for additional approval of the Court and without the necessity of first convening the Meeting or obtaining any vote of the Shareholders and that notice of any such adjournment(s) or postponement(s) shall be given by such method as the Board may determine is appropriate in the circumstances; and
- the record date for the Shareholders entitled to notice of and to vote at the Meeting which will not change in respect of any adjournment(s) or postponement(s) of the Meeting

A copy of the Interim Order is attached as Appendix “C”.

Final Order

Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order, the Company will make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is expected to take place before the end of February 2026, before the Superior Court of Québec (Commercial Division), sitting in the district of Montréal, located at 1 Notre-Dame Street East, Montréal, Québec H2Y 1B6, in a room to be communicated by the Court, at 9:00 a.m. (Eastern Time) (or as soon as counsel may be heard). A copy of the Notice of Application for the Final Order is attached to this Circular as Appendix "F". At the hearing, any Shareholder and any other interested party who wishes to participate or to be represented or present evidence or argument may do so, subject to filing with the Court and serving upon the Company a notice of appearance together with any evidence or materials that such party intends to present to the Court, in the delays and in the manner described in the Interim Order.

The Court has broad discretion under the CBCA when making orders with respect to plans of arrangement. The Court, when hearing the application for the Final Order, will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court thinks fit.

Assuming that the Final Order is granted, the Company will file with the Director under the CBCA the Articles of Arrangement on the fifth Business Day after the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in the Arrangement Agreement (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date).

REGULATORY APPROVALS

Other than the Final Order, the Company is not aware of any material Regulatory Approvals to complete the Arrangement. In the event that any additional Regulatory Approvals are determined to be required, such Regulatory Approvals will be sought. Any such additional Regulatory Approvals could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that the Final Order or any other Regulatory Approvals that are determined to be required will be obtained, the Company currently anticipates that the Final Order and any other Regulatory Approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date.

REQUIRED SHAREHOLDER APPROVAL

At the Meeting, pursuant to the Interim Order, Shareholders will be asked to vote to approve the Arrangement Resolution. The requisite approval for the Arrangement Resolution by Shareholders shall be 66 ⅔% of the votes cast on the Arrangement Resolution by Shareholders entitled to vote at the Meeting, present virtually or represented by proxy at the Meeting and a majority of the votes cast by Shareholders entitled to vote at the Meeting present virtually or represented by proxy at the Meeting, after excluding any votes cast by Shareholders whose votes must be excluded in accordance with Regulation 61-101 (the "**Required Shareholder Approval**").

Notwithstanding the approval of the Arrangement Resolution in accordance with the Required Shareholder Approval, the Arrangement Resolution authorizes the Board to, without notice to or approval of the Shareholders, (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement, as described under the section "*The Arrangement Agreement – Amendments*" of this Circular, and (ii) subject to terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

CANADIAN SECURITIES LAW MATTERS

Application of Regulation 61-101

The Company is a reporting issuer (or its equivalent) in the provinces of Alberta, British Columbia and Québec and, accordingly, is subject to applicable Securities Laws of all such provinces, including Regulation 61-101.

Regulation 61-101 is intended to regulate certain transactions to ensure equality of treatment among security holders in transactions which raise the potential for conflicts of interest, generally requiring enhanced disclosure, approval by a majority of security holders (excluding interested or related parties and their joint actors), and, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors.

The protections afforded by Regulation 61-101 apply to a reporting issuer proposing to carry out, among other transactions, a "business combination" (as defined in Regulation 61-101).

A transaction is a "business combination" for purposes of Regulation 61-101 if the interests of holders of equity securities of an issuer may be terminated without their consent and, among other things, a "related party" (as defined in Regulation 61-101) at the time the transaction is agreed to (i) is a party to a “connected transaction” (as defined in Regulation 61-101) to the transaction, or (ii) is entitled to receive consideration per equity security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class or a “collateral benefit” (as defined in Regulation 61-101).

The Arrangement is a “business combination” for the purposes of Regulation 61-101 because a “related party” is a party to a “connected transaction” to the Arrangement, the whole as more fully described below.

Collateral Benefit

Directors and senior officers of the Company and its Subsidiaries are “related parties” for the purposes of Regulation 61-101. A “collateral benefit” includes any benefit that a related party of the Company is entitled to receive, directly or indirectly, as a consequence of the Arrangement, including without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancements in benefits related to past or future services as an employee, director or consultant of the Company.

However, Regulation 61-101 excludes from the meaning of collateral benefit a payment per security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class, as well as certain benefits to a related party received solely in connection with the related party’s services as an employee, director or consultant of an issuer, of an affiliated entity of such issuer or of a successor to the business of such issuer where (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction; (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner; (c) full particulars of the benefit are disclosed in the disclosure document for the transaction; and (d) either (i) at the time the transaction is agreed to, the related party and his or her associated entities beneficially own, or exercise control or direction over, less than 1% of the outstanding securities of each class of equity securities of the issuer (the “**1% Exemption**”), or (ii) the related party discloses to an independent committee of the issuer the amount of consideration that the related party expects to be beneficially entitled to receive, under the terms of the transaction, in exchange for the equity securities the related party beneficially owns; and the independent committee acting in good faith determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party will receive pursuant to the terms of the transaction for the equity securities beneficially owned by the related party, and the independent committee’s determination is disclosed in the disclosure document for the transaction (the “**5% Exemption**”).

If the Arrangement is completed, John Ripplinger, Robert Therrien and Stephan Yazedjian will be entitled to Transaction Bonuses, as more particularly described under *"The Arrangement- Interest of Certain Persons in the Arrangement"*. The Special Committee determined that these benefits have not been, or will not be, conferred for the purpose of increasing the value of consideration payable to any such person for the Shares held by such persons and no consideration is, or will be, conditional on the person supporting the Arrangement.

To the knowledge of the Company, Mr. Therrien does not beneficially own or exercise control or direction over 1% or more of the Shares. Accordingly, the benefits to be received by Mr. Therrien will not constitute a "collateral benefit" for the purposes of Regulation 61-101 as it satisfies the requirements of the 1% Exemption. In addition, the Special Committee reviewed the benefits that each of Mr. Ripplinger and Mr. Yazedjian may receive in connection with the Arrangement as detailed under "*The Arrangement- Interest of Certain Persons in the Arrangement*", and determined that the value of the benefits that they expect to receive are less than 5% of the value of the Consideration that they will receive pursuant to the Arrangement for their respective Shares. Accordingly, the benefits to be received by Mr. Yazedjian and Mr. Ripplinger will not constitute a "collateral benefit" for the purposes of Regulation 61-101 as they satisfy the requirements of the 5% Exemption.

Connected Transaction

A "connected transaction" includes two or more transactions that have at least one party in common, directly or indirectly, and are (i) negotiated or completed at approximately the same time, or (ii) the completion of at least one of the transactions is conditional on the completion of each of the other transactions. The New Real Property Leases are connected transactions to the Arrangement because (a) Roncon Consultants Inc., a Shareholder and also a corporation controlled by Mr. Joseph Abbandonato, the Executive Chairman of the Board, and a party related to Roncon Consultants Inc. is also a party to the New Real Property Leases with Soteria and Soteria is a party to the Arrangement; (b) both the New Real Property Leases and the Arrangement were negotiated and will be completed at approximately the same time; and (c) the Arrangement is conditional upon the negotiation and the execution of the New Real Property Leases, and the New Real Property Leases will not become effective unless the Arrangement is completed.

As a result of the above, the Arrangement does constitute a "business combination" under Regulation 61-101 and, accordingly, is subject to the minority approval or valuation requirements thereunder, unless an exemption is available.

Minority Approval

Regulation 61-101 requires that, in addition to any other required security holder approval, a "business combination" must be subject to "minority approval" (as defined in Regulation 61-101) of every class of "affected securities" (as defined in Regulation 61-101) of the issuer, in each case voting separately as a class. In determining whether minority approval of a "business combination" has been obtained, an issuer is required to exclude the votes attached to affected securities that, to the knowledge of the issuer or any "interested party" or their respective directors or senior officers, after reasonable inquiry, are beneficially owned or over which control or direction is exercised by, among others, any "interested party" or any "related party" of an "interested party", unless the "related party" meets that description solely in its capacity as a director or senior officer of one or more persons that are neither an "interested party" nor ''issuer insiders'' of the Company; and any person that is a ''joint actor'' (as defined in Regulation 61-101) with any of the foregoing, voting separately as a class.

Consequently, the approval of the Arrangement Resolution will require the affirmative vote of at least a simple majority of the votes cast by all Shareholders present virtually or represented by proxy at the Meeting, excluding the following votes:

Name	Number of Shares Held
Joseph Abbandonato[(1)]	13,471,400

Note:

(1) Of the 13,471,400 Shares controlled by Joseph Abbandonato, 3,909,890 are held by Roncon Consultants Inc., a corporation controlled by Joseph Abbandonato, and 9,561,510 are held directly by Joseph Abbandonato.

As such, to the knowledge of the Company, after reasonable inquiry, of the 52,088,637 Shares issued and outstanding as of the Record Date, 38,617,237 Shares can be voted in respect of the Minority Approval Vote.

Formal Valuation

Regulation 61-101 provides that, unless an exemption is available, a reporting issuer proposing to carry out a “business combination” is required to obtain a formal valuation of the "affected securities" (as defined in Regulation 61-101) from a qualified independent valuator and to provide the holders of such affected securities with a summary of such valuation if, as a consequence of the transaction, an “interested party” is a party to any connected transactions. For the purposes of the Arrangement, the Shares are considered "affected securities" within the meaning of Regulation 61-101. The Company is relying upon the exemption to the formal valuation requirement set forth in section 4.4(1)(a) of Regulation 61-101 which provides that an issuer is exempt from the formal valuation requirement if no securities of the issuer are listed or quoted on the Toronto Stock Exchange, Aequitas NEO Exchange Inc., the New York Stock Exchange, the American Stock Exchange, the NASDAQ Stock Market, or a stock exchange outside of Canada and the United States other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc. The Company, as a result of having the Shares listed on the TSX-V, is exempt from formal valuation requirements of Regulation 61-101.

Prior Valuations

In addition, Regulation 61-101 requires the Company to disclose any “prior valuations” (as defined in Regulation 61-101) of the Company or its material assets or securities made within the 24-month period preceding the date of this Circular. The Company is not aware of any prior valuations in respect of the Company that requires disclosure under Regulation 61-101.

TSX-V Delisting and Reporting Issuer Status

The Company and the Purchaser have agreed to cause the Shares to be delisted from the TSX-V promptly, with effect as soon as practicable following the Effective Time. Following the Effective Date, it is expected that the Purchaser will cause the Company to cease to be a reporting issuer under the securities legislation of each of the provinces in Canada under which it is currently a reporting issuer (or equivalent) or take or cause to be taken such other measures as may be appropriate to ensure that the Company is not required to prepare and file continuous disclosure documents.

ARRANGEMENT MECHANICS

DEPOSITARY AGREEMENT

Prior to the Effective Date, the Company, the Purchaser and the Depositary, in its capacity as depositary under the Arrangement Agreement, will enter into the Depositary Agreement. Pursuant to the Arrangement Agreement, the Purchaser is required to deposit, or arrange to be deposited, for the benefit of Shareholders, cash with the Depositary in the aggregate amount equal to the payments in respect thereof required by the

Plan of Arrangement (other than in respect of Shares held by a Dissenting Shareholder and any Shares held by the Purchaser and any of its affiliates).

LETTER OF TRANSMITTAL

A Letter of Transmittal is being mailed, together with this Circular, to each person who was a Registered Shareholder on the Record Date. In order to receive the Consideration, the Registered Shareholders must forward a duly completed and executed Letter of Transmittal, along with the accompanying certificate or DRS Advice representing the Shares, if applicable, and such additional documents and instruments as the Depositary may reasonably require. It is recommended that Registered Shareholders (other than Dissenting Shareholders) complete, sign and return the Letter of Transmittal, along with the accompanying certificate or DRS Advice representing the Shares, if applicable, to the Depositary as soon as possible. Shareholders whose Shares are registered in the name of an Intermediary should contact that Intermediary for assistance in depositing their Shares.

The Letter of Transmittal contains complete instructions on how to exchange the certificate or DRS Advice representing Shares held by a Registered Shareholder (other than a Dissenting Shareholder) for the Consideration of the Arrangement. A Shareholder (other than a Dissenting Shareholder) will not receive the Consideration under the Arrangement until after the Arrangement is completed, provided that such Shareholder has returned properly completed documents, including the Letter of Transmittal and the certificate or DRS Advice representing his, her or its Shares to the Depositary. The Depositary will pay the Consideration that a Registered Shareholder is entitled to receive in accordance with the instructions in the Letter of Transmittal.

Only Registered Shareholders (other than Dissenting Shareholders) are required to submit a Letter of Transmittal. Non-Registered Shareholders (other than Dissenting Shareholders) should contact their Intermediary for instructions and assistance in depositing certificate or DRS Advice representing his, her or its Shares and carefully follow any instructions provided by such Intermediary.

From and after the Effective Time, all certificates or DRS Advices that represented Shares immediately prior to the Effective Time will cease to represent any rights with respect to Shares and will only represent the right to receive the Consideration, or, in the case of Dissenting Shareholders, the right to receive fair value for their Shares.

The Company reserves the right, if it so elects, in its absolute discretion, to instruct the Depositary to waive any and all defects or irregularities in any Letter of Transmittal or other document and any such waiver will be binding upon the affected Shareholders. The granting of a waiver to one or more Shareholders does not constitute a waiver for any other Shareholders. The Company and the Purchaser reserve the right to demand strict compliance with the terms of the Letters of Transmittal and the Arrangement. The method used to deliver the Letters of Transmittal and any accompanying certificates and/or DRS Advices representing the Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. The Company recommends that the necessary documentation be delivered to the Depositary by courier; otherwise, the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Questions on how to complete the Letter of Transmittal should be directed to the Depositary, Computershare Investor Services Inc., by telephone toll-free in North America at 1-800-564-6253 or outside of North America at 1-514-982-7555 or by email at corporateactions@computershare.com.

DELIVERY OF CONSIDERATION

Prior to the filing of the Articles of Arrangement, the Purchaser shall deposit, or arrange to be deposited, for the benefit of Shareholders, cash with the Depositary in the aggregate amount equal to the payments in respect of Shares required by the Plan of Arrangement (other than in respect of Shares held by a Dissenting Shareholder and any Shares held by the Purchaser and any of its affiliates).

Upon surrender to the Depositary for cancellation of a certificate or DRS Advice which immediately prior to the Effective Time represented outstanding Shares that were transferred pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate or DRS Advice shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under the Plan of Arrangement for such Shares, less any amounts withheld pursuant to Section 4.3 *[Withholding Rights]* of the Plan of Arrangement, and any certificate or DRS Advice so surrendered shall forthwith be cancelled.

On or as soon as practicable after the Effective Date, the Company shall deliver, to each holder of Company Options as reflected on the register maintained by or on behalf of the Company in respect of Company Options, the cash payment, if any, which such holder of Company Options has the right to receive under the Plan of Arrangement for such Company Options, less any amount withheld pursuant to Section 4.3 *[Withholding Rights]* of the Plan of Arrangement; pursuant to the normal payroll practices and procedures of the Company; provided, however, in the case of any cash payments pursuant to Section 2.3(a) *[Arrangement]* of the Plan of Arrangement which constitute non-qualified deferred compensation under Section 409A of the Code, the Depositary shall deliver, on behalf of the Company, such amounts at the earliest time permitted under the terms of the applicable agreement, plan or arrangement that will not trigger a tax or penalty under Section 409A of the Code.

Until surrendered as contemplated above, each certificate or DRS Advice that immediately prior to the Effective Time represented Shares, shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate or DRS Advice as contemplated in the Plan of Arrangement, less applicable withholdings under the Plan of Arrangement. Any such certificate or DRS Advice formerly representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Company, the Purchaser or the Parent. On such date, all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the affected securities pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

No holder of Shares and, if applicable, Company Options shall be entitled to receive any consideration with respect to such securities other than any cash payment to which such holder is entitled to receive in accordance with the Plan of Arrangement and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, cash deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser and the Company in a manner satisfactory to Purchaser and the Company, each acting reasonably, against any claim that may be made against the Purchaser and the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under the Plan of Arrangement (including, without limitation, any amounts payable to Dissenting Shareholders), such amounts as the Purchaser, the Company or the Depositary, as applicable, are required to deduct and withhold, or reasonably believe to be required to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted to the appropriate Governmental Entity, such amounts shall be treated for all purposes under the Arrangement Agreement and the Plan of Arrangement as having been paid to the Person to whom such amounts would otherwise have been paid.

THE ARRANGEMENT AGREEMENT

The Arrangement will be effected in accordance with the Arrangement Agreement. The following is a summary of the principal terms of the Arrangement Agreement. **This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, the full text of which may be viewed on SEDAR+ under the Company's issuer profile at www.sedarplus.ca, and to the Plan of Arrangement, the full text of which is attached as Appendix "B" to this Circular. Shareholders are encouraged to read each of the Arrangement Agreement and the Plan of Arrangement in their entirety.**

Pursuant to the Arrangement Agreement, it was agreed that the Parties would carry out the Arrangement in accordance with the Arrangement Agreement and the Plan of Arrangement. See "*The Arrangement-Arrangement Steps"*.

EFFECTIVE DATE OF THE ARRANGEMENT

Following the receipt of the Required Shareholder Approval and the fulfillment or, where applicable, the waiver of other conditions specified in the Arrangement Agreement, and upon the granting of the Final Order, the Company will proceed to file the Articles of Arrangement with the Director. Pursuant to Section 192 of the CBCA, the Arrangement becomes effective on the date the Articles of Arrangement are filed, as shown on the Certificate of Arrangement.

Closing of the Arrangement will occur on the date on which these Articles of Arrangement will be filed with the Director. This filing is expected to occur on the fifth Business Day following the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in the Arrangement Agreement (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date), or such other date as may be agreed to in writing by the Purchaser and the Company.

Currently it is anticipated that the Effective Date will occur before the end of February 2026. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be earlier than anticipated or could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order. The Arrangement Agreement may be terminated by the parties thereto if the Arrangement is not completed on or prior to the Outside Date, being May 15, 2026.

REPRESENTATIONS AND WARRANTIES

The Arrangement Agreement contains customary representations and warranties of the Company made to the Purchaser and the Parent relating to the following: organization and qualification; corporate authorization; execution and binding obligation; governmental authorization; non-contravention; capitalization; shareholders' and similar agreements; subsidiaries; securities law matters; financial statements; disclosure controls and internal control over financial reporting; absence of undisclosed liabilities; absence of certain changes or events; related party transactions; compliance with laws;

Authorizations and licences; Material Contracts; supplier and customer relations; personal property; real property; intellectual property and information technology; litigation; environmental matters; employees; Collective Agreements; Employee Plans; insurance; taxes; money laundering; corrupt practices legislation; data security and privacy requirements; opinion of financial advisor; brokers; competition act; minority approval; product liability and warranty; recalls; inventory; accounts receivable; special committee and board approval; funds available; and international trade laws and sanctions.

In addition, the Arrangement Agreement contains representations and warranties of the Purchaser and the Parent made to the Company relating to the following: organization and qualification; corporate authorization; execution and binding obligation; governmental authorization; non-contravention; and funds available.

The representations and warranties were made solely for the purposes of the Arrangement Agreement and may, in some cases, be subject to important qualifications, limitations and exceptions agreed to by the Parties.

The representations and warranties of the Company contained in the Arrangement Agreement and any certificate delivered under Article 6 *[Conditions]* of the Arrangement Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which the Arrangement Agreement is terminated in accordance with its terms.

COVENANTS

Conduct of Business of the Company

In the Arrangement Agreement, the Company covenanted and agreed that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of the Purchaser; (ii) as required by the Arrangement Agreement; (iii) as required by Law; or (iv) as expressly contemplated by the Company Disclosure Letter, it shall, and shall cause each of its Subsidiaries to, conduct its business in the Ordinary Course and in accordance with Laws, and the Company shall use commercially reasonable efforts to maintain and preserve its and its Subsidiaries' business organization, assets, properties, employees, goodwill and business relationships it currently maintains with customers, suppliers, partners, equipment manufacturers and other Persons with which the Company or any of its Subsidiaries has material business relations.

In addition, the Company covenanted and agreed that, during such above-mentioned time period and subject to such above-mentioned exceptions, it shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

(a) amend its articles of incorporation, articles of arrangement, articles of amalgamation, by-laws or, in the case of any Subsidiary which is not a corporation, its similar organizational documents;

(b) adjust, reverse, subdivide, split, combine or reclassify any shares of its capital stock or declare, set aside or pay any dividend or other distribution (whether in cash, stock, or property or any combination thereof);

(c) redeem, repurchase, or otherwise acquire, directly or indirectly, or offer to redeem, repurchase or otherwise acquire any shares of capital stock of the Company or any of its Subsidiaries, as the case may be, or effect any like change in the capitalization of the Company or its Subsidiaries;

(d) amend the terms of any of its securities, reduce the capital of any of its securities or otherwise enter into any transaction that would reduce the "paid-up" capital (within the meaning of the Tax Act) of its shares or undertake any capital reorganization;

(e) issue, grant, deliver, sell, pledge or otherwise encumber, or authorize the issuance, grant, delivery, sale, pledge or other encumbrance of, any securities of the Company or of any of its Subsidiaries (including any securities or rights that are linked to the value or price of the Shares) or any options, warrants or similar rights exercisable or exchangeable for or convertible into capital stock of the Company or any of its Subsidiaries, or any stock appreciation rights, phantom share awards or other rights that are linked to the price or the value of the Shares, except for the issuance of Shares issuable upon the exercise or settlement of the Company Options outstanding as of the date hereof as disclosed in the Company Disclosure Letter;

(f) acquire (by merger, consolidation, acquisition of stock or assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, any assets, securities, properties, interests or businesses having a cost, on a per transaction or series of related transactions basis, in excess of $250,000;

(g) enter into any agreement that has the effect of creating a joint venture, partnership, shareholders' agreement or similar relationship between the Company or any of its Subsidiaries and another Person;

(h) sell, pledge, hypothecate, lease, license, sell and lease back, mortgage, dispose of, lose the right to use, surrender or encumber or otherwise transfer or dispose of, directly or indirectly, any of its assets, securities, properties, interests or businesses, except inventory sold in the Ordinary Course or in respect of assets whose book value, individually or in the aggregate, does not exceed $100,000;

(i) reorganize, amalgamate or merge the Company or any of its Subsidiaries;

(j) effect or adopt a plan of liquidation, dissolution, restructuring, reorganization or resolutions providing for the liquidation, dissolution, restructuring or reorganization of the Company or any of its Subsidiaries;

(k) make inconsistent with past practice, amend or rescind any material Tax election, information schedule, return or designation, except in each case in the Ordinary Course consistent with past practice, settle or compromise any material Tax claim, assessment, reassessment or liability, initiate any voluntary disclosure in respect of Taxes, or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

(l) amend or change any Tax Return, enter into any agreement with a Governmental Entity with respect to Taxes or request any Tax ruling from a Governmental Entity; surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, or enter into any Tax sharing agreement, Tax allocation agreement, Tax indemnification agreement or similar agreement that is binding upon the Company or any of its Subsidiaries;

(m) take any action or fail to take any action that would, or would reasonably be expected to, individually or in the aggregate (i) cause the Tax attributes of assets of the Company or any of its Subsidiaries or the amount of Tax loss or other Tax attribute carry-forwards of the Company or any of its Subsidiaries to materially and adversely change from what is reflected in their respective Tax Returns, or (ii) render such Tax loss or other Tax attribute carry-forwards unusable (in whole or in part) by any of them or any successor of the Company or any of its Subsidiaries;

(n) make any capital expenditure or commitment to do so which exceeds individually or in the aggregate $250,000;

(o) (i) issue any note, bond or other debt security evidencing indebtedness; or (ii) create, incur, assume or guarantee or otherwise become liable for any indebtedness;

(p) make any loan or advance to, or any capital contribution or investment in, or assume, guarantee or otherwise become liable with respect to the liabilities or obligations of, any Person;

(q) prepay any long-term indebtedness before its scheduled maturity, or increase, create, incur, assume or otherwise become liable for any indebtedness for borrowed money or guarantees thereof other than in connection with advances under the Company's Credit Facility in the Ordinary Course up to a maximum of $250,000 in the aggregate;

(r) make any material change in the Company's accounting principles, except as required by concurrent changes in IFRS;

(s) grant any Lien (other than Permitted Liens) on any of the assets of the Company or its Subsidiaries;

(t) grant any general increase in the rate of wages, fees, salaries, bonuses, commissions, fees or other remuneration of any Company Employees or directors, or make any bonus or profit sharing distribution or similar payment of any kind, or adopt or otherwise implement any employee or executive bonus, severance, transaction bonus, change of control payment or retention plan or program, except as required by Law or written Contracts, in each case, as in effect as of the date hereof;

(u) (i) adopt, enter into, create, amend or terminate any Employee Plan or increase any benefits under any Employee Plan (other than entering into an employment agreement in the Ordinary Course with a new employee who was not employed by the Company or a Subsidiary on the date of the Arrangement Agreement and whose annual base compensation does not exceed $150,000); (ii) hire or employ any new officer or executive of the Company or any of its Subsidiaries; (iii) pay any compensation or benefit to any director or officer of the Company or any of its Subsidiaries or to any Company Employee (other than in the Ordinary Course, in the case of a Company Employee who is not a director or officer of the Company and whose annual compensation does not exceed $100,000) that is not required under the terms of any Employee Plan in effect on the date of the Arrangement Agreement; (iv) grant, accelerate, increase or otherwise amend any payment, including, but not limited to, any bonus, retention, termination, severance, transaction, change of control, award or other benefit payable to, or for the benefit of, any director or officer of the Company or any of its Subsidiaries or to any Company Employee (other than in the Ordinary Course, in the case of a Company Employee who is not a director or officer of the Company; (v) make any material determination under any Employee Plan that is not in the Ordinary Course; or (vi) take or propose any action to effect any of the foregoing;

(v) cancel, waive, release, assign, settle or compromise any material claims or rights;

(w) commence, waive, release, assign, settle or compromise any litigation, proceedings or governmental investigations;

(x) amend or modify in any material respect or terminate or waive any material right under any Material Contract or enter into any contract or agreement that would be a Material Contract if in effect on the date hereof, other than purchase orders entered into in the Ordinary Course with existing vendors or customers that are routine in nature and consistent in scope, type, frequency and magnitude with past practice;

(y) enter into any new vendor or customer Contracts other than in the Ordinary Course;

(z) abandon or fail to diligently pursue any application for any material Authorizations, leases, permits or registrations or take any action, or fail to take any action, that could lead to the termination of any material Authorizations, leases or registrations;

(aa) enter into any Contract that limits or otherwise restricts the Company, any of its Subsidiaries or any of their respective affiliates or any of their respective successors from engaging in any line of business or carrying on business in any geographic area or the scope of Person to whom any such Person may sell products or services or acquire products or services from;

(bb) enter into any new line of business or expand into new markets that is outside of the business of the Company and its Subsidiaries existing on the date hereof, or abandon or discontinue any line of business of the Company or its Subsidiaries existing on the date hereof;

(cc) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts or similar financial instruments;

(dd) enter into or amend any Contract with any broker, finder or investment banker, including any amendment of any of the Contracts with the financial advisor, or any Contract that could result in the payment by the Company or any of its Subsidiaries of a finder's fee, success fee or other similar fee in connection with the Arrangement or the other transactions contemplated in the Arrangement Agreement;

(ee) except as contemplated in Section 4.10 *[Insurance and Indemnification]* of the Arrangement Agreement, amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of the Company or any Subsidiary in effect on the date of the Arrangement Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect;

(ff) knowingly take any action or permit inaction or enter into any transaction that could reasonably be expected to have the effect of reducing or eliminating the amount of the tax cost “bump” pursuant to paragraphs 88(1)(c) and 88(1)(d) of the Tax Act in respect of the securities of any affiliates or Subsidiaries and other non-depreciable capital property owned by the Company or any of its Subsidiaries, upon an amalgamation or winding-up of the Company or any of its Subsidiaries (or any of their respective successors);

(gg) waive, release, abandon, let lapse, grant, sell or transfer any material right under, or amend, modify or change in any material respect, any existing material license or right to use the Business Intellectual Property;

(hh) waive, release, or amend the restrictive covenant obligations of any current or former Company Employee;

(ii) enter into any Contract with a Person that does not deal at arms’ length (as defined in the Tax Act) with the Company and its Subsidiaries; or

(jj) authorize, agree, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

The Company shall, in all material respects, conduct itself so as to keep the Purchaser fully informed as to the material decisions required to be made or material actions required to be taken with respect to the operation of its and its Subsidiaries’ business.

Covenants of the Company relating to the Arrangement

Subject to Section 4.4 *[Regulatory Approvals]* of the Arrangement Agreement which shall govern in relation to Regulatory Approvals, the Company agreed to perform, and cause each of its Subsidiaries to perform, all obligations required or desirable to be performed by the Company or any of its Subsidiaries under the Arrangement Agreement, cooperate with the Purchaser in connection therewith, and do all such other acts

and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, the Company agreed to and, where appropriate, cause each of its Subsidiaries to:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) use all commercially reasonable efforts to obtain, provide and maintain, as applicable, all third party or other consents (including the Required Consents), waivers, permits, exemptions, orders, approvals, notices, agreements, amendments or confirmations that are (i) necessary or advisable to be obtained or provided under the Material Contracts in connection with the Arrangement or (ii) required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser, and without paying, and without committing itself or the Purchaser or the Parent to pay, any consideration or incurring any liability or obligation or agreeing to any amendment or modification to any such Material Contract without the prior written consent of the Purchaser (it has been expressly agreed by the Purchaser that no such consent, waiver, permit, exemption, order, approval, notice, agreement, amendment or confirmation shall be a condition to closing of the Arrangement, except to the extent provided for in Article 6 *[Conditions]* of the Arrangement Agreement);

(c) use all commercially reasonable efforts to effect all necessary registrations, filings, notices and submissions of information required by Governmental Entities from the Company and its Subsidiaries relating to the Arrangement;

(d) use all commercially reasonable efforts to, upon reasonable consultation with the Purchaser, oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or the Arrangement Agreement;

(e) not take any action, or refrain from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Arrangement Agreement, or which could reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement; and

(f) use commercially reasonable efforts to assist in effecting the resignations of each member of the Board and the board of directors of each of the Company's Subsidiaries (in each case, to the extent requested by the Purchaser), and causing them to be replaced by Persons nominated by the Purchaser effective as of the Effective Time.

The Company further covenanted that it shall promptly notify the Purchaser in writing of (A) any Material Adverse Effect or any change, event, occurrence, effect, state of factors or circumstance that, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, (B) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with the Arrangement Agreement or the Arrangement, (C) any notice or other communication from any supplier, marketing partner, equipment manufacturer, customer, distributor or reseller to the effect that such supplier, marketing partner, equipment manufacturer, customer, distributor or reseller is terminating, may terminate, or otherwise is, or may, materially adversely modify, its relationship with the Company or any of its Subsidiaries, (D) any notice or other communication from any Governmental Entity in connection with the Arrangement Agreement or the Arrangement (and, subject to Law, contemporaneously provide a copy of

any such notice or communication to the Purchaser), or (E) any filings, actions, suits, claims, investigations or proceedings commenced or, to the Company's knowledge, threatened against, relating to or involving the Company or any of its Subsidiaries or that relate to the Arrangement Agreement or the Arrangement.

The Company also agreed to provide, and use its commercially reasonable efforts to cause its Representatives to provide, to the Parent cooperation reasonably requested by the Parent in connection with any financing entered into in relation to the Arrangement, provided that: (A) such requested co-operation is made on reasonable notice and does not unreasonably interfere with the ongoing operations of the Company; (B) such requested co-operation shall not require the Company to obtain the approval of the Shareholders; and (C) the Parent shall pay all of the cooperation costs and all direct or indirect costs that may be incurred as a consequence of such requested cooperation or such financing, provided that neither the Company nor any of its Subsidiaries shall be required by the Parent to pay any commitment, consent or other similar fee or incur any other liability in connection with any such financing prior to the Effective Time. The Company acknowledged that the Parent may have confidential discussions concerning the Arrangement Agreement or the Arrangement with its debt-financing sources, and consented to the Parent having such discussions provided that such debt financing sources keep any applicable confidential information concerning the Company confidential in accordance with the Confidentiality Agreement.

Further, the Company covenanted that it shall use commercially reasonable efforts to maintain and preserve all of its rights under each of its and its Subsidiaries' Authorizations and shall not solicit or encourage any Governmental Entity to make additions to the obligations under any existing or future Authorization (except to the extent necessary for the Company to continue operating its business in accordance with applicable Laws in which case the Company covenanted that it shall consult with the Purchaser prior to soliciting or encouraging such additions and shall, acting reasonably, give reasonable consideration to the Purchaser's comments).

For the complete text of the applicable provisions, see Section 4.2 *[Covenants of the Company Relating to the Arrangement]* of the Arrangement Agreement.

Covenants of Purchaser and Parent relating to the Arrangement

Subject to Section 4.4 *[Regulatory Approvals]* of the Arrangement Agreement which shall govern in relation to Regulatory Approvals, the Purchaser and the Parent covenanted that they shall perform all obligations required to be performed by them under the Arrangement Agreement, cooperate with the Company in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, each of the Purchaser and the Parent covenanted that it shall:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and Final Order applicable to them and comply promptly with all requirements imposed by Law on them with respect to the Arrangement Agreement or the Arrangement;

(b) use all commercially reasonable efforts to cooperate with the Company in obtaining, providing and maintaining all third party or other consents (including the Required Consents), waivers, permits, exemptions, orders, approvals, notices, agreements, amendments or confirmations that are (i) necessary or advisable to be obtained or provided under the Material Contracts in connection with the Arrangement or (ii) required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement, in each case, on terms that are reasonably satisfactory to the Purchaser, and without committing itself or the Company to pay any consideration or to incur any liability or obligation that is not conditioned on consummation of the Arrangement;

(c) use all commercially reasonable efforts to effect all necessary registrations, filings, notices and submissions of information required by Governmental Entities from them relating to the

Arrangement (provided that, matters relating to the Regulatory Approvals shall be governed by Section 4.4 *[Regulatory Approvals]* of the Arrangement Agreement); and

(d) use all commercially reasonable efforts, upon reasonable consultation with the Company, to oppose, lift or rescind any injunction, restraining or other order, decree or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which they are a party or brought against them challenging the Arrangement or the Arrangement Agreement.

The Purchaser and the Parent further covenanted that they shall promptly notify the Company in writing of (A) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person is required in connection with the Arrangement Agreement or the Arrangement, (B) any notice or other communication from any Governmental Entity in connection with the Arrangement Agreement or the Arrangement (and, subject to Law, contemporaneously provide a copy of any such notice or communication to the Company), or (C) any filings, actions, suits, claims, investigations or proceedings commenced or, to the knowledge of the Purchaser or the Parent, threatened against, relating to or involving the Purchaser or the Parent; or that relate to the Arrangement Agreement or the Arrangement.

Regulatory Approvals

Under the Arrangement Agreement, the Parties agreed that as soon as reasonably practicable after the date of the Arrangement Agreement, each Party shall make all notifications, filings, applications and submissions with Governmental Entities required or considered advisable by the Purchaser in connection with any Regulatory Approval and each Party shall use its commercially reasonable efforts to obtain and maintain any Regulatory Approvals prior to the Outside Date.

The Parties agreed to cooperate with one another in connection with obtaining any Regulatory Approvals including by providing or submitting on a timely basis all documentation and information that is required, or in the opinion of the Purchaser, advisable, in connection with obtaining any Regulatory Approvals and use their commercially reasonable effort to ensure that such information does not contain a Misrepresentation. In addition, the Parties have agreed to cooperate and keep one another reasonably informed as to the status of and processes and proceedings relating to obtaining the Regulatory Approvals, not to make any submissions or filings, participate in any meetings or any material conversations with any Governmental Entity without consulting with the other party in advance, as well as notify the other Party of any communications from a Governmental Entity related to a Regulatory Approval or if any application or Regulatory Approval contains a Misrepresentation requiring amendments or supplements. If any legal objections or proceedings arise regarding the transactions under the Arrangement Agreement, the Parties will, following the Purchaser's direction, use commercially reasonable efforts to resolve them to ensure the transactions occur by the Outside Date.

For the complete text of the applicable provisions, see Section 4.4 *[Regulatory Approvals]* of the Arrangement Agreement.

Pre-Acquisition Reorganization

Under the Arrangement Agreement, the Company agreed that, upon the reasonable request by the Purchaser, the Company shall: (i) effect such reorganizations of the Company's and its Subsidiaries' corporate structure, capital structure, business, operations or assets and such other transactions as the Purchaser may request, acting reasonably (each a "**Pre-Acquisition Reorganization**"); (ii) cooperate with the Purchaser and its advisors in order to determine the nature and manner in which any Pre-Acquisition Reorganization might most effectively be undertaken; and (iii) cooperate with the Purchaser and its advisors to seek to obtain any consents, approvals, waivers or similar authorizations that are reasonably required by the Purchaser (based on the applicable terms of the Contract or Authorization) in connection with the Pre-Acquisition Reorganizations, if any. Without limiting the generality of the foregoing, the Company acknowledged that the Purchaser may enter into transactions designed to (i) step up the tax basis in certain

capital property of the Company and/or its Subsidiaries for purposes of the Tax Act, and/or (ii) settle any intercompany debt or liabilities outstanding between the Company and any of its Subsidiaries, and, in each case, agreed to use commercially reasonable efforts to provide information reasonably requested and required by the Purchaser in this regard on a timely basis and to assist in obtaining any such information.

Notwithstanding the foregoing, the Company will not be obligated to perform any Pre-Acquisition Reorganization under Section 4.6(1) *[Pre-Acquisition Reorganization]* of the Arrangement Agreement unless such Pre-Acquisition Reorganization:

(a) is not prejudicial to the Company' securityholders in any material respect;

(b) does not require the Company to obtain the approval of the Shareholders;

(c) does not impair, prevent or delay the consummation of the Arrangement in any material respect;

(d) can be unwound in the event the Arrangement is not consummated without adversely affecting the Company or any of its Subsidiaries, or the Shareholders, in any material respect;

(e) does not require the Company or any of its Subsidiaries to contravene their respective Constating Documents, any Laws or any material Authorization or result in any breach by the Company or any of its Subsidiaries of any Material Contract;

(f) does not require any director, officer, employee or other Representative of the Company or any of its Subsidiaries to take any action that would be reasonably be expected to result in such Person incurring personal liability;

(g) would not result in any Taxes being imposed on, or any adverse Tax to any Shareholder incrementally greater than the Taxes to such party in connection with the Arrangement in the absence of any such Pre-Acquisition Reorganization;

(h) does not reduce, or impact the form of, the Consideration to be received by Shareholders under the Plan of Arrangement; and

(i) is effected as close to the Effective Time as is practicable.

The Purchaser must provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least 10 Business Days prior to the Effective Time. Upon receipt of such notice, the Purchaser and the Company shall work cooperatively and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are reasonably necessary, including making amendments to the Arrangement Agreement or the Plan of Arrangement (provided such amendments do not require additional securityholder approval beyond what is approved at the Meeting), and shall seek to have any such Pre-Acquisition Reorganization be effective immediately prior to the Effective Time.

If the Arrangement is not completed other than due to a breach by the Company, the Purchaser (a) shall forthwith reimburse the Company for all reasonable costs, fees and expenses and Taxes incurred by the Company and its Subsidiaries in connection with any completed Pre-Acquisition Reorganization, and (b) shall indemnify and hold harmless the Company and its Subsidiaries from and against any and all liabilities, losses, damages, claims, penalties, interest, awards, judgments and Taxes suffered or incurred as a result of any Pre-Acquisition Reorganization (including any unwinding thereof), or in taking reasonable steps to reverse or unwind any Pre-Acquisition Reorganization. These indemnification obligations of the Purchaser shall survive the termination of the Arrangement Agreement.

The Purchaser agreed that any Pre-Acquisition Reorganization will not be considered in determining whether a representation or warranty of the Company under the Arrangement Agreement has been

breached (including where any such Pre-Acquisition Reorganization requires the consent of any third party under a Contract).

For the complete text of the applicable provisions, see Section 4.6 *[Pre-Acquisition Reorganization]* of the Arrangement Agreement.

Insurance and Indemnification

Pursuant to the Arrangement Agreement, prior to the Effective Date, the Company shall purchase customary "tail" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate to the protection provided by the policies maintained by the Company and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser shall, or shall cause the Company and its Subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six (6) years from the Effective Date; provided that the Purchaser shall not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 300% of the Company's current annual aggregate premium for policies currently maintained by the Company or its Subsidiaries.

Pursuant to the Arrangement Agreement, the Purchaser shall cause the Company to honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Company and its Subsidiaries, to the extent that they are (i) included in the Constating Documents of the Company or any of its Subsidiaries or (ii) disclosed in Section 4.10(2) *[Insurance and Indemnification]* of the Company Disclosure Letter, and acknowledges that such rights shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six (6) years from the Effective Date.

For the complete text of the applicable provisions, see Section 4.10 *[Insurance and Indemnification]* of the Arrangement Agreement.

Company Cash; Company Debt; Company Capital Lease Obligations; and Company Transaction Expenses

Pursuant to the Arrangement Agreement, the Company shall, and shall cause each of its Subsidiaries to, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms:

(a) conduct its business in a manner that will ensure compliance with the sections set forth in Section 6.2(7) *[Company Cash]*; Section 6.2(8) *[Company Debt]*; Section 6.2(9) *[Company Capital Lease Obligations]* and Section 6.2(10) *[Company Transaction Expenses]*; and

(b) upon reasonable request from time to time, provide the Purchaser with evidence of such compliance, in form and substance reasonably satisfactory to the Purchaser.

For a description of the Company's conditions precedent to the obligations of the Purchaser, see "*The Arrangement Agreement– Closing Conditions– Additional Conditions Precedent to the Obligations of the Purchaser*"

Additional Covenants Regarding Non-Solicitation

Non-Solicitation

Under the Arrangement Agreement, the Company agreed to certain non-solicitation covenants, including that, subject to the provisions of the Arrangement Agreement, the Company and its Subsidiaries shall not, directly or indirectly, through officer, director, employee, shareholder, representative (including any financial

or other adviser) or agent of the Company or of any of its Subsidiaries (collectively, "**Representatives**"), or otherwise, and shall not permit any such Person to:

(a) solicit, assist, initiate, encourage or otherwise knowingly facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary) any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than with the Purchaser and the Parent) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal; provided that, for greater certainty, the Company may (i) communicate with any Person for the purposes of ascertaining facts from such Person and clarifying the terms and conditions of any inquiry, proposal or offer made by such Person, (ii) advise any Person of the restrictions of the Arrangement Agreement, and (iii) advise any Person making an Acquisition Proposal that the Board has determined that such Acquisition Proposal does not constitute or is not reasonably expected to constitute a Superior Proposal;

(c) withdraw, amend, modify or qualify, or publicly propose or state an intention to withdraw, amend, modify or qualify, the Board Recommendation;

(d) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced Acquisition Proposal for a period of no more than five Business Days following the public announcement of such Acquisition Proposal will not be considered to be in violation of Section 5.1 [*Non-Solicitation*] of the Arrangement Agreement provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting)); or

(e) accept or enter into (other than a confidentiality and standstill agreement permitted by and in accordance with Section 5.3 [*Responding to an Acquisition Proposal*] of the Arrangement Agreement) or publicly propose to accept or enter into any agreement, letter of intent, understanding or arrangement in respect of an Acquisition Proposal or any inquiry, proposal or offer that may reasonably be expected to constitute or lead to an Acquisition Proposal.

In addition, the Company shall, and shall cause its Subsidiaries and its Representatives to, immediately cease and terminate, any solicitation, encouragement, discussion, negotiation or other activities with any Person (other than with the Purchaser and the Parent) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and without limiting the generality of the foregoing, the Company shall:

(a) promptly discontinue access to and disclosure of all information, including access to any data room and any access to the properties, facilities, books and records of the Company or of any of its Subsidiaries; and

(b) within two Business Days of the date of the Arrangement Agreement, request, and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person (other than the Purchaser and the Parent and their representatives) and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights or entitlements.

The Company also made a representation and warranty to the Purchaser and the Parent that, since January 1, 2024, neither the Company, its Subsidiaries nor any of their respective Representatives has waived any confidentiality, standstill or similar agreement or restriction to which the Company or any of its Subsidiaries is a party, and the Company covenanted and agreed that (i) it shall take all necessary action to enforce any confidentiality, standstill, use, business purpose or similar agreement or restriction to which the Company or any of its Subsidiaries is a party and (ii) neither the Company, any of its Subsidiaries nor any of their respective Representatives will, without the prior written consent of the Purchaser (which may be withheld, conditioned or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify any Person's obligations respecting the Company or any of its Subsidiaries, under any confidentiality, standstill, use, business purpose or similar agreement or restriction to which the Company or any of its Subsidiaries is a party (it being acknowledged by the Parent and Purchaser that the automatic termination or release of any standstill restrictions of any such agreements as a result of the entering into and announcement of the Arrangement Agreement shall not be a violation of Section 5.1(3) *[Non-Solicitation]* of the Arrangement Agreement, as summarized in this paragraph).

Notification of Acquisition Proposals

If the Company or any of its Subsidiaries or any of their respective Representatives receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any of its Subsidiaries, the Company shall promptly notify the Purchaser, at first orally, and then within 24 hours, in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions and the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and shall provide the Purchaser with copies of all documents, correspondence or other material received in respect of, from or on behalf of any such Person and such other details of such Acquisition Proposal, inquiry, proposal, offer or request as the Purchaser may request. The Company shall keep the Purchaser fully informed on a current basis of the status of developments and (to the extent permitted by Section 5.3 *[Responding to an Acquisition Proposal]* of the Arrangement Agreement, as summarized under the heading "*Responding the an Acquisition Proposal*" below) negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall provide to the Purchaser copies of all material or substantive correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence, sent or communicated by or to the Company in respect of such Acquisition Proposal, inquiry, proposal, offer or request.

Responding to an Acquisition Proposal

Notwithstanding Section 5.1 *[Non-Solicitation]* of the Arrangement Agreement (as summarized under the heading "*Non-Solicitation"* above, if at any time prior to obtaining the approval of the Shareholders of the Arrangement Resolution, the Company receives an unsolicited written Acquisition Proposal, the Company may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal and may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Company or its Subsidiaries to such Person, if and only if:

(a) the Board first determines in good faith, after consultation with its financial advisors and its outside legal counsel, that such Acquisition Proposal constitutes or may reasonably be expected to constitute or lead to a Superior Proposal, and, after consultation with its outside legal counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties to the Company;

(b) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction with the Company or its Subsidiaries;

(c) the Company has been, and continues to be, in compliance with its obligations under Article 5 *[Additional Covenants Regarding Non-Solicitation]* of the Arrangement Agreement, in all material respects;

(d) the Company enters into a confidentiality and standstill agreement with such Person substantially in the same form as the Confidentiality Agreement and that is otherwise on terms no less onerous or more beneficial to such Person than the Confidentiality Agreement; and

(e) the Company promptly provides the Purchaser with:

i. prior written notice stating the Company's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure;

ii. prior to providing such copies, access or disclosure, a true, complete and final executed copy of the confidentiality and standstill agreement referred to in Section 5.3(d) *[Responding to an Acquisition Proposal]* of the Arrangement Agreement; and

iii. any non-public information concerning the Company and its Subsidiaries provided to such other Person which was not previously provided to the Purchaser.

Right to Match

Under the Arrangement Agreement, if the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Shareholders, the Board may make a Change in Recommendation and enter into a definitive agreement with respect to such Superior Proposal, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction;

(b) the Company has been, and continues to be, in compliance with its obligations under Article 5 *[Additional Covenants Regarding Non-Solicitation]* of the Arrangement Agreement, in all material respects;

(c) the Company has delivered to the Purchaser a written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to make a Change in Recommendation and enter into a definitive agreement with respect to such Superior Proposal, together with a written notice from the Board regarding the value and financial terms that the Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal (the "**Superior Proposal Notice**");

(d) the Company or its Representatives have provided to the Purchaser a copy of the proposed definitive agreement with respect to the Superior Proposal (including any financing commitments or other documents in possession of the Company and its Representatives containing material terms and conditions of such Superior Proposal);

(e) at least five Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement with respect to the Superior Proposal (including any financing commitments or other documents in possession of the Company and its Representatives containing material terms and conditions of such Superior Proposal) from the Company;

(f) during any Matching Period, the Purchaser has had the opportunity (but not the obligation), in accordance with Section 5.4(2) *[Right to Match]* of the Arrangement Agreement, to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Board has determined in good faith (i) after consultation with its legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Arrangement Agreement and the Arrangement as proposed to be amended by the Purchaser under Section 5.4(2) *[Right to Match]* of the Arrangement Agreement) and (ii) after consultation with its outside legal counsel, that it is necessary for the Board to take such action with respect to such Superior Proposal in order to satisfy their fiduciary duties to the Company; and

(h) the terms of any definitive agreement entered into in connection with such Superior Proposal (i) do not require the Company or any other Person to seek to interfere with the attempted successful completion of the Arrangement (including requiring the Company to delay, adjourn, postpone or cancel the Meeting), (ii) do not provide for the payment of any break, termination or other fees or expenses, confer any rights or options to acquire assets or securities of the Company or any of its Subsidiaries to any Person or require the taking of any other action by the Company or any of its Subsidiaries in the event that the Company or any of its Subsidiaries completes the Arrangement, (iii) do not prevent, delay or inhibit, in any way, the Company from completing the Arrangement, (iv) do not require the Company or any of its Subsidiaries to take any further steps in respect of the Superior Proposal, unless and until the Arrangement Resolution shall have failed to receive the requisite approval by the Shareholders at the Meeting, the Termination Fee has been paid by the Company to the Purchaser and the Arrangement Agreement has been validly terminated, and (v) terminates automatically in accordance with its terms, and is of no further force or effect, without any further liability or obligation of the Company or of any of its Subsidiaries, upon the approval of the Arrangement Resolution by the Shareholders at the Meeting.

During the Matching Period, or such longer period as the Company may approve in writing for such purpose: (a) the Board shall review in good faith any offer made by the Purchaser under Section 5.4(1)(f) *[Right to Match]* of the Arrangement Agreement to amend the terms of the Arrangement Agreement and the Arrangement in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (b) the Company shall, and shall cause its Representatives to, negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company shall promptly so advise the Purchaser and the Parties shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

The Arrangement Agreement provides also that, among other things and subject to its terms: (i) any amendment to an Acquisition Proposal that increases or modifies the consideration (or value of such consideration) to be received by the Shareholders or other material terms or conditions thereof will be treated as a new Acquisition Proposal, entitling the Purchaser to a renewed five Business Day Matching Period (ii) if a Superior Proposal Notice is delivered less than 10 Business Days prior to the Meeting, the Meeting may be postponed as directed by the Purchaser to a date that is not more than 15 Business Days after the scheduled date of the Meeting, but in any event beyond the Outside Date (iii) the Board is required to reaffirm its recommendation by press release in the case of any Acquisition Proposal, that is not determined to be a Superior Proposal, is publicly announced, or if an amendment to the terms of the Arrangement Agreement would result in such Acquisition Proposal no longer being a Superior Proposal, and the Company remains obligated to hold the Meeting and comply with applicable Securities Laws, and

(iv) a breach of the Article 5 *[Additional Covenants Regarding Non-Solicitation]* of the Arrangement Agreement by the Company or its Subsidiaries or their respective Representatives will constitute a breach by the Company.

Notwithstanding the receipt by the Company of a Superior Proposal in accordance with the Arrangement Agreement and regardless of whether there is a Change in Recommendation, unless otherwise agreed to in writing by the Purchaser, the Company will continue to take all steps necessary to hold the Meeting and to cause the Arrangement to be voted on at the Meeting.

For the complete text of the applicable provisions, see Section 5.4 *[Right to Match]* of the Arrangement Agreement.

Other Covenants of the Parties

The Arrangement Agreement also contains certain additional customary positive and affirmative covenants of the Parent, the Purchaser and the Company pertaining to access to information; confidentiality; tax matters; public communications; notice and cure provisions; payoff and release letters; delisting. For the complete text of the applicable provisions see Sections 4.5 *[Access to Information; Confidentiality]*, 4.7 *[Tax Matters]*, 4.8 *[Public Communications]*, 4.9 *[Notice and Cure Provisions]*, 4.11 *[Payoff and Release Letters]* and 4.12 *[Delisting]* of the Arrangement Agreement.

CLOSING CONDITIONS

The following section set forth the conditions to complete the Arrangement, which conditions will be conclusively deemed to have been satisfied, waived, or released when the Certificate of Arrangement is issued by the Director.

Mutual Conditions Precedent

The Purchaser and the Company are not required to complete the Arrangement unless each of the following conditions is satisfied or waived, in whole or in part, by mutual consent: (i) the Arrangement Resolution has been approved and adopted by the Shareholders at the Meeting in accordance with the Interim Order, (ii) the Interim Order and the Final Order have each been obtained on terms consistent with the Arrangement Agreement, and have not been set aside or modified in a manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise, and (iii) no Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser from consummating the Arrangement.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) (i) the representations and warranties of the Company set forth in Paragraphs 1 *[Organization and Qualification]*, 2 *[Corporate Authorization]*, 3 *[Execution and Binding Obligation]*, 6 *[Capitalization]*, 8 *[Subsidiaries]* and 33 *[Brokers]* of Schedule C of the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) other than for de minimis inaccuracies and (ii) all other representations and warranties of the Company set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) in all respects, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or

in the aggregate, would not be reasonably expected to have a Material Adverse Effect (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored); and the Company has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date.

(b) the Company has fulfilled or complied in all material respects with each of the covenants of the Company contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and the Company has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date.

(c) there is no action or proceeding (whether, for greater certainty, by a Governmental Entity or any other Person) pending or threatened in any jurisdiction to:

i. cease trade, enjoin, prohibit or impose any limitations, damages or conditions on the Purchaser's ability to acquire, hold, or exercise full rights of ownership over any Shares, including the right to vote the Shares and receive distributions;

ii. prohibit or restrict the Arrangement, or the ownership or operation by the Purchaser or any of its Subsidiaries of a material portion of the business or assets of the Purchaser and its Subsidiaries or of the Company and its Subsidiaries, or compel the Purchaser or its Subsidiaries to dispose of or hold separate any material portion of the business or assets of the Purchaser and its Subsidiaries or of the Company and its Subsidiaries as a result of the Arrangement or the transactions contemplated by the Arrangement Agreement;

iii. seek to obtain from the Company or the Purchaser or any of their respective affiliates any material damages directly or indirectly in connection with the Arrangement or the transactions contemplated by the Arrangement Agreement; or

iv. prevent or materially delay the consummation of the Arrangement, or if the Arrangement is consummated, have a Material Adverse Effect or reasonably be expected to be material and adverse to the Purchaser.

(d) all Regulatory Approvals and all other third party consents, waivers, exemptions, permits, orders, registrations and approvals that are necessary, proper or advisable to consummate the transactions contemplated by the Arrangement Agreement and the failure of which to obtain, individually or in the aggregate, would be reasonably expected to have a Material Adverse Effect or would be reasonably be expected to be material and adverse to the Purchaser, shall have been obtained or received on terms acceptable to the Purchaser, acting reasonably.

(e) the Required Consents shall have been obtained on terms acceptable to the Purchaser, acting reasonably, and each such Required Consent is in force and has not been modified or rescinded.

(f) Dissent Rights have not been exercised with respect to more than 5.0% of the issued and outstanding Shares.

(g) the Company Cash is greater than or equal to $10,800,000 as of the Effective Time but for greater certainty, before the payments provided for under Section 6.2(10) *[Company Transaction Expenses]* of the Arrangement Agreement and the Company has delivered (i) a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date; and (ii) evidence satisfactory to the Purchaser, acting reasonably, delivered three (3) Business Days prior to the Effective Date.

(h) there is no Company Debt outstanding as of the Effective Time and the Company has delivered (i) a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date; and (ii) evidence satisfactory to the Purchaser, acting reasonably, delivered three (3) Business Days prior to the Effective Date.

(i) the Company Capital Lease Obligations do not exceed $5,900,000 as of the Effective Time and the Company has delivered (i) a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date; and (ii) evidence satisfactory to the Purchaser, acting reasonably, delivered three (3) Business Days prior to the Effective Date.

(j) the Company Transaction Expenses do not exceed $2,000,000 as of the Effective Time and the Company has delivered (i) a certificate confirming same to the Purchaser, executed by two senior officers of the Company (in each case without personal liability) addressed to the Purchaser and dated the Effective Date; and (ii) evidence satisfactory to the Purchaser, acting reasonably, delivered three (3) Business Days prior to the Effective Date.

(k) since the date of the Arrangement Agreement, there shall not have occurred a Material Adverse Effect.

(l) the Purchaser shall have been provided with "payoff and release" letters from providers of any third party indebtedness to the Company and its Subsidiaries including the Credit Facility in form and content satisfactory to the Purchaser, acting reasonably, providing for the termination of all Liens securing obligations under such indebtedness, including the Credit Facility and the termination of such indebtedness, including the Credit Facility, all guarantees thereof and all related documents (other than obligations thereunder which expressly survive termination), upon payment of all obligations owing under such indebtedness as of the Effective Date.

(m) each of the New Real Property Leases have been executed by the parties thereto and is in full force and effect and enforceable against the parties thereof.

Additional Conditions Precedent to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(a) the representations and warranties of the Purchaser and the Parent set forth in the Arrangement Agreement which are qualified by references to materiality were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) in all respects and all other representations and warranties of the Purchaser and the Parent set forth in the Arrangement Agreement were true and correct as of the date of the Arrangement Agreement are true and correct as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date) in all material respects, in each case, except to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not materially impede the completion of the Arrangement; and each of the Purchaser and the Parent have delivered a certificate confirming same to the Company, executed by two of its senior officers (in each case without personal liability) addressed to the Company and dated the Effective Date.

(b) the Purchaser and the Parent have fulfilled or complied in all material respects with each of the covenants of the Purchaser and the Parent contained in the Arrangement Agreement to be fulfilled

or complied with by them on or prior to the Effective Time, except where the failure to comply with such covenants, individually or in the aggregate, would not materially impede the completion of the Arrangement, and each of the Purchaser and the Parent have delivered a certificate confirming same to the Company, executed by two of its senior officers (in each case without personal liability) addressed to the Company and dated the Effective Date.

(c) the Purchaser shall have deposited or caused to be deposited with the Depositary in escrow in accordance with Section 2.8 *[Payment of Consideration]* of the Arrangement Agreement, the funds required to satisfy the aggregate Consideration payable by the Purchaser pursuant to the Plan of Arrangement, and the Depositary shall have confirmed to the Company the receipt of such funds. For greater certainty, and notwithstanding the terms of any escrow arrangement entered into between the Purchaser and the Depositary, all funds held in escrow by the Depositary pursuant to Section 2.9 *[Adjustment to Consideration]* of the Arrangement Agreement shall be deemed to be released from escrow, without any further act or formality required on the part of any Person, when the Certificate of Arrangement is issued.

TERMINATION

The Parties agreed that the Arrangement Agreement is effective from the date of the Arrangement Agreement until the earlier of the Effective Date and the termination of the Arrangement Agreement in accordance with its terms.

The Arrangement Agreement may be terminated prior to the Effective Date by:

(a) the mutual written agreement of the Parties; or

(b) either the Company or the Purchaser if:

i. the Arrangement Resolution is not approved by the Shareholders at the Meeting in accordance with the Interim Order provided that, in that case, a Party may not terminate the Arrangement Agreement if the failure to obtain the approval of the Shareholders has been primarily caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;

ii. after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company, the Parent or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided that, in that cause, the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement and provided further that the enactment, making, enforcement or amendment of such Law was not primarily due to the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

iii. the Effective Time does not occur on or prior to the Outside Date, provided that, in that case, a Party may not terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(c) the Company if:

i. a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser or the Parent under the Arrangement Agreement occurs that would cause any condition in Section 6.3(1) *[Purchaser and Parent Reps and Warranties Condition]* or Section 6.3(2) *[Purchaser and Parent Performance of Covenants Conditions]* of the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.9(3) *[Notice and Cure Provisions]* of the Arrangement Agreement; provided that the Company is not then in breach of the Arrangement Agreement so as to cause any condition in Section 6.2(1) *[Company Reps and Warranties Condition]* or Section 6.2(2) *[Company Performance of Covenants Condition]* of the Arrangement Agreement not to be satisfied; or

ii. (A) all of the conditions in Section 6.1 *[Mutual Conditions Precedent]* and Section 6.2 *[Additional Conditions Precedent to the Obligations of the Purchaser]* of the Arrangement Agreement have been and continue to be satisfied or waived by the applicable Party or Parties at the time the closing of the Arrangement should have occurred pursuant to Section 2.7 *[Articles of Arrangement and Effective Date]* of the Arrangement Agreement (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but are reasonably capable of being satisfied on the Effective Date); (B) the Company has irrevocably confirmed to the Purchaser in writing that (X) it is ready, willing and able to consummate the Arrangement and (Y) all conditions set forth in Section 6.*3 [Additional Conditions Precedent to the Obligations of the Company]* of the Arrangement Agreement are satisfied (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but are reasonably capable of being satisfied on the Effective Date) or that it is willing to waive any unsatisfied conditions set forth in Section 6.3 *[Additional Conditions Precedent to the Obligations of the Company]* of the Arrangement Agreement; and (C) the Purchaser does not provide, or cause to be provided, the Depositary with sufficient funds to complete the transactions contemplated by this Agreement as required pursuant to Section 2.8 *[Payment of Consideration]* of the Arrangement Agreement by the date that is three (3) Business Days after the delivery of such confirmation; or;

(d) the Purchaser if:

i. a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition in Section 6.2(1*) [Company Reps and Warranties Condition]* or Section 6.2(2) *[Company Covenants Condition]* not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of Section 4.9(3) *[Notice and Cure Provisions]* of the Arrangement Agreement; provided that neither the Purchaser nor the Parent are then in breach of the Arrangement Agreement so as to cause any condition in Section 6.3(1) *[Purchaser and Parent Representations and Warranties Condition]* or Section 6.3(2) *[Purchaser and Parent Covenants Condition]* of the Arrangement Agreement not to be satisfied*; or*

ii. (A) the Board or any committee of the Board fails to unanimously recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, the Board Recommendation, (B) the Board or any committee of the Board accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal or takes no position or remains neutral with respect to a publicly announced, or otherwise publicly disclosed, Acquisition Proposal for more than five Business Days (or beyond the third Business Day prior to the date of the Meeting, if sooner), (C) the Board or any committee of the Board accepts or enters into or authorizes the Company or any of its Subsidiaries to accept or enter into (other than a confidentiality and standstill agreement permitted by and in accordance with the Arrangement Agreement) or publicly proposes to accept or enter into or to authorize

the Company or any of its Subsidiaries to accept or enter into, any agreement, letter of intent, understanding or arrangement relating to an Acquisition Proposal or any proposal or offer that may reasonably be expected to constitute or lead to an Acquisition Proposal, (D) the Board or any committee of the Board fails to publicly reaffirm the Board Recommendation (without qualification) within five Business Days after having been requested in writing by the Purchaser to do so (or in the event that the Meeting is scheduled to occur within such five Business Day period, prior to the third Business Day prior to the date of the Meeting) (collectively, a "**Change in Recommendation**") or (E) the Company breaches Article 5 *[Additional Covenants Regarding Non-Solicitation]* of the Arrangement Agreement in any material respect

Subject to Section 4.9(3) *[Notice and Cure Provisions]* of the Arrangement Agreement, the Party desiring to terminate the Arrangement Agreement pursuant to the above provisions, other than by mutual written agreement, shall give written notice of such termination to the other Party, specifying in reasonable detail the basis for such exercise of its termination right.

TERMINATION FEES

Termination Fee

Pursuant to the Arrangement Agreement, if a Termination Fee Event occurs, the Company shall pay the Parent the Termination Fee as follows, by wire transfer of immediately available funds to an account designated by the Parent:

(a) if a Termination Fee Event occurs due to a termination of the Arrangement Agreement described in Section 8.2(2)(a) *[Termination of the Arrangement Agreement by the Purchaser upon Change in Recommendation, Breach of Non-Solicit or Breach of Representations and Warranties or Covenants by Company]* or Section 8.2(2)(b) *[Termination of the Arrangement Agreement by the Company or the Purchaser if the Purchaser is entitled to terminate the Arrangement Agreement upon Change in Recommendation or Breach of Non-Solicit*], within two (2) Business Days of the occurrence of such Termination Fee Event; and

(b) if a Termination Fee Event occurs due to a termination of the Arrangement Agreement in the circumstances described in Section 8.2(2)(c) *[Termination of the Arrangement Agreement by the Company or the Purchaser upon Failure of Shareholders to Approve, Outside Date, or by the Purchaser upon Breach of Representations and Warranties or Covenants by the Company]* of the Arrangement Agreement, on or prior to the earlier of the consummation of an Acquisition Proposal or the entering into of a Contract in respect of an Acquisition Proposal, as applicable.

For the purposes of the Arrangement Agreement, "Termination Fee" means $3.7 million and "Termination Fee Event" means the termination of the Arrangement Agreement:

(a) by the Purchaser, pursuant to Section 7.2(1)(d)(ii) *[Change in Recommendation or Breach of Non-Solicitation Provisions]* of the Arrangement Agreement;

(b) by the Company or the Purchaser pursuant to any subsection of Section 7.2 *[Termination]* of the Arrangement Agreement if at such time the Purchaser is entitled to terminate the Arrangement Agreement pursuant to its Section 7.2(1)(d)(ii) *[Change in Recommendation or Breach of Non-Solicitation Provisions]* of the Arrangement Agreement*;* or

(c) by the Company or the Purchaser pursuant to Section 7.2(1)(b)(i) *[Failure of Shareholders to Approve]* or Section 7.2(1)(v)(ii) *[Outside Date]* of the Arrangement Agreement or by the Purchaser pursuant to Section 7.2(1)(d)(i) *[Breach of Representations and Warranties or Covenants by Company]* of the Arrangement Agreement if due to a willful breach or fraud and if:

i. prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed by any Person (other than the Purchaser, the Parent or any of their affiliates) or any Person (other than the Purchaser, the Parent or any of their affiliates) shall have publicly stated an intention to make an Acquisition Proposal; and

ii. within 365 days following the date of such termination (A) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) is consummated, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a Contract in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above and, such Acquisition Proposal is later consummated whether or not within 365 days following the date of such termination).

For purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning assigned to such term in Section 1.1 *[Defined Terms]* of the Arrangement Agreement, except those references to "20% or more" shall be deemed to be references to "50% or more".

Reverse Termination Fee

Pursuant to the Arrangement Agreement, if a Reverse Termination Fee Event occurs, the Purchaser shall pay the Company the Reverse Termination Fee (subject to any applicable withholding Tax), by wire transfer of immediately available funds to an account designated by the Company, within two (2) Business Days following such Reverse Termination Fee Event. For greater certainty, in no event shall the Purchaser be obligated to pay the Reverse Termination Fee on more than one occasion.

For the purposes of the Arrangement Agreement, "Reverse Termination Fee" means $3.7 million and "Reverse Termination Fee Event" means the termination of the Arrangement Agreement:

(a) by the Company, (i) pursuant to Section 7.2(1)(c)(i*) [Breach of Representation or Warranty or Failure to Perform Covenant by the Purchaser]* of the Arrangement Agreement (but only where the circumstances giving rise to the Company's right to terminate the Arrangement Agreement was due solely to willful breach or fraud) or (ii) pursuant to Section 7.2(1)(c)(iii) *[Failure of Purchaser to Consummate]* of the Arrangement Agreement*;* or

(b) by the Purchaser, pursuant to Section 7.2(1)(b)(iii) *[Outside Date]* of the Arrangement Agreement, if at the time of termination the Company could have terminated the Arrangement Agreement (i) pursuant to Section 7.2(1)(c)(i) *[Breach of Representation or Warranty or Failure to Perform Covenant by the Purchaser]* of the Arrangement Agreement (but only where the circumstances giving rise to the Company's right to terminate the Arrangement Agreement was due solely to willful breach or fraud), or (ii) pursuant to Section 7.2(1)(c)(iii) *[Failure of Purchaser to Consummate]* of the Arrangement Agreement.

Purchaser Reimbursement Payment

In addition to the Termination Fee, if the Arrangement Agreement is terminated by the Company or the Purchaser pursuant to Section 7.2(1)(b)(i) *[Failure of Shareholders to Approve*] or the Purchaser pursuant to Section 7.2(1)(d)(i) *[Breach of Representations and Warranties or Covenants by Company]* other than as a result of a willful breach or fraud, the Company shall pay to the Parent an amount of $2,000,000 in reimbursement of the expenses, costs and fees incurred by the Parent and its affiliates in connection with the transactions contemplated by the Arrangement Agreement (the "**Purchaser Reimbursement Payment**"), such payment to be made by wire transfer in immediately available funds to an account or accounts designated by the Parent no later than two (2) Business Days after the date of such termination; provided that in no event shall the Company be required to pay an amount in excess of the Termination Fee.

General Provisions Governing the Termination Fee, the Reverse Termination Fee and the Purchaser Reimbursement Payment

Under the Arrangement Agreement, each of the Party acknowledged that the agreements contained in Section 8.2 *[Termination Fees and Expenses]* of the Arrangement Agreement are an integral part of the transactions contemplated by the Arrangement Agreement, and that without these agreements, the Parties would not enter into such Arrangement Agreement. Subject to the terms of the Arrangement Agreement, the Termination Fee, the Reverse Termination Fee and the Purchaser Reimbursement Payment are in consideration for the disposition of the affected Party's rights under the Arrangement Agreement and are agreed liquidated damages and not penalties, and each party waives any right to claim that such amounts are excessive or punitive.

Under the Arrangement Agreement, and subject to Sections 7.3 *[Effect of Termination/Survival]* and 8.5 *[Injunctive Relief]* thereof, if the Arrangement Agreement is terminated in circumstances where the Parent is entitled to the Termination Fee and such Termination Fee is paid in full within the prescribed time period, the Termination Fee will constitute the sole and exclusive monetary remedy of the Parent and the Purchaser against the Company and the Company Related Parties (as defined in the Arrangement Agreement) for any breaches of the Arrangement Agreement, the failure to complete the Arrangement or any other matters relating to such termination.

Notwithstanding anything in the Arrangement Agreement to the contrary, while the Parent and the Purchaser may pursue both a grant of specific performance in accordance with Arrangement Agreement and the payment of the Termination Fee, under no circumstances shall the Parent and the Purchaser be permitted or entitled to receive both a grant of specific performance of the Company's obligation to complete the transactions contemplated hereby and any monetary damages, including all or any portion of the Termination Fee.

Similarly, under the Arrangement Agreement, subject to Section 8.5 *[Injunctive Relief]* thereof, if the Company becomes entitled to receive the Reverse Termination Fee, the Reverse Termination Fee will constitute the sole and exclusive remedy of the Company and its affiliates against the Purchaser, the Parent and the Purchaser Related Parties (as defined in the Arrangement Agreement) for any breaches of the Arrangement Agreement or related agreements, the failure to complete the Arrangement, or any matters relating to such termination. In such circumstances, the Company will have no further claims or recourse against the Purchaser, the Parent or any Purchaser Related Parties (as defined in the Arrangement Agreement), and no Person will be entitled to seek or obtain any monetary recovery from the Purchaser Related Parties (as defined in the Arrangement Agreement) in connection with the Arrangement Agreement, its termination or the failure to consummate the Arrangement.

In the event a Party fails to pay any Termination Fee, Reverse Termination Fee or Purchaser Reimbursement Payment when due, and legal action is required to obtain such payment, the defaulting Party must also pay the prevailing Party's legal costs and expenses and interest at the Royal Bank of Canada's prime rate from the due date to the date of payment.

For the complete text of the applicable provisions, see Section 8.2 *[Termination Fees and Expenses]* of the Arrangement Agreement.

EXPENSES

Except as otherwise specifically provided for in the Arrangement Agreement, all costs and expenses incurred in connection with the Arrangement Agreement shall be paid by the Party incurring such expenses.

INJUNCTIVE RELIEF, SPECIFIC PERFORMANCE AND REMEDIES

The Parties are entitled to injunctive and other equitable relief to prevent breaches and threatened breaches of the Arrangement Agreement, and to enforce compliance with the terms of the Arrangement Agreement,

without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, in addition to any other remedy to which the Parties may be entitled at law or in equity, provided that the Company cannot claim both specific performance and monetary damages, including all or a portion of the Reverse Termination Fee. Either Party is not required to initiate legal proceedings for specific performance before exercising termination rights or receiving due amounts upon termination. Furthermore, initiating such proceedings does not limit any Party's right to terminate the Arrangement Agreement according to its terms.

For the complete text of the applicable provisions, see Section 8.5 *[Injunction Relief]* of the Arrangement Agreement.

AMENDMENTS

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Shareholders, and any such amendment may**,** subject to the Interim Order and Final Order and Laws, without limitation:

i. change the time for performance of any of the obligations or acts of the Parties;

ii. modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement;

iii. modify any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the Parties; and/or

iv. modify any mutual conditions contained in the Arrangement Agreement.

GOVERNING LAW

The Arrangement Agreement is governed by and interpreted and enforced in accordance with the laws of the Province of Québec and the federal laws of Canada applicable therein and under the Arrangement Agreement, each Party irrevocably attorned and submitted to the non-exclusive jurisdiction of the Québec courts situated in the City of Montreal and waived objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

DISSENTING SHAREHOLDERS RIGHTS

Registered Shareholders of Shares are entitled to dissent from the Arrangement Resolution in the manner provided in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement.

The following description of the Dissent Rights is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the “fair value” of his, her or its Shares, as applicable, and is qualified in its entirety by the reference to the full text of the Interim Order which is attached as Appendix “C” to this Circular, the full text of the Plan of Arrangement which is attached as Appendix “B” to this Circular and the full text of Section 190 of the CBCA which is attached as Appendix “E” to this Circular.

A Shareholder who intends to exercise Dissent Rights should carefully consider and strictly comply with the provisions of Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement. Failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as so modified, and to adhere to the procedures established therein may result in the loss of all rights thereunder. It is strongly recommended that Shareholders wishing to avail themselves of

their rights under those provisions seek their own legal advice, as failure to comply strictly with them may prejudice their Dissent Rights.

The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Under the Interim Order, a Registered Shareholder who fully complies with the dissent procedures in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, is entitled, when the Arrangement becomes effective, in addition to any other rights such Shareholder may have, to dissent and to be paid the fair value of his, her or its, as the case may be, Shares (such Shares, "**Dissent Shares**"), determined as of the close of business on the last Business Day before the day on which the Arrangement Resolution is adopted. A Registered Shareholder may exercise Dissent Rights only with respect to all of the Shares held by such Shareholder or on behalf of any one beneficial owner and registered in the Dissenting Shareholder's name.

Persons who are beneficial owners of Shares registered in the name of an Intermediary who wish to exercise Dissent Rights should be aware that only the registered holder of such Shares is entitled to exercise Dissent Rights. Accordingly, a Non-Registered Shareholder who desires to exercise Dissent Rights must make arrangements for the Shares beneficially owned by such holder to be registered in the name of such holder prior to the time the Dissent Notice is required to be received by the Company or, alternatively, make arrangements for the Registered Shareholder of such Shares to exercise Dissent Rights on behalf of such Shareholder.

A Registered Shareholder wishing to exercise rights of dissent with respect to the Arrangement must send to the Company a written objection to the Arrangement Resolution (a "Dissent Notice"), which written objection must be received by the Company at its registered office c/o Tony Abbandonato, Vice President Sales and Corporate Secretary, 5710 Notre-Dame Street West, Montréal, Québec H4C 1V2, with a copy to Lavery, de Billy, L.L.P. c/o Me Josianne Beaudry, 1 Place Ville Marie, Suite 4000, Montréal, Québec, Canada, no later than 5:00 p.m. (Eastern Time) on February 17, 2026 (or no later than 5:00 p.m. (Eastern Time) two Business Days prior to the date to which the Meeting may be adjourned or postponed from time to time), and must otherwise strictly comply with the dissent procedures described in this Circular, the Interim Order and the Plan of Arrangement. Failure to strictly comply with the requirements set forth in Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, may result in the loss of any right of dissent.

No Shareholder who has voted in favour of the Arrangement, either at the Meeting virtually or by proxy, shall be entitled to dissent with respect to the Arrangement.

A Dissenting Shareholder may only exercise Dissent Rights with respect to all the Shares held by or on behalf of the Dissenting Shareholder.

Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Shares held by them, and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, and if they:

(a) ultimately are entitled to be paid the fair value for such Shares: (i) shall be deemed not to have participated in the transactions in Article 2 *[The Arrangement]* (other than Section 2.3(b) *[The Arrangement]* with respect to Shares held by Dissenting Shareholders who have validly exercised their Dissent Rights) of the Plan of Arrangement; (ii) will be entitled to be paid the fair value of such Shares, which fair value, notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Shares; or

(b) ultimately are not entitled, for any reason, to be paid the fair value for such Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Shares.

The filing of a Dissent Notice does not deprive a Registered Shareholder of the right to vote at the Meeting; however, a Registered Shareholder who has submitted a Dissent Notice and who votes in favour of the Arrangement Resolution will no longer be considered a Dissenting Shareholder with respect to the Shares voted in favour of the Arrangement Resolution. If such Dissenting Shareholder votes in favour of the Arrangement Resolution in respect of a portion of the Shares registered in such Dissenting Shareholder's name or held by same on behalf of any one beneficial owner, such vote approving the Arrangement Resolution will be deemed to apply to the entirety of the Shares held by such Dissenting Shareholder in such Dissenting Shareholder's name or in the name of that beneficial owner, given that Section 190 of the CBCA provides there is no right of partial dissent. **A vote against the Arrangement Resolution will not constitute a Dissent Notice.**

Within 10 days after the approval of the Arrangement Resolution, the Company is required to notify each Dissenting Shareholder that the Arrangement Resolution has been approved. Such notice is not required to be sent to a Registered Shareholder who voted for the Arrangement Resolution or who has, or was deemed to have, withdrawn a Dissent Notice previously filed. A Dissenting Shareholder must, within 20 days after the Dissenting Shareholder receives notice that the Arrangement Resolution has been approved or, if the Dissenting Shareholder does not receive such notice, within 20 days after the Dissenting Shareholder learns that the Arrangement Resolution has been approved, send to the Company, a written notice containing the Dissenting Shareholder's name and address, the number of Shares held by the Dissenting Shareholder, and a demand for payment of the fair value of such Shares (a "**Demand for Payment**"). Within 30 days after sending a Demand for Payment, the Dissenting Shareholder must send to the Depositary or the Company, the certificate or DRS Advice representing the Dissent Shares. A Dissenting Shareholder who fails to send the certificate or DRS Advice representing the Dissent Shares has no right to make a claim under Section 190 of the CBCA. The Company or the Depositary will endorse on any certificate or DRS Advice received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder under Section 190 of the CBCA and will forthwith return the certificate or DRS Advice to the Dissenting Shareholder.

On the filing of a Demand for Payment (and in any event upon the Effective Date), a Dissenting Shareholder ceases to have any rights in respect of its Dissent Shares, other than the right to be paid the fair value of his, her or its, as the case may be, Dissent Shares as determined pursuant to Section 190 of the CBCA, as modified by the Interim Order and the Plan of Arrangement, except where, prior to the date at which the Arrangement becomes effective: (i) the Dissenting Shareholder withdraws, or is deemed to have withdrawn, his, her or its, as the case may be, Demand for Payment before the Company makes an Offer to Pay (as defined below) to the Dissenting Shareholder, (ii) an Offer to Pay is not made and the Dissenting Shareholder withdraws, or is deemed to have withdrawn, its Demand for Payment, or (iii) the Board revokes the Arrangement Resolution, in which case the Company will reinstate the Dissenting Shareholder's rights in respect of its Dissent Shares as of the date the Demand for Payment was sent.

Pursuant to the Plan of Arrangement, in no circumstances shall the Purchaser, the Parent or the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Shares in respect of which such rights are sought to be exercised. For greater certainty, in no case shall the Purchaser, the Parent or the Company or any other Person be required to recognize Dissenting Shareholders as holders of Shares in respect which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(b) *[The Arrangement]* of the Plan of Arrangement, and the names of such Dissenting Shareholders shall be removed from the registers of holders of the Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(b) *[The Arrangement]* of the Plan of Arrangement occurs. In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Options; and (ii) Shareholders who vote or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution (but only in respect of such Shares).

No later than seven days after the later of the Effective Date and the date on which a Demand for Payment of a Dissenting Shareholder is received, each Dissenting Shareholder who has sent a Demand for Payment must be sent a written offer to pay for its Dissent Shares in an amount considered by the Board to be the fair value thereof, accompanied by a statement showing how the fair value was determined (an "**Offer to Pay**"). Every Offer to Pay in respect of Shares must be on the same terms.

Payment for the Dissent Shares of a Dissenting Shareholder must be made within 10 days after an Offer to Pay has been accepted by a Dissenting Shareholder, but any such Offer to Pay lapses if a written acceptance thereof is not received within 30 days after the Offer to Pay has been made. If an Offer to Pay for the Dissent Shares of a Dissenting Shareholder is not made, or if a Dissenting Shareholder fails to accept an Offer to Pay that has been made, an application to the Court to fix a fair value for the Dissent Shares of Dissenting Shareholders may be made by the Company within 50 days after the Effective Date or within such further period as the Court may allow. If no such application is made, a Dissenting Shareholder may apply to the Court for the same purpose within a further period of 20 days or within such further period as the Court may allow. A Dissenting Shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Shareholders whose Dissent Shares have not been purchased by the Company will be joined as parties and bound by the decision of the Court, and each affected Dissenting Shareholder shall be notified of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel. Upon any such application to the Court, the Court may determine whether any other Person is a Dissenting Shareholder who should be joined as a party, and the Court will then fix a fair value for the Dissent Shares of all such Dissenting Shareholders. The final order of the Court will be rendered against the Company in favour of each Dissenting Shareholder joined as a party and for the amount of the Dissent Shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each such Dissenting Shareholder from the Effective Date until the date of payment. Any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Dissenting Shareholder's Dissent Shares. **Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of the Shares as determined under the applicable provisions of the CBCA pertaining to Dissent Rights, as modified by the Interim Order and the Plan of Arrangement, will be more than or equal to the consideration under the Arrangement.**

Dissent Rights are only available to holders of Shares and no rights of dissent shall be available to holders of other securities of the Company.

All notices required to be send to the Company under this Section shall be delivered to the attention of Tony Abbandonato, Vice President Sales and Corporate Secretary, at 5710 Notre-Dame Street West, Montréal, Québec H4C 1V2, with a copy to Lavery, de Billy, L.L.P. c/o Me Josianne Beaudry, 1 Place Ville Marie, Suite 4000, Montréal, Québec, Canada.

THE ABOVE IS ONLY A SUMMARY OF THE PROVISIONS OF THE CBCA PERTAINING TO DISSENT RIGHTS, AS MODIFIED BY THE INTERIM ORDER AND THE PLAN OF ARRANGEMENT, WHICH ARE TECHNICAL AND COMPLEX. IF YOU ARE A SHAREHOLDER HOLDING SHARES AND WISH TO DIRECTLY OR INDIRECTLY EXERCISE DISSENT RIGHTS, YOU SHOULD SEEK YOUR OWN LEGAL ADVICE AS FAILURE TO STRICTLY COMPLY WITH THE PROVISIONS OF THE CBCA, AS MODIFIED BY THE INTERIM ORDER AND THE PLAN OF ARRANGEMENT, MAY PREJUDICE YOUR DISSENT RIGHTS AND RESULT IN THE LOSS OR UNAVAILABILITY OF THE RIGHT TO DISSENT. WE URGE ANY SHAREHOLDER WHO IS CONSIDERING DISSENTING TO THE ARRANGEMENT TO CONSULT THEIR OWN TAX ADVISOR WITH RESPECT TO THE INCOME TAX CONSEQUENCES TO THEM OF SUCH ACTION.

For a general summary of certain income tax implications to a Dissenting Shareholder, see: "*Certain Canadian Federal Income Tax Considerations*".

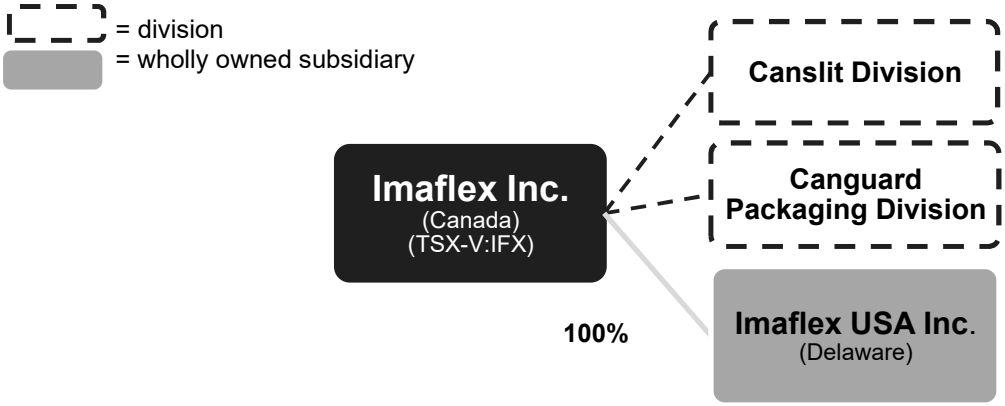
INFORMATION CONCERNING THE COMPANY

GENERAL

Imaflex was incorporated on May 7, 1980 under the CBCA. However, the business operations of Imaflex as they are generally known today were established in 1994. On February 1, 1999, Imaflex amalgamated under the CBCA with Cyclonic Investments Corporation. On January 1, 2010, Imaflex again amalgamated under the CBCA with its wholly owned Subsidiary, Canslit Inc, which is now a division of Imaflex as described below. On October 11, 2012, Articles of Amendment were filed to amend the description of classes of shares of the Company, reflecting its current share capital structure.

The Company's head and registered office is located at 5710 Notre-Dame Street West, Montreal, Quebec, Canada.

The following chart illustrates the Company's current corporate structure, consisting of its wholly owned Subsidiary, Imaflex USA Inc. ("**Imaflex USA**"), as well as two divisions of the Company, Canslit and Canguard Packaging ("**Canguard**"), which are not separate legal entities.



SUMMARY DESCRIPTION OF BUSINESS

Imaflex is focused on the development and manufacturing of innovative solutions for the flexible packaging, industrial and agricultural markets. The Company has three manufacturing facilities. Two are in the province of Quebec, including Montreal and Victoriaville (Canguard and Canslit, divisions of Imaflex), and one is in Thomasville, North Carolina, USA (Imaflex USA, a wholly owned Subsidiary of Imaflex). The core business of Imaflex and Imaflex USA, is the manufacturing and sale of custom-made polyethylene films and bags, as well as non-metalized agricultural films. Canguard specializes in the manufacturing and sale of industrial bags, primarily made from recycled materials, with a focus on garbage bags. Canslit specializes in the metallization of plastic films, mainly producing metallized agricultural mulches.

DESCRIPTION OF SHARE CAPITAL

Imaflex's authorized share capital consists of an unlimited number of common shares, voting and participating, without par value. The holders of Shares are entitled to attend and cast votes at all shareholder meetings of the Company and are entitled to one vote per Share. As of the date hereof, there are 52,088,637 Shares issued and outstanding.

DIRECTORS AND SENIOR OFFICERS

The following table provides the names, province or state and country of residence of the directors and senior officers of the Company, as of the date hereof, including their positions or offices held with the Company and, in the case of directors, the dates they were first appointed to the Board as well as their principal occupation.

Directors

Name and Place of Residence	Position(s) with the Company	Principal Occupation	Director since
Joseph Abbandonato *Québec, Canada*	Executive Chairman of the Board	Corporate director	October 1998
Tony Abbandonato *Québec, Canada*	Director, Vice President Sales, Secretary	Vice President Sales of the Company	June 2016
Michel Baril[(1)] *Québec, Canada*	Independent Director	Corporate director	March 2008
Consolato Gattuso *Québec, Canada*	Independent Director	Founding Partner with the law firm Gattuso Bouchard Mazzone	March 2012
Philip Nolan[(1)] *Québec, Canada*	Independent Director	Self-employed tax lawyer	June 2001
Lorne Steinberg Québec, Canada	Independent Director	President of Lorne Steinberg Wealth Management Inc.	June 2017
Mario Settino[(1) (2)] *Québec, Canada*	Independent Director	Consultant at Marset Consulting	From June 2017 to February 2022 and since February 2025
Stephan Yazedjian *Québec, Canada*	Director, President and Chief Executive Officer	President and Chief Executive Officer of the Company	June 2025

Notes:
(1) Member of the Audit and Compensation Committee.
(2) Chairman of the Audit and Compensation Committee.

Senior Officers

Name and Place of Residence	Position(s) with the Company
Stephan Yazedjian *Québec, Canada*	President and Chief Executive Officer
Tony Abbandonato *Québec, Canada*	Vice President Sales, Secretary
Robert Therrien *Québec, Canada*	Director of Finance
John Ripplinger *Québec, Canada*	Vice President Corporate Affairs
Ralf Dujardin *Florida, United States*	Vice President Marketing & Innovation
Gerry Phelps *Ontario, Canada*	Vice President Operations

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the Company, other than as disclosed in this Circular under the heading "*The Arrangement - Interest of Certain Persons in the Arrangement*", no informed person (as defined in *Regulation 51-102 respecting Continuous Disclosure Obligations*) of the Company, or any associate or affiliate of any informed person, has had any material interest, direct or indirect, in any transaction, or proposed transaction, which has materially affected or would materially affect Imaflex or any of its Subsidiaries since the commencement of the most recently completed financial year of the Company.

COMMITMENTS TO ACQUIRE SECURITIES OF THE COMPANY

Except as disclosed in this Circular, there are no agreements, commitments or understandings to acquire securities of the Company by (a) the Company, (b) any directors or officers of the Company or (c) to the knowledge of the directors and officers of the Company, after reasonable enquiry, by any insider of the Company (other than a director or officer) or any associate or affiliate of such insider or any associate or affiliate of the Company or any person or company acting jointly or in concert with the Company.

MATERIAL CHANGES IN THE AFFAIRS OF THE COMPANY

Except as disclosed in this Circular, the directors and officers of Imaflex are not aware of any plans or proposals for material changes in the affairs of the Company.

TRADING PRICE AND VOLUME

Since February 1, 1999, the Shares have been listed on the TSX-V under the symbol "IFX".

The following table provides the historical monthly trading price ranges and volume for the Shares during the 12-month period preceding the date of this Circular.

	Low ($)	High ($)	Volume
2025			
December	1.05	2.30	2,622,885
November	1.05	1.12	108,842
October	1.00	1.20	396,004
September	1.11	1.25	1,092,926
August	1.16	1.35	848,092
July	1.26	1.36	109,075
June	1.22	1.39	200,211
May	1.05	1.39	245,993
April	1.01	1.19	431,515
March	1.17	1.30	140,132
February	1.25	1.43	159,749
January	1.36	1.49	130,734

On December 16, 2025, the last trading day prior to the date of public announcement of the Arrangement, the closing price of the Shares on the TSX-V was $1.06.

PRIOR SALES

The only securities of Imaflex that were outstanding as of December 31, 2025, but not listed or quoted on a marketplace were 500,000 Company Options.

During the 12-month period preceding the date of this Circular, Imaflex did not issue any securities, including Company Options, that were not listed or quoted on a marketplace.

AGGREGATE INDEBTEDNESS

As at January 16, 2026, there was no indebtedness owing to the Company or any of its Subsidiaries by any directors, senior officers, Company Employees or former directors, senior officers or Company Employees or any of its Subsidiaries.

DIVIDENDS

The Company has not declared nor paid any cash dividend on its common shares during the 3 most recently completed financial years, and it currently intends to retain its future earnings, if any, to fund the growth and development of its business.

AUDITORS, TRANSFER AGENT AND REGISTRAR

Raymond Chabot Grant Thornton LLP have been the auditors of the Company since May 17, 2013. Raymond Chabot Grant Thornton LLP has advised that it is independent with respect to the Company within the meaning of the Code of Ethics of Chartered Professional Accountants (Québec) and the Public Company Accounting Oversight Board (PCAOB) on auditor independence.

Computershare Investor Services Inc., at its place of business in Montréal, Québec, acts as the transfer agent and registrar regarding the Company' Shares.

ADDITIONAL INFORMATION

Financial information is provided in the Company's financial statements and management's discussion and analysis for its most recently completed financial year, which are filed on SEDAR+ under the Company's issuer profile at www.sedarplus.ca. Additional information relating to the Company is available also on SEDAR+ under the Company's issuer profile at www.sedarplus.ca.

INFORMATION CONCERNING THE PURCHASER AND THE PARENT

The Purchaser, a wholly owned subsidiary of the Parent, is a corporation formed under the laws of the Province of Ontario for the sole purpose of acquiring the Shares pursuant to the Arrangement and has not engaged in any business activities other than in connection with the transactions contemplated by the Arrangement Agreement.

The Parent, a portfolio company of T.J.C. LP, is a North American manufacturer of high-performance films and flexible packaging solutions, serving customers across a wide range of end markets, including food, healthcare, industrial, and consumer applications. The company specializes in short-run, custom packaging supported by advanced manufacturing capabilities and a customer-centric operating model. With eight manufacturing locations and a broad portfolio of materials and formats, Soteria partners closely with customers to deliver reliable, responsive, and innovative flexible packaging solutions tailored to their specific needs.

The information concerning the Purchaser and the Parent contained in this Circular has been provided by the Purchaser and the Parent for inclusion in this Circular. Although Imaflex has no knowledge that any statement contained herein taken from, or based on, such information and records or information provided by the Purchaser and the Parent are untrue or incomplete, Imaflex assumes no responsibility for the accuracy of the information contained in such documents, records or information or for any failure by the

Purchaser or the Parent to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Imaflex.

THE PURCHASER

The Purchaser was incorporated under the laws of the Province of Ontario as a wholly owned Subsidiary of the Parent for the purposes of completing the Arrangement. The Purchaser has not engaged in any business other than in connection with the Arrangement and related transactions.

THE PARENT

The Parent was incorporated under the laws of the State of Delaware. Headquartered in Carol Stream, Illinois, the Parent is a leading manufacturer of short-run flexible packaging solutions primarily serving the healthcare/medical, food, janitorial/sanitary and industrial end markets in the United States and in Canada. The Parent is a portfolio company of T.J.C. L.P.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Lavery, de Billy, L.L.P., legal counsel to Imaflex, the following is, at the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to Shareholders who dispose of their Shares in return for the Consideration pursuant to the Arrangement and who, for the purposes of the Tax Act, and at all relevant times, are the beneficial owners of their Shares, hold their Shares as capital property and deal at arm's length with, and are not affiliated with, Imaflex, the Purchaser or any of their respective affiliates.

Shares will generally be considered to be capital property to a holder thereof provided the holder does not hold their Shares in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the provisions of the Tax Act in force as of the date hereof and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practices whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is not applicable to a Shareholder: (i) that is a "financial institution", for purposes of the mark-to-market rules in the Tax Act, (ii) an interest in which would be a "tax shelter investment" as defined in the Tax Act, (iii) that has elected under the functional currency rules in the Tax Act to determine its "Canadian tax results" as defined in the Tax Act in a currency other than Canadian currency, (iv) that is a "specified financial institution" as defined in the Tax Act, (v) that is exempt from tax under Part I of the Tax Act, (vi) that received Shares upon the exercise of a stock option, including Company Options, (vii) that has entered or enters into a "derivative forward agreement" as defined in the Tax Act with respect to the Shares, (viii) that is a “foreign affiliate” (as defined in the Tax Act) of a taxpayer resident in Canada, or (ix) that is a partnership. **Such Shareholders should consult their own tax advisors having regard to their own particular circumstances.**

This summary is not exhaustive of all Canadian federal income tax considerations. It is of a general nature only and is neither intended to be, nor should it be construed to be, legal, business or tax

advice or representations to any particular Shareholder. Accordingly, Shareholders should consult their own legal and tax advisors with respect to their particular circumstances.

SHAREHOLDERS RESIDENT IN CANADA

This portion of the summary is applicable only to a Shareholder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be resident in Canada (a "**Resident Shareholder**").

Certain Resident Shareholders who might not otherwise be considered to hold their Shares as capital property may, in certain circumstances, be entitled to have them and all other "Canadian securities" (as defined in the Tax Act) owned by such Resident Shareholder in the taxation year in which the election is made and in all subsequent taxation years treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. **Resident Shareholders whose Shares may not be capital property should consult their own tax advisors.**

Disposition of Shares

A Resident Shareholder who disposes of Shares to the Purchaser for proceeds of disposition equal to the aggregate Consideration for such Shares will realize a capital gain (or capital loss) to the extent that those proceeds of disposition exceed (or are less than) the aggregate of the Resident Shareholder's adjusted cost base in its Shares immediately before the disposition and any reasonable costs of disposition. The Canadian federal income tax treatment of any such capital gain or capital loss is discussed below.

Taxation of Capital Gains and Losses

A Resident Shareholder who, as described above, realizes a capital gain or a capital loss on the disposition of Shares will generally be required to include in its income for the taxation year of the disposition one-half of any such capital gain ("**taxable capital gain**") and will be required to deduct one-half of any such capital loss ("**allowable capital loss**") against taxable capital gains realized in the year in accordance with the detailed rules in the Tax Act. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and applied to reduce taxable capital gains in any of the three preceding years or carried forward and applied to reduce taxable capital gains in any subsequent year, subject to and in accordance with the detailed rules contained in the Tax Act.

If the Resident Shareholder is a corporation or a partnership or trust of which a corporation is a partner or a beneficiary, any capital loss realized on the disposition of any Shares may be reduced by the amount of certain dividends which have been received or are deemed to have been received on the Shares in accordance with detailed provisions of the Tax Act.

Dissenting Resident Shareholders

A Resident Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Resident Shareholder**") will be deemed to have transferred its Shares to the Purchaser and will be entitled to receive a payment from the Purchaser of an amount equal to the fair value of its Shares. In general, a Dissenting Resident Shareholder will realize a capital gain (or capital loss) to the extent that such payment (other than any portion thereof that is interest awarded by a court) exceeds (or is less than) the aggregate of the Dissenting Resident Shareholder's adjusted cost base in its Shares and any reasonable costs of disposition. The tax treatment of capital gains and capital losses discussed above applies to Dissenting Resident Shareholders (see "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Losses*" above).

A Dissenting Resident Shareholder will be required to include in computing its income any interest awarded by a court in connection with the Arrangement.

Refundable Tax and Alternative Minimum Tax

A Resident Shareholder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional $10^{2/3}$% refundable tax on its "aggregate investment income" (as defined in the Tax Act), including amounts of interest and taxable capital gains. Such additional tax may also apply to a Resident Shareholder if it is a "substantive Canadian-controlled private corporation" (as defined in the Tax Act) at any time in the relevant taxation year. **This additional tax may be refundable in certain circumstances. Resident Shareholder should consult their own advisors in tis regard.**

The realization of a capital gain or capital loss by an individual (including most trusts) may affect the individual's liability for alternative minimum tax under the Tax Act. **Such Resident Shareholders should consult their own tax advisors in this regard.**

SHAREHOLDERS NOT RESIDENT IN CANADA

This portion of the summary is generally applicable to a Shareholder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is not and is not deemed to be resident in Canada and does not use or hold and is not deemed to use or hold the Shares in a business carried on in Canada (a "**Non-Resident Shareholder**"). Special rules, which are not discussed in this summary, may apply to certain Non-Resident Shareholders that are (i) insurers carrying on an insurance business in Canada and elsewhere, or (ii) an "authorized foreign bank" (as defined in the Tax Act).

Non-Resident Shareholders should consult their own legal and tax advisors, notably with respect to the income tax consequences applicable in their place of residency in connection with the disposition of their Shares.

Disposition of Shares

A Non-Resident Shareholder will realize a capital gain (or capital loss) on the disposition of the Shares in the same manner as a Resident Shareholder (See "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Disposition of Shares*" above).

Taxation of Capital Gains and Losses

A Non-Resident Shareholder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of the Shares as part of the Arrangement, unless the Shares constitute "**taxable Canadian property**" of the Non-Resident Shareholder for purposes of the Tax Act at the time of the disposition and the Non-Resident Shareholder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Shareholder is resident.

Generally, the Shares will not constitute taxable Canadian property of a Non-Resident Shareholder at the time of their disposition provided that (i) the Shares were listed on a "Designated Stock Exchange" as defined in the Tax Act (which includes the TSX-V) at that time, and (ii) at no time during the 60-month period immediately preceding that time was it the case that both (A) the Non-Resident Shareholder, persons with whom the Non-Resident Shareholder does not deal at arm's length, a partnership in which the Non-Resident Shareholder or a non-arm's length person holds a membership interest directly or indirectly through one or more partnerships, or the Non-Resident Shareholder together with all such persons or partnerships, owned 25% or more of the issued shares of any class of Imaflex, and (B) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties", "timber resource properties" (both as defined in the Tax Act), and options in respect of, or interests in, or for civil law, rights in, any such properties, whether or not the property exists. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, the Shares may be deemed to be taxable Canadian property.

Even if the Shares are taxable Canadian property of a Non-Resident Shareholder at the time of the disposition, a capital gain realized upon the disposition of such Shares may be exempt from tax under an applicable income tax treaty or convention. In the event that any capital gain realized by a Non-Resident Shareholder on the disposition of Shares as part of the Arrangement is not exempt from tax under the Tax Act by virtue of an applicable income tax treaty or convention, the tax consequences pertaining to capital gains (or capital losses) as described above under "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Losses*" will generally apply. **Non-Resident Shareholders whose Shares could qualify as taxable Canadian property should consult their own tax advisors.**

Dissenting Non-Resident Shareholders

A Non-Resident Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Non-Resident Shareholder**") will realize a capital gain (or capital loss) in the same manner as a Dissenting Resident Shareholder (see "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Dissenting Resident Shareholders*"). The income tax treatment of capital gains and capital losses of a Dissenting Non-Resident Shareholder is the same as discussed above under "*Certain Canadian Federal Income Tax Considerations – Shareholders Not Resident in Canada – Taxation of Capital Gains and Losses*". Any interest awarded by a court to a Dissenting Non-Resident Shareholder in connection with the Arrangement will not be subject to Canadian withholding tax.

RISK FACTORS

Shareholders should carefully consider the following risk factors in evaluating whether to approve the Arrangement Resolution, together with the risks described in Imaflex's public filings available on SEDAR+ under Imaflex's issuer profile at www.sedarplus.ca and the other information contained in or incorporated by reference into this Circular. Readers are cautioned that these risk factors are not exhaustive and additional risks and uncertainties, including those currently unknown or not considered material, may also adversely affect Imaflex or the Arrangement.

RISKS RELATING TO IMAFLEX

If the Arrangement is not completed, Imaflex will continue to face, and Shareholders will remain exposed to, the risks that the Company currently faces with respect to its affairs, business, operations and future prospects. Such risk factors are described in the management's discussion and analysis of the Company for the year ended December 31, 2024, as well as the management's discussion and analysis of the Company for the interim period ended September 30, 2025, which have been filed on SEDAR+ under Imaflex's issuer profile at www.sedarplus.ca.

RISKS RELATING TO THE ARRANGEMENT

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of the Company, including receipt of the Required Shareholder Approval and the Final Order. In addition, the completion of the Arrangement by the Purchaser and the Parent is conditional on Dissent Rights not having been exercised by the holders of more than 5.0% of the issued and outstanding Shares in the aggregate, the Required Consents shall have been obtained on terms acceptable to the Purchaser acting reasonably, the New Real Property Leases shall be executed and in full force and effect and enforceable against the Parties thereof, and no Material Adverse Effect having occurred with respect to Imaflex or its Subsidiary since the date of the Arrangement Agreement.

There can be no certainty, nor can the Company provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The market price of the Shares may be materially

adversely affected if the Arrangement is not completed or if its completion is delayed or if the Arrangement Agreement is terminated. If the Arrangement is not completed, the market price of the Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed.

The Arrangement Agreement may be terminated in certain circumstances, in which case an alternative transaction may not be available.

Each of the Company, the Purchaser and the Parent has the right, in certain circumstances, to terminate the Arrangement Agreement. There can be no certainty, nor can the Company provide any assurance, that the Arrangement Agreement will not be terminated by either of the Company, the Purchaser or the Parent prior to the completion of the Arrangement.

Moreover, if the Arrangement Agreement is terminated, there is no assurance that the Board will be able to find a party willing to pay an equivalent or higher price for the Shares than the Consideration to be paid pursuant to the terms of the Arrangement Agreement. Failure to complete the Arrangement could materially negatively impact the trading price of the Shares. See "*The Arrangement Agreement – Termination*".

The Company will incur costs in connection with the Arrangement and may have to pay a Termination Fee.

Certain costs relating to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by the Company even if the Arrangement is not completed. If the Arrangement is not completed, The Company may be required in certain circumstances to pay to the Purchaser the Termination Fee of $3.7 million, including upon making a Change in Recommendation. See "*The Arrangement Agreement – Termination Fees*".

Under the Arrangement Agreement, the Company is required to pay to the Purchaser the Termination Fee in the event the Arrangement Agreement is terminated following the occurrence of a Termination Fee Event. See "*The Arrangement Agreement – Termination Fees*". The Termination Fee may discourage other parties from participating in a transaction with the Company even if those parties might be willing to pay an equivalent or higher price for the Shares than the Consideration to be paid pursuant to the terms of the Arrangement Agreement.

Uncertainty surrounding the Arrangement may cause the Company's clients to delay or defer decisions concerning the Company.

As the Arrangement is dependent upon satisfaction of a number of conditions, its completion is uncertain. In response to that uncertainty, Imaflex's clients may delay or defer decisions concerning Imaflex. Any delay or deferral of those decisions by clients could adversely affect the business and operations of the Company, regardless of whether the Arrangement is ultimately completed. Similarly, uncertainty may adversely affect the Company's ability to attract or retain key personnel. In the event the Arrangement Agreement is terminated, the Company's relationship with customers, suppliers, employees or other shareholders may be materially adversely affected. Changes in such relationships could materially adversely affect the business and operations of the Company.

Shareholders will no longer hold an interest in the Company following the Arrangement.

Following completion of the Arrangement, Shareholders will cease to hold Shares and will no longer have a direct or indirect interest in the Company, its assets, revenues or profits. In the event that the value of the Company's assets or business, prior, at or after the Effective Date, exceeds the implied value of the Company under the Arrangement, former Shareholders will not be entitled to additional consideration for their Shares.

Occurrence of a Material Adverse Effect.

The completion of the Arrangement is subject to the condition that, among other things, on or after the date of the Arrangement Agreement, there shall not have occurred a Material Adverse Effect. Although a Material Adverse Effect excludes certain events that are beyond the control of the Company (such as, but not limited to, changes, events or occurrences in general economic, business, regulatory, or market conditions or national or global financial or capital markets, natural disaster or change in Law), there is no assurance that a change having a Material Adverse Effect on the Company will not occur before the Effective Date, in which case the Purchaser could elect to terminate the Arrangement Agreement and the Arrangement would not proceed. See "*The Arrangement Agreement – Closing Conditions - Additional Conditions Precedent to the Obligations of the Purchaser*"

Diversion of the Attention of Management.

The pendency of the Arrangement could cause the attention of management to be diverted from the day-to-day operations of the Company. These disruptions could be exacerbated by any delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company.

Income Tax Consequences.

The Arrangement may result in certain income tax consequences to the Shareholders. Shareholders are urged to consult their own tax advisors regarding the consequences to them of the receipt of the Consideration for their Shares under the Arrangement. Review the discussion under "*Certain Canadian Federal Income Tax Considerations*."

Interests of Directors and Officers.

In considering the determination and recommendation of the Board with respect to the Arrangement, Shareholders should be aware that certain directors and senior officers of the Company and its Subsidiaries may have certain interests in the Arrangement that differ from, or are in addition to, the interests of Shareholders generally, which may present them with actual or potential conflicts of interest in connection with the Arrangement. See "*The Arrangement – Interest of Certain Persons in the Arrangement*".

While the Arrangement is pending, the Company is restricted from taking certain actions.

The Arrangement Agreement restricts the Company from taking specified actions until the Arrangement is completed without the consent of the Purchaser. These restrictions may prevent the Company from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement. See "*The Arrangement Agreement - Covenants- Conduct of Business of the Company*".

Volatility of the relative trading price of the Shares prior to the Effective Date.

Market assessments of the benefits of the Arrangement and the likelihood that the Arrangement will be consummated may impact the volatility of the market price of the Shares prior to the consummation of the Arrangement.

Possibility for the Company, the Purchaser or the Parent to become the target of securities class actions, oppression claims and derivative lawsuits which could result in costs and may delay or prevent the consummation of the Arrangement.

Securities class actions and oppression and derivative lawsuits may be brought against companies that have entered into an agreement to acquire a public company or to be acquired. Shareholders and third parties may also attempt to bring claims against the Company, the Purchaser or the Parent seeking to restrain the Arrangement or seeking monetary compensation or other remedies. Even when the lawsuits are without merit, defending against these claims can result in costs and divert management time and

resources. Additionally, if an injunction prohibiting consummation of the Arrangement is obtained by a third party, such injunction may delay or prevent the Arrangement from being completed.

The expected benefits of the Arrangement may not be realized.

Even if the Arrangement is completed, there can be no assurance that the anticipated benefits of the Arrangement will be realized within the expected timeframes or at all, due to, among other things, integration challenges, market conditions or other factors beyond the Company's control.

Potential changes in laws, regulations or tax matters could adversely affect the Arrangement or its expected outcomes.

Changes in applicable laws, regulations, tax rules or their interpretation, or the imposition of conditions by regulators or courts, could adversely affect the timing, costs or expected benefits of the Arrangement to the Company and its stakeholders.

Court Process and Timing are Uncertain.

The timing and outcome of the court process are subject to judicial discretion. The Court may adjourn hearings, request additional information or impose conditions that could delay or adversely affect completion of the Arrangement. An injunction or other order could delay or prevent consummation.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

APPROVAL BY DIRECTORS

The contents and the sending of this Circular have been approved by the Board.

ON BEHALF OF THE BOARD OF DIRECTORS OF IMAFLEX INC.

(signed) Joseph Abbandonato

Joseph Abbandonato
Executive Chairman of the Board

Montréal, Québec
January 16, 2026

GLOSSARY OF TERMS

In this Circular and the Summary, the following capitalized words and terms shall have the following meanings:

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement, any offer, proposal or inquiry (written or oral) from any Person or group of Persons other than the Purchaser or the Parent (or an affiliate of the Purchaser or the Parent or any Person acting jointly or in concert with the Purchaser or the Parent) relating to: (i) any sale, disposition, alliance or joint venture (or any lease, long-term supply agreement, license or other arrangement having the same economic effect as a sale or disposition), direct or indirect, in a single transaction or a series of related transactions, of or involving assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or 20% or more of the voting or equity securities of the Company or any of its Subsidiaries (or rights or interests in such voting or equity securities); (ii) any direct or indirect take-over bid, tender offer, exchange offer, treasury issuance of securities, sale of securities or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting, equity or other securities of the Company or any of its Subsidiaries (including securities convertible or exercisable or exchangeable for voting, equity or other securities of the Company or any of its Subsidiaries); (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding-up or other similar transaction involving the Company or any of its Subsidiaries; or (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries.

"**affiliate**" has the meaning ascribed thereto in *Regulation 45-106 respecting Prospectus Exemptions.*

"**allowable capital loss**" has the meaning ascribed to such term in this Circular under the heading "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Losses*".

"**Arrangement**" means an arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the Arrangement Agreement dated December 17, 2025 among the Purchaser, the Parent and the Company providing for, among other things, the Arrangement, including all schedules thereto, as it may be amended or supplemented or otherwise modified from time to time in accordance with the terms thereof.

"**Arrangement Resolution**" means the special resolution approving the Plan of Arrangement to be considered at the Meeting by Shareholders, substantially in the form set out in Appendix "A" to this Circular.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement required by the CBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"**associate**" has the meaning ascribed to such term in the *Securities Act* (Québec), unless stated otherwise.

"**Authorization**" means with respect to any Person, any order, permit, certificate, approval, consent, waiver, licence, registration, qualification, certification or similar authorization of any Governmental Entity having jurisdiction over the Person.

"**Board**" means the board of directors of the Company as constituted from time to time.

"**Board Recommendation**" means a recommendation by the Board that Shareholders vote in favour of the Arrangement.

"**Broadridge**" means Broadridge Investor Communications Corporation in Canada and its counterpart in the United States.

"**Business**" means the business of the Company and its Subsidiaries, including the development, manufacturing and sale of polyethylene films, bags and metalized films.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Montreal, Québec or Carol Stream, Illinois.

"**Business Intellectual Property**" means, collectively, the Company Intellectual Property and the Licensed Intellectual Property.

"**Canguard**" means Canguard Packaging, a division of Imaflex.

"**CBCA**" means the *Canada Business Corporations Act*.

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"**Circular**" means this management information circular for the Meeting, including all appendices hereto, and all amendments and supplements hereto.

"**Collective Agreements**" has the meaning ascribed to such term in the Arrangement Agreement.

"**Company**" means Imaflex Inc., a corporation governed by the CBCA, and all successors thereto.

"**Company Capital Lease Obligations**" means all obligations under capital leases of the Company and its Subsidiaries (other than the Company Leases), calculated in a manner consistent with the Interim Financial Statement.

"**Company Cash**" means, at any time, the aggregate cash and cash equivalents held by the Company and its Subsidiaries that are unrestricted, as determined in accordance with IFRS, and for the avoidance of doubt, shall (i) be calculated net of cheques and drafts issued by the Company or its Subsidiaries but uncleared as of the applicable time, and (ii) include cheques and drafts deposited or available for deposit for the account of the Company or its Subsidiaries as of the applicable time.

"**Company Debt**" means, without duplication, (i) all obligations of the Company and its Subsidiaries for borrowed money, including obligations evidenced by notes, bonds, debentures or other similar debt instruments, (ii) all reimbursement obligations of the Company and its Subsidiaries under letters of credit, to the extent such letters of credit have been drawn, (iii) obligations of the Company and its Subsidiaries in respect of interest rate, currency or other swaps, hedges or similar derivative arrangements, (iv) all obligations of the Company and its Subsidiaries for guarantees of another Person in respect of any items set forth in clauses (i) through (iii), and (v) all outstanding prepayment premium obligations of the Company and its Subsidiaries, if any, and accrued interest, fees and expenses payable upon the consummation of the transactions contemplated in the Arrangement Agreement, as determined in accordance with IFRS.

"**Company Disclosure Letter**" means the disclosure letter dated the date of the Arrangement Agreement and all schedules, exhibits and appendices thereto, delivered by the Company to the Purchaser with the Arrangement Agreement.

"**Company Employees**" means the officers, managers, employees, in each case, whether active or inactive, unionized or non-unionized of the Company and its Subsidiaries, as well as consultants,

independent contractors or other non-employee service providers of the Company and its Subsidiaries listed in Section 1.1 of the Company Disclosure Letter.

“**Company Intellectual Property**” means all Intellectual Property owned or purported to be owned, in whole or in part, by the Company or a Subsidiary.

“**Company Options**” means the outstanding options to purchase Shares issued pursuant to the Stock Option Plan.

“**Company Transaction Expenses**” means, collectively, all costs and expenses of the Company whether incurred, accrued or billed in connection with the Arrangement including, without limitation, fees and expenses of financial advisors, any amount paid to current or purported finders, advisors or dealers, legal advisors, auditors, or other professionals or consultants, and printing, mailing and other costs and expenses relating to the Meeting.

"**Computershare**" means Computershare Investor Services Inc.

"**Confidentiality Agreement**" means the confidentiality agreement between the Company and the Parent dated April 28, 2025, as amended.

"**Consideration**" means $2.35 per Share, subject to adjustment in the manner and in the circumstances contemplated in Section 2.4 *[Adjustment to Consideration]* of the Plan of Arrangement.

"**Constating Documents**" means articles of incorporation, amalgamation, or continuation, articles, partnership agreements, unanimous shareholder agreements, by-laws or other constating documents and all amendments thereto.

“**Contract**” means any agreement, commitment, engagement, contract, franchise, license, lease, sublease, obligation or undertaking (written or oral) to which the Company or any of its Subsidiaries is a party or by which the Company or any of its Subsidiaries is bound or affected or to which any of the Company or any of its Subsidiaries’ properties or assets is subject.

"**Court**" means the Superior Court of Québec, or other court as applicable.

“**COVID-19 Subsidies**” has the meaning ascribed to such term in the Arrangement Agreement.

“Credit Facility” means the offer of financing dated July 29, 2025 between Imaflex Inc., as borrower, Imaflex USA Inc., as guarantor, and National Bank of Canada, providing for three credit facilities totaling $12,550,000.

“**Company Leases**” has the meaning ascribed thereto in Paragraph 20(a) of Schedule C of the Arrangement Agreement.

"**Demand for Payment**" means a written notice containing a Dissenting Shareholder’s name and address, the number and type of Shares in respect of which that Dissenting Shareholder dissents and a demand for payment of the fair value of such Shares.

"**Depositary**" means Computershare Investor Services Inc, or such other Person as the Purchaser may appoint to act as depositary in relation to the Arrangement, with the approval of receiving deposits of certificate or DRS Advice formerly representing Shares.

“**Depositary Agreement**” means the depositary agreement to be entered into by the Company, the Purchaser and the Depositary in connection with the Arrangement.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Notice**" means a written objection to the Arrangement Resolution provided by a Dissenting Shareholder in accordance with the dissent procedure set out in section 190 of the CBCA.

"**Dissenting Non-Resident Shareholder**" means a Non-Resident Shareholder who validly exercises Dissent Rights under the Arrangement Agreement.

"**Dissent Procedures**" means the procedures to be taken by a Shareholder in exercising Dissent Rights.

"**Dissenting Resident Shareholder**" means a Resident Shareholder who validly exercises Dissent Rights under the Arrangement Agreement.

"**Dissent Rights**" means the rights of dissent of registered Shareholders in respect of the Arrangement described in the Plan of Arrangement.

"**Dissenting Shareholder**" means a registered Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Shares in respect of which Dissent Rights are validly exercised by such registered Shareholder.

"**DRS Advice(s)**" means the Direct Registration System (DRS) advice.

"**D&O Voting and Support Agreement**" means the voting and support agreements dated the date hereof between the Purchaser and each of the Supporting Shareholders, except for Mr. Joseph Abbandonato.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Montreal time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Employee Plans**" means all health, welfare, supplemental unemployment benefit, change of control, bonus, commission, profit sharing, option, stock appreciation, savings, vacation, severance, notice or termination pay, insurance, compensation, incentive, incentive compensation, deferred compensation, share purchase, share compensation, disability, pension, savings, retirement or supplemental retirement plans or other employee, former employee or director compensation or benefit plans, policies, trusts, funds, agreements or arrangements for the benefit of directors or former directors of the Company or any of its Subsidiaries or Company Employees or former Company Employees (and their respective dependents and beneficiaries), whether written or oral, which are maintained, sponsored, contributed to or funded by or binding upon the Company or any of its Subsidiaries or in respect of which the Company or any of its Subsidiaries has any actual, contingent, or potential liability.

"**Existing Real Property Leases**" has the meaning ascribed to such term in this Circular under the heading "*The Arrangement – Interest of Certain Persons in the Arrangement - Leases*".

"Expression of Interest" means the non-binding preliminary expression of interest from Soteria dated October 10, 2024, to purchase all of the issued and outstanding Shares of Imaflex at a purchase price of $2.00 per Share or approximately $104 million of equity value.

"**Fairness Opinion**" means the opinion delivered by Stifel to the Special Committee and the Board to the effect that, as of the date of the Arrangement Agreement, the Consideration to be received by the Shareholders is fair, from a financial point of view, to such holders.

"**Final Offer**" means the revised non-binding proposal from Soteria dated August 27, 2025, to purchase all of the issued and outstanding Shares of Imaflex at a purchase price of $2.35 per Share or approximately $123 million of equity value.

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

"**Founder Voting and Support Agreement**" means the voting and support agreement dated the date hereof between the Purchaser and Mr. Joseph Abbandonato.

"**forward-looking information**" has the meaning ascribed to such term in this Circular under the heading "*Management Information Circular – Cautionary Statement Regarding Forward-Looking* ".

"**Governmental Entity**" means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority, department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental, administrative or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee in effect at the relevant time, applied on a consistent basis.

"**Imaflex**" means Imaflex Inc., a corporation governed by the CBCA, and all successors thereto.

"**Imaflex USA**" means Imaflex USA Inc., a corporation governed by the laws of Delaware and a wholly-owned Subsidiary of Imaflex, and all successors thereto.

"**Interim Order**" means the interim order of the Court providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably, attached as Appendix "C" to this Circular.

"**Intermediary**" means any broker, investment dealer, bank, trust company, custodian, nominee, or other entity that holds Shares on behalf of a Non-Registered Shareholder.

"**Intellectual Property**" has the meaning ascribed to such term in the Arrangement Agreement.

"**Lavery**" means Lavery, de Billy, L.L.P.

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, Authorization, rule, regulation, by-law, order, injunction, judgment, decision, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law or are applied by a Governmental Entity as if having the force of law, policies, guidelines, instruments, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.

"**Letter of Transmittal**" means the letter of transmittal sent to holders of Shares for use in connection with the Arrangement.

"**Licensed Intellectual Property**" means all Intellectual Property used, or held for use, in the Business that is not Company Intellectual Property.

"**Liens**" means any mortgage, charge, pledge, encumbrance, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, restriction or adverse right or claim or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Matching Period**" has the meaning ascribed to such term in this Circular under the heading "*The Arrangement Agreement – Covenants - Additional Covenants Regarding Non-Solicitation – Right to Match".*

"**Material Adverse Effect**" means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with such other changes, events, occurrences, effects, state of facts or circumstances, is or could reasonably be expected to be, material and adverse to the business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise), liabilities (contingent or otherwise) or prospects of the Company and its Subsidiaries, on a consolidated basis, but excluding any change, event, occurrence, effect, state of facts or circumstance resulting from:

(i) any change, development, condition or event affecting the industries in which the Company or any of its Subsidiaries operate;

(ii) any change in global, national or regional political conditions or in general economic, business, regulatory or market conditions or in national or global financial or capital markets;

(iii) any natural disaster;

(iv) any epidemic, pandemic or disease outbreak;

(v) any change in Law or IFRS or in the interpretation or application of any Laws by any Governmental Entity;

(vi) any action taken (or omitted to be taken) by the Company or any of its Subsidiaries that is consented to in writing by the Purchaser;

(vii) any action taken (or omitted to be taken) by the Company or any of its Subsidiaries upon the express written request of the Purchaser;

(viii) the failure of the Company to meet any internal, third party or public projections, forecasts, guidance or estimates of revenues or earnings or other financial metrics (it being understood that the causes underlying any such failure may be taken into account in determining whether a Material Adverse Effect has occurred); or

(ix) any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred);

provided, however, that with respect to clauses (i) through to and including (v) above, such matter does not have, or could not reasonably be expected to have, a materially disproportionate effect on the Company and its Subsidiaries, on a consolidated basis, relative to other comparable companies and entities operating in the industries in which the Company and its Subsidiaries operate, and unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Effect" has occurred.

"**Material Contracts**" means any Contract of the Company or its Subsidiaries:

(i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect;

(ii) that is with respect to a lease, the termination of which would be material to the Company and its Subsidiaries, including the Company Leases;

(iii) that is a partnership agreement, shareholder agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement, relating to the formation, creation or operation of any partnership, limited liability company, joint venture or other entity in which the Company or any of its Subsidiaries is a partner, member or joint venturer (or other participant);

(iv) (a) under which indebtedness in excess of $50,000 is or may become outstanding; (b) pursuant to which the Company or any of its Subsidiaries has guaranteed any liabilities or obligations of another Person in excess of $50,000; or (c) pursuant to which the Company or any of its Subsidiaries has lent money to another Person in excess of $50,000;

(v) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries (including by requiring the granting of any Lien) or the incurrence of any Liens on any assets of the Company and its Subsidiaries, or restricting the payment of dividends by the Company or any of its Subsidiaries;

(vi) (a) other than as set out in (ii) above and Contracts with Material Suppliers, under which the Company and its Subsidiaries made payments in excess of $100,000 during the 12-month period ended June 30, 2025 or under which the Company and its Subsidiaries are obligated to make payments in excess of $100,000 over its remaining term, and, (b) solely in respect of Contracts with Material Suppliers, under which the Company and its Subsidiaries made payments in excess of $100,000 during the 12-month period ended June 30, 2025 or under which the Company and its Subsidiaries are obligated to make payments in excess of $100,000 over its remaining term;

(vii) (a) other than Contracts with Material Customers, under which the Company and its Subsidiaries received payments in excess of $100,000 during the 12-month period ended June 30, 2025 or under which the Company and its Subsidiaries expect to receive payments in excess of $100,000 over its remaining term, and (b) solely in respect of Contracts with Material Customers, under which the Company and its Subsidiaries received payments in excess of $100,000 during the 12-month period ended June 30, 2025 or under which the Company and its Subsidiaries expect to receive payments in excess of $100,000 over its remaining term;

(viii) that creates an exclusive business relationship with any other Person or grants a right of first offer or refusal or similar rights or terms to any Person;

(ix) that provides another Person the right to acquire or provide a set quantity or volume of products or services from or to the Company or any of its Subsidiaries or under which the Company or any of its Subsidiaries has provided a most-favoured nation or similar right to another Person;

(x) that contains any exclusivity, non-competition or non-solicitation obligations of the Company or any of its Subsidiaries or grants “most-favoured nation” or similar rights;

(xi) that limits or restricts in any respect: (a) any business practice of the Company or any of its Subsidiaries; (b) the ability of the Company or any of its Subsidiaries to engage in any line of business or carry on business in any geographic area; or (c) the scope of Persons to whom the Company or any of its Subsidiaries may sell assets, products or inventory to or acquire assets, products or inventory from or deliver services to or contract with for services;

(xii) that provides for the indemnification by the Company or any of its Subsidiaries of any Person or the assumption of any Tax, environmental or other liability of any Person (other than customary indemnification arrangements of directors of the Company and its Subsidiaries and Company Employees);

(xiii) that is a Collective Agreement;

(xiv) relating to any litigation or settlement thereof which does or could have actual or contingent obligations or entitlement of the Company or any of its Subsidiaries in excess of $50,000 and which have not been fully satisfied prior to the date of the Arrangement Agreement;

(xv) providing for the acquisition or disposition by the Company or any of its Subsidiaries of any business, division or product line (whether by merger, amalgamation, sale of shares, sale of assets or otherwise) or capital stock or other equity interests of any other Person, in each case, pursuant to which any obligations of the Company or any of its Subsidiaries remain outstanding;

(xvi) for any capital expenditure or commitment to do so which individually or in the aggregate exceeds $100,000;

(xvii) relating to any interest rate, currency, commodity or hedging, swap, derivative or forward sale transactions which individually or in the aggregate exceeds $100,000;

(xviii) that is for the employment or engagement of any current Company Employees with an annual base compensation in excess of $150,000 or providing severance, termination notice, payment in lieu of notice or other termination payments, change of control payments, retention payments, or any other payments that could be triggered by the Arrangement, other than such as results by Law from the employment of an employee without an agreement as to notice, an indemnity in lieu of notice, termination pay or severance pay or relating to loans to any Company Employees;

(xix) that requires the consent of any counterparty thereto as a result of, or in order to consummate, the Arrangement;

(xx) that was made outside the Ordinary Course; or

(xxi) that is with any current or former director of the Company or any of its Subsidiaries or any current or former Company Employee or any of their respective associates or affiliates (other than employment contracts) or any Person that owns or formerly owned 10% or more of the outstanding Shares or with any such Person's associates or affiliates (other than the Company Leases).

"**Material Customers**" means the customers listed in Appendix 17(vi) of the Company Disclosure Letter.

"**Material Suppliers**" means the suppliers listed in Appendix 17(vii) of the Company Disclosure Letter.

"**Meeting**" means the special meeting of Shareholders, including any adjournment or postponement thereof in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Circular and agreed to in writing by the Purchaser.

"Misrepresentation" has the meaning ascribed thereto under Securities Laws.

"**New Real Property Leases**" has the meaning ascribed to such term in this Circular under the heading "*The Arrangement – Interest of Certain Persons in the Arrangement - Leases*".

"**NOBOs**" means Non-Registered Shareholders, as applicable, who do not object to their name being made known to the issuer of securities.

"**Notice of Meeting**" has the meaning ascribed to such term in this Circular under the heading "*Management Information Circular".*

"**Non-Registered Shareholder**" means a non-registered and beneficial holder of Shares.

"**Non-Resident Shareholder**" has the meaning ascribed to such term in this Circular under the heading "*Certain Canadian Federal Income Tax Considerations – Shareholders Not Resident in Canada*".

"**OBOs**" means Non-Registered Shareholders who object to their name being made known to the issuer of securities.

"**Offer to Pay**" means a written offer to a Dissenting Shareholder to pay the fair value for the number of Shares in respect of which that Shareholder exercises Dissent Rights.

"**officer**" has the meaning ascribed thereto in the *Securities Act* (Québec).

"**Opinion Fee**" means the $250,000 fixed fee payable to Stifel for the delivery of the Fairness Opinion pursuant to the Stifel Engagement Letter.

"**Ordinary Course**" means, with respect to an action taken by the Company or its Subsidiaries, that such action is consistent with the past practices of the Company and its Subsidiaries and is taken in the ordinary course of the normal day-to-day operations of the business of the Company and its Subsidiaries and it not otherwise material and adverse to the Company and its Subsidiaries.

"**Outside Date**" means May 15, 2026, or such later date as may be agreed to in writing by the Parties.

"**Parent**" or "**Soteria**" means Soteria Flexibles Corp., a corporation governed by the laws of Delaware, and all successors thereto.

"**Parties**" means, collectively, the Company, the Purchaser and the Parent and "**Party**" means any one of them.

"**Permitted Liens**" has the meaning ascribed to such term in the Arrangement Agreement.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, attached as Appendix "B", subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Pre-Acquisition Reorganization**" has the meaning ascribed to such term in this Circular under the heading "*The Arrangement Agreement – Covenants – Pre-Acquisition Reorganization".*

"**Proposed Amendments**" has the meaning ascribed to such term in this Circular under the heading "*Certain Canadian Federal Income Tax Considerations*".

"**Purchaser**" means Soteria Flexible AcquireCo Ltd., a corporation governed by the laws of the Province of Ontario and a wholly-owned Subsidiary of the Parent, and all successors thereto.

"**Purchaser Reimbursement Payment**" an amount of $2,000,000 in reimbursement of the expenses, costs and fees incurred by the Parent and its affiliates in accordance with Section 8.2(5) of the Arrangement Agreement.

"**Record Date**" means January 15, 2026.

"**Registered Shareholder**" means a registered holder of Shares as recorded in the shareholder register of Imaflex maintained by Computershare Investor Services Inc.

"**Regulation 61-101**" means *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions.*

"**Regulatory Approvals**" means any consent, waiver, permit, license, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case in connection with the Arrangement (including, for greater certainty, in connection with a change of control of the Company or any of its Subsidiaries whether directly or indirectly or in connection with any of the Company's or its Subsidiaries' Authorizations).

"**Representatives**" means any officers, directors, employees, shareholders, representatives (including any financial or other adviser) or agent or any Subsidiaries.

"**Required Shareholder Approval**" means the requisite approval for the Arrangement Resolution by Shareholders shall be (i) 66 ⅔% of the votes cast by the Shareholders present virtually or by proxy at the Meeting; and (ii) a simple majority of the votes cast by the Shareholders present virtually or by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with Regulation 61-101.

"Required Consents" means those consents set forth in Section 1.1 of the Company Disclosure Letter

"**Resident Shareholder**" has the meaning ascribed to such term in this Circular under the heading "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada*".

"Reverse Termination Fee" has the meaning ascribed to such term in this Circular under the heading *"The Arrangement Agreement - Termination Fees- Reverse Termination Fee"*.

"Reverse Termination Fee Event" has the meaning ascribed to such term in this Circular under the heading *"The Arrangement Agreement - Termination Fees- Reverse Termination Fee"*.

"**Revised Offer #1**" means the revised non-binding proposal dated April 28, 2025, entered into among the Company and Soteria and providing for the acquisition by Soteria of all of the issued and outstanding Shares of Imaflex at a purchase price of $2.45 per Share or approximately $128.3 million of equity value.

"**Revised Offer #2**" means the revised non-binding proposal from Soteria dated July 31, 2025, to purchase all of the issued and outstanding Shares of Imaflex at a purchase price of $2.29 per Share or approximately $119.8 million of equity value.

"**Roncon**" means Roncon Consultants Inc., a corporation controlled by Joseph Abbandonato, Executive Chairman of the Board.

"**Securities Authorities**" means the Autorité des marches financiers *(Québec)* and any other applicable securities commissions or securities regulatory authority of a province or territory of Canada.

"**Securities Laws**" means the *Securities Act* (Québec) and any other applicable Canadian provincial and territorial securities Laws, rules and regulations and published policies thereunder.

"**SEDAR+**" means the System for Electronic Data Analysis and Retrieval+.

"**Shareholders**" means the registered and/or beneficial holders of the Shares, as the context requires, and "**Shareholder**" means any one of them.

"**Shares**" means the common shares in the capital of the Company and includes, for greater certainty, any Shares issued upon the valid exercise of Company Options.

"**Special Committee**" means the special committee of independent members of the Board formed in relation to the proposal to effect the transactions contemplated by the Arrangement Agreement.

"**Stifel**" means Stifel Nicolaus Canada Inc.

"**Stifel Engagement Letter**" has the meaning ascribed to such term in this Circular under the heading "*The Arrangement – Background to the Arrangement*".

"**Stikeman**" means Stikeman Elliott LLP.

"**Stock Option Plan**" means the Stock Option Plan of the Company adopted as of May 10, 2017.

"**Subsidiary**" has the meaning ascribed thereto in the *Securities Act* (Québec).

"**Superior Proposal**" means any unsolicited *bona fide* written Acquisition Proposal from a Person who is an arm's length third party, made after the date of the Arrangement Agreement, to acquire not less than all of the outstanding Shares or all or substantially all of the assets of the Company and its Subsidiaries on a consolidated basis that:

(i) complies with Securities Laws and did not result from or involve a breach of the Arrangement Agreement, the exclusivity provisions of the Confidentiality Agreement or any other agreement between the Person making the Acquisition Proposal and the Company or any of its Subsidiaries;

(ii) is reasonably capable of being completed without undue delay relative to the Arrangement, taking into account, all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such Acquisition Proposal;

(iii) is not subject to any financing condition and in respect of which adequate arrangements have been made to ensure that the required consideration will be available to effect payment in full for all of the Shares or assets, as the case may be;

(iv) is not subject to any access or due diligence condition; and

(v) the Board determines, in its good faith judgment, after receiving the advice of its outside legal counsel and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all financial, legal, regulatory and other aspects of such Acquisition Proposal and the Person making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to the Shareholders than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.4(2) *[Right to Match]* of the Arrangement Agreement).

"**Superior Proposal Notice**" has the meaning ascribed to such term in this Circular under the heading "*The Arrangement Agreement – Covenants - Additional Covenants Regarding Non-Solicitation – Right to Match".*

"**Supporting Shareholders**" means Joseph Abbandonato, Tony Abbandonato, Michel Baril, Consolato Gattuso, Philip Nolan, Lorne Steinberg, Mario Settino, Stephan Yazedjian, John Ripplinger and Gerry Phelps.

"**Tax**" and "**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal

property, unclaimed or abandoned property, escheat, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, tariffs, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions and any deemed overpayment of Taxes or obligation to repay an amount in respect of COVID-19 Subsidies; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); and (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party or otherwise pursuant to Contract or Law.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as may be amended from time to time.

"**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.

"**taxable Canadian property**" has the meaning ascribed to such term in the Tax Act.

"**taxable capital gain**" has the meaning ascribed to such term in this Circular under the heading "*Certain Canadian Federal Income Tax Considerations – Taxation of Capital Gains and Losses*".

"**Termination Fee**" has the meaning ascribed to such term in this Circular under the heading *"The Arrangement Agreement- Termination Fees – Termination Fee".*

"**Termination Fee Event**" has the meaning ascribed to such term in this Circular under the heading *"The Arrangement Agreement- Termination Fees – Termination Fee".*

"**Transaction Bonuses**" means the cash transaction bonuses approved by the Board to certain senior officers equal to 10% of such senior officer's annual base salary, in order to, among other things, reward their contribution to the Arrangement and the additional work required to be performed by them in connection therewith, and to recognize the role that they had in maximizing value in connection with the Arrangement.

"**Transfer Agent**" means Computershare Investor Services Inc.

"**TSX-V**" means the TSX Venture Exchange.

"**U.S.**" or "**United States**" means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.

"**Voting and Support Agreements**" means, collectively, the D&O Voting and Support Agreements and the Founder Voting and Support Agreement.

CONSENT OF STIFEL NICOLAUS CANADA INC.

To: The Directors of Imaflex Inc.

We have read the management information circular of Imaflex Inc. ("**Imaflex**") dated January 16, 2026 (the "**Circular**") relating to the special meeting of shareholders of Imaflex convened to approve, among other things, an arrangement under the provisions of the *Canada Business Corporations Act,* involving, *inter alia*, Imaflex, the Purchaser and Soteria Flexibles Corp. We consent to the inclusion in the Circular of our fairness opinion dated December 17, 2025, a summary of our fairness opinion and references to our firm name and our fairness opinion in the Circular.

Montréal, Québec

(signed) Stifel Nicolaus Canada Inc.

STIFEL NICOLAUS CANADA INC.

January 16, 2026

CONSENT OF LAVERY, DE BILLY, L.L.P.

To: The Directors of Imaflex Inc.

We have read the management information circular of Imaflex Inc. ("**Imaflex**") dated January 16, 2026 (the "**Circular**") relating to the special meeting of shareholders of Imaflex convened to approve, among other things, an arrangement under the provisions of the *Canada Business Corporations Act,* involving, *inter alia*, Imaflex, the Purchaser and Soteria Flexibles Corp. We consent to the inclusion in the Circular of our opinion contained under "*Certain Canadian Federal Income Tax Considerations*" and references to our firm's name therein.

Montréal, Québec

(signed) Lavery, de Billy, L.L.P.

LAVERY, DE BILLY, L.L.P.

January 16, 2026

APPENDIX "A"

RESOLUTIONS TO BE APPROVED AT THE MEETING

BE IT RESOLVED THAT:

1- The arrangement (the "**Arrangement**") under Section 192 of the *Canada Business Corporations Act* (the "**CBCA**") of Imaflex Inc. (the "**Company**"), pursuant to the arrangement agreement (the "Arrangement Agreement") among the Company, Soteria Flexibles AcquireCo Ltd. and Soteria Flexibles Corp. dated December 17, 2025, all as more particularly described and set forth in the management information circular of the Company dated January 16, 2026 (the "**Circular**") accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with its terms) is hereby authorized, approved and adopted.

2- The plan of arrangement (as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement and its terms, the "Plan of Arrangement")), the full text of which is set out as Appendix "B" to the Circular, is hereby authorized, approved and adopted.

3- The (i) Arrangement Agreement and related transactions, (ii) actions of the directors of the Company in approving the Arrangement Agreement, and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.

4- The Company be and is hereby authorized to apply for a final order from the Superior Court of Québec (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).

5- Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of the Company or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered to, at their discretion, without notice to or approval of the shareholders of the Company: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6- Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute and deliver for filing with the Director under the CBCA articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7- Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

APPENDIX "B"

PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 192
OF THE *CANADA BUSINESS CORPORATIONS ACT*

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Affected Securities**" means, collectively, the Shares and Company Options.

"**Affected Securityholders**" means, collectively, the Shareholders and the holders of Company Options.

"**affiliate**" has the meaning ascribed thereto in Regulation 45-106 *respecting Prospectus Exemptions*.

"**Arrangement**" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and Section 5.1 or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of December 17, 2025 among the Company, the Purchaser and the Parent (including the Schedules thereto) as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement considered at the Company Meeting by Shareholders.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement required by the CBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"**Authorization**" means with respect to any Person, any order, permit, approval, consent, waiver, licence, registration, qualification, certification or similar authorization of any Governmental Entity having jurisdiction over the Person.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Montreal, Québec or Carol Stream, Illinois.

"**CBCA**" means the *Canada Business Corporations Act*.

"**Certificate of Arrangement**" means the certificate of arrangement issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"**Code**" means the United States Internal Revenue Code of 1986.

"**Company**" means Imaflex, Inc., a corporation existing under the laws of Canada.

"**Company Disclosure Letter**" means the disclosure letter dated the date of the Arrangement Agreement and all schedules, exhibits and appendices thereto, delivered by the Company to the Purchaser with the Arrangement Agreement.

"**Company Meeting**" means the special meeting of Shareholders called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**Company Options**" means the outstanding options to purchase Shares issued pursuant to the Stock Option Plan as set forth in the Company Disclosure Letter.

"**Consideration**" means $2.35 in cash per Share.

"**Court**" means the Superior Court of Québec, or other court as applicable.

"**Depositary**" means Computershare Trust Company of Canada or such other Person as the Purchaser may appoint to act as depositary in relation to the Arrangement, with the approval of the Company, acting reasonably.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Rights**" has the meaning specified in Section 3.1.

"**Dissenting Shareholder**" means a registered Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Shares in respect of which Dissent Rights are validly exercised by such registered Shareholder.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Montreal time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Final Order**" means the final order of the Court approving the Arrangement.

"**Governmental Entity**" means: (i) any international, multinational, national, federal, provincial, territorial, state, regional, municipal, local or other government, governmental or public body, authority, department, central bank, court, tribunal, arbitral body, commission, commissioner, board, bureau, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the above; (iii) any quasi-governmental, administrative or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (iv) any stock exchange.

"**Interim Order**" means the interim order of the Court providing for, among other things, the calling and holding of the Company Meeting.

"Law" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, Authorization, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, instruments, notices and protocols of any Governmental Entity, as amended unless expressly specified otherwise.

"**Lien**" means any mortgage, charge, pledge, encumbrance, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, or lien (statutory or otherwise), defect of title, restriction or adverse right or claim or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Letter of Transmittal**" means the letter of transmittal sent to Shareholders for use in connection with the Arrangement.

"**Parent**" means Soteria Flexibles Corp., a corporation existing under the laws of the State of Delaware, United States of America.

"**Parties**" means, collectively, the Company, the Purchaser and the Parent and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this plan of arrangement proposed under Section 192 of the CBCA, and any amendments or variations made in accordance with the Arrangement Agreement and Section 5.1 or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Purchaser**" means Soteria Flexibles AcquireCo Ltd., a corporation existing under the laws of the Province of Ontario.

"**Shareholders**" means the registered and/or beneficial holders of Shares, as the context requires.

"**Stock Option Plan**" means the Stock Option Plan of the Company adopted as of May 10, 2017.

"**Shares**" means the common shares in the capital of the Company and includes, for greater certainty, any Shares issued upon the valid exercise of Company Options.

"**Tax Act**" means the *Income Tax Act* (Canada).

1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

(1) **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(2) **Currency**. All references to dollars or to $ are references to Canadian dollars, unless specified otherwise.

(3) **Gender and Number**. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(4) **Certain Phrases, etc.** The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation," (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.

(5) **Statutes**. Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(6) **Computation of Time**. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(7) **Time References**. References to time herein or in any Letter of Transmittal are to local time, Montreal, Québec.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on the Purchaser, the Parent, the Company, all holders and beneficial owners of Shares and Company Options including Dissenting Shareholders, the register and transfer agent of the Company, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

2.3 Arrangement

At the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) each Company Option outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the Stock Option Plan, shall be deemed to be unconditionally vested and exercisable, and such Company Option shall, without any further action by or on behalf of a holder of Company Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price of such Company Option, less applicable withholdings, and each such Company Option shall immediately be cancelled and, for greater certainty, where such amount is a negative, neither the Company nor the Purchaser shall be obligated to pay the holder of such Company Option any amount in respect of such Company Option, and:

(i) each holder of Company Options shall cease to be a holder of such Company Options;

(ii) such holder's name shall be removed from each applicable register;

(iii) the Stock Option Plan and all agreements relating to the Company Options shall be terminated and shall be of no further force and effect, and;

(iv) such holder shall thereafter have only the right to receive the consideration to which they are entitled pursuant to Section 2.3(a) at the time and in the manner specified in Section 2.3(a);

(b) each of the Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3, and:

(i) such Dissenting Shareholders shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1;

(ii) such Dissenting Shareholders' names shall be removed as the holders of such Shares from the registers of Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Liens, and shall be entered in the register of Shares maintained by or on behalf of the Company;

(c) each Share outstanding immediately prior to the Effective Time, other than Shares held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised and any Shares held by the Purchaser and any of its affiliates, shall, without any further action by or on behalf of a Shareholder, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Consideration, and:

(i) the holders of such Shares shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares (free and clear of all Liens) and shall be entered in the register of the Shares maintained by or on behalf of the Company.

2.4 Adjustment to Consideration

If, on or after the date of the Arrangement Agreement, the Company sets a record date for any dividend or other distribution on the Shares that is prior to the Effective Date or the Company pays any dividend or other distribution on the Shares prior to the Effective Time, then: (i) to the extent that the amount of such dividends or distributions per Share does not exceed the Consideration, the Consideration shall be reduced by the amount of such dividends or distributions; and (ii) to the extent that the amount of such dividends or distributions per Share exceeds the Consideration, such excess amount shall be placed in escrow for the account of the Purchaser or another Person designated by the Purchaser.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

Registered Shareholders may exercise dissent rights with respect to the Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order and this Section 3.1; provided that, notwithstanding subsection 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in subsection 190(5) of the CBCA must be received by the Company not later than 5:00 p.m. (Montreal time) two Business Days immediately preceding the date of the Company Meeting (as it may be adjourned or postponed from time to time). Dissenting Shareholders who duly exercise their Dissent Rights shall be deemed to have transferred the Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(b) and if they:

(a) ultimately are entitled to be paid fair value for such Shares: (i) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(b)); (ii) will be entitled to be paid the fair value of such Shares, which fair value, notwithstanding anything to the contrary contained in Part XV of the CBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Shares; or

(b) ultimately are not entitled, for any reason, to be paid fair value for such Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Shares.

3.2 Recognition of Dissenting Shareholders

(a) In no circumstances shall the Purchaser, the Parent or the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser, the Parent or the Company or any other Person be required to recognize Dissenting Shareholders as holders of Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(b), and the names of such Dissenting Shareholders shall be removed from the registers of holders of the Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(b) occurs. In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Company Options; and (ii) Shareholders who vote or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution (but only in respect of such Shares).

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

(a) Prior to the filing of the Articles of Arrangement, the Purchaser shall deposit, or arrange to be deposited, for the benefit of Shareholders, cash with the Depositary in the aggregate amount equal to the payments in respect of Shares required by this Plan of Arrangement (other than in respect of Shares held by a Dissenting Shareholder and any Shares held by the Purchaser and any of its affiliates).

(b) Upon surrender to the Depositary for cancellation of a certificate or DRS Advice which immediately prior to the Effective Time represented outstanding Shares that were transferred pursuant to Section 2.3(c), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate or DRS Advice shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under this Plan of Arrangement for such Shares, less any amounts withheld pursuant to Section 4.3, and any certificate or DRS Advice so surrendered shall forthwith be cancelled.

(c) On or as soon as practicable after the Effective Date, the Company shall deliver, to each holder of Company Options as reflected on the register maintained by or on behalf of the Company in respect of Company Options, the cash payment, if any, which such holder of Company Options has the right to receive under this Plan of Arrangement for such Company Options, less any amount withheld pursuant to Section 4.3; pursuant to the normal payroll practices and procedures of the Company; provided, however, in the case of any cash payments pursuant to Section 2.3(a) which constitute non-qualified deferred compensation under Section 409A of the Code, the Depositary shall deliver, on behalf of the Company, such amounts at the earliest time permitted under the terms of the applicable agreement, plan or arrangement that will not trigger a tax or penalty under Section 409A of the Code.

(d) Until surrendered as contemplated by this Section 4.1, each certificate or DRS Advice that immediately prior to the Effective Time represented Shares, shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate or DRS Advice as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate or DRS Advice formerly

representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Shareholder of any kind or nature against or in the Company, the Purchaser or the Parent. On such date, all cash to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(e) Any payment made by way of cheque by the Depositary pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Date, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Date shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Affected Securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

(f) No holder of Affected Securities shall be entitled to receive any consideration with respect to such Affected Securities other than any cash payment to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, cash deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser and the Company in a manner satisfactory to Purchaser and the Company, each acting reasonably, against any claim that may be made against the Purchaser and the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 3.1), such amounts as the Purchaser, the Company or the Depositary, as applicable, are required to deduct and withhold, or reasonably believe to be required to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. To the extent that such amounts are so deducted, withheld and remitted to the appropriate Governmental Entity, such amounts shall be treated for all purposes under the Arrangement Agreement and this Plan of Arrangement as having been paid to the Person to whom such amounts would otherwise have been paid.

4.4 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.5 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Affected Securities issued or outstanding prior to the Effective Time, (b) the rights and obligations of the Affected Securityholders, the Company, the Purchaser, the Parent, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Affected Securities shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENTS

5.1 Amendments to Plan of Arrangement

(a) The Company and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Company and the Purchaser, each acting reasonably, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to the Affected Securityholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Company Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only if (i) it is consented to in writing by each of the Company and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Affected Securities.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

APPENDIX "C"

INTERIM ORDER

See attached.

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

S U P E R I O R C O U R T
Commercial Division

File: No: 500-11-066683-265

Montreal, January 15, 2026

Present: The Honourable Martin F. Sheehan, J.S.C.

IN THE MATTER OF A PROPOSED ARRANGEMENT CONCERNING:

IMAFLEX INC.

Applicant

and

SOTERIA FLEXIBLES ACQUIRECO LTD.

and

SOTERIA FLEXIBLES CORP.

and

THE DIRECTOR APPOINTED PURSUANT TO THE CBCA

Impleaded Party

INTERIM ORDER[1]

GIVEN Imaflex's Application for Interim and Final Order pursuant to the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44 (as amended, the "***CBCA***"), the exhibits, and the affidavit of Philip Nolan filed in support thereof (the "**Motion**");

GIVEN that this Court is satisfied that the Director appointed pursuant to the *CBCA* has been duly served with the Motion and has confirmed in writing that he would not appear or be heard on the Motion;

GIVEN the provisions of the *CBCA*;

---

[1] All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Arrangement Agreement and the Management Information Circular.

GIVEN the representations of counsel for Imaflex;

GIVEN that this Court is satisfied, at the present time, that the proposed transaction is an "arrangement" within the meaning of Section 192(1) of the *CBCA*;

GIVEN that this Court is satisfied, at the present time, that it is not practicable for the Applicant to effect the arrangement proposed under any other provision of the *CBCA*;

GIVEN that this Court is satisfied, at the present time, that the Applicant meets the requirements set out in Subsections 192(2)(a) and (b) of the *CBCA* and that the Applicant is not insolvent;

GIVEN that this Court is satisfied, at the present time, that the arrangement is put forward in good faith and, in all likelihood, for a valid business purpose;

FOR THESE REASONS, THE COURT:

[1] **GRANTS** the Interim Order sought in the Motion**;**

[2] **DISPENSES** Imaflex Inc. ("**Imaflex**") of the obligation, if any, to notify any person other than the Director appointed pursuant to the CBCA with respect to the Interim Order;

[3] **ORDERS** that all Shareholders be deemed parties, as Impleaded Parties, to the present proceedings and be bound by the terms of any Order rendered herein;

[4] **DISPENSES** Imaflex from describing at length the names of the Shareholders in the description of the Impleaded Parties;

[5] **ORDERS** that all capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Circular;

i. <u>The Meeting</u>

[6] **ORDERS** that Imaflex may convene, hold and conduct the Meeting on February 19, 2026, commencing at 10:00 a.m. (Eastern time) via live audio webcast at meetnow.global/MMFSUZD, at which time the Shareholders will be asked, among other things, to consider and, if thought appropriate, to pass, with or without variation, the Arrangement Resolution substantially in the form set forth in Appendix A to the Circular to, among other things, authorize, approve and adopt the Arrangement and the Plan of Arrangement, and to transact such other business as may properly come before the Meeting, the whole in accordance with the terms, restrictions and conditions of the articles and by-laws of Imaflex, the CBCA, and this Interim Order, provided that to the extent there is any inconsistency between this Interim Order and the terms, restrictions and

conditions of the articles and by-laws of Imaflex or the CBCA, this Interim Order shall govern;

[7] **ORDERS** that in respect of the vote on the Arrangement Resolution or any matter determined by the Chair of the Meeting to be related to the Arrangement, each registered holder of Shares shall be entitled to cast one vote in respect of each such Share held;

[8] **ORDERS** that, on the basis that each registered holder of Shares be entitled to cast one vote in respect of each such Share for the purpose of the vote on the Arrangement Resolution, the quorum for the Meeting is fixed at as many Shareholders present virtually or by proxy holding, in aggregate, 10% of all the outstanding Shares;

[9] **ORDERS** that the only persons entitled to attend, be heard or vote at the Meeting (as it may be adjourned or postponed) shall be the registered Shareholders at the close of business on the Record Date (January 15, 2026), their proxy holders, and the directors and advisors of Imaflex, provided however that such other persons having the permission of the Chair of the Meeting shall also be entitled to attend and be heard at the Meeting;

[10] **ORDERS** that for the purpose of the vote on the Arrangement Resolution, or any other vote taken by ballot at the Meeting, any spoiled ballots, illegible ballots and defective ballots shall be deemed not to be votes cast by Shareholders and further **ORDERS** that proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution;

[11] **ORDERS** that Imaflex, if it deems it advisable, be authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present), without the necessity of first convening the Meeting or first obtaining any vote of Shareholders respecting the adjournment or postponement; further **ORDERS** that notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or by mail, as determined to be the most appropriate method of communication by Imaflex; further **ORDERS** that any adjournment or postponement of the Meeting will not change the Record Date for Shareholders entitled to notice of, and to vote at, the Meeting and further **ORDERS** that any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent reconvening of the Meeting;

[12] **ORDERS** that Imaflex may amend, modify and/or supplement the Plan of Arrangement at any time and from time to time, provided that any such

amendment, modification and/or supplement is not adverse to the economic interest of any Shareholder and that:

a. any such amendment, modification and/or supplement made before or at the Meeting, shall be communicated in writing to the Shareholders and to the Director appointed pursuant to the CBCA as soon as possible and in any event prior to or at the Meeting;

b. any such amendment, modification and/or supplement made after the Meeting and before the hearing of the Motion for the Final Order (as defined below) shall be approved by this Court and subject to such terms and conditions this Court may deem appropriate and required in the circumstances; and

c. any such amendment, modification and/or supplement made after the Final Order hearing shall be approved by this Court and subject to such terms and conditions this Court may deem appropriate and required in the circumstances, unless it is non-material and concerns a matter which is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement.

[13] **ORDERS** that Imaflex is authorized to use proxies at the Meeting; that Imaflex is authorized, at its expense, to solicit proxies on behalf of its management, directly or through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine; and that Imaflex may waive, in its discretion, the time limits for the deposit of proxies by the Shareholders if it considers it advisable to do so;

[14] **ORDERS** that, to be effective, the Arrangement Resolution, with or without variation, must be approved by the affirmative vote of (i) not less than 66 2/3% of the total votes cast by the Shareholders present virtually or by proxy at the Meeting and entitled to vote at the Meeting and (ii) a simple majority of the votes cast by the Shareholders present virtually or by proxy at the Meeting, excluding any votes cast by Shareholders whose votes must be excluded in accordance with *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions*; and further **ORDERS** that such vote shall be sufficient to authorize and direct Imaflex to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what has been disclosed to the Shareholders in the Notice Materials (as this term is defined below);

ii. The Notice Materials

[15] **ORDERS** that Imaflex shall give notice of the Meeting, and that service of the Motion for a Final Order shall be made by mailing or delivering, in the manner hereinafter described and to the persons hereinafter specified, a copy of this Interim Order, together with the following documents, with such non-material amendments thereto as Imaflex may deem to be necessary or desirable, provided that such amendments are not inconsistent with the terms of this Interim Order:

a. the Notice of Meeting and Management Information Circular substantially in the same form as contained in Exhibit P-2;

b. a form of proxy and voting instruction form substantially in the same forms as contained in Exhibit P-3, which shall be finalized by inserting the relevant dates and other information;

c. a Letter of Transmittal substantially in the same form as contained in Exhibit P-4;

d. a notice substantially in the form of the draft filed as Appendix F of Exhibit P-2 providing, among other things, the date, time and room where the Motion for a Final Order will be heard, and that a copy of the Motion can be found on Imaflex's Web site (the "**Notice of Presentation**");

[16] **ORDERS** that the Notice Materials shall be distributed:

a. to the registered Shareholders by mailing the same to such persons in accordance with the CBCA and Imaflex's by-laws, or with the consent of the person, by electronic transmission, at least twenty-one (21) days prior to the date of the Meeting;

b. to the non-registered Shareholders, in compliance with *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer*;

c. to Imaflex's directors and auditors, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person, by recognized courier service, or by electronic transmission; and

d. to the Director appointed pursuant to the CBCA, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person, by recognized courier service, or by electronic transmission;

[17] **ORDERS** in the event of a postal strike, lockout or event that prevents, delays or otherwise interrupts mailing or delivery of the Notice Materials in accordance with the terms hereof, the issuance of a press release

containing the details of (i) the date, time and place of the Meeting; (ii) steps that may be taken by the Shareholders to deliver or transmit proxies by delivery, Internet voting or telephone, and (iii) that the Circular will be provided by electronic mail or by courier upon request made by a Shareholder, and subject to further order of this Court, shall constitute sufficient notice of the Meeting and shall satisfy applicable requirement of the CBCA;

[18] **ORDERS** that a copy of the Motion be posted on SEDAR+ (sedarplus.ca) at the same time the Notice Materials are mailed;

[19] **ORDERS** that the Record Date for the determination of Shareholders entitled to receive the Notice Materials and to attend and be heard at the Meeting and vote on the Arrangement Resolution shall be the close of business (Montréal time) on January 15, 2026;

[20] **ORDERS** that Imaflex may make, in accordance with this Interim Order, such additions, amendments or revision to the Notice Materials as it determines to be appropriate (the "**Additional Materials**"), which may be communicated by way of press release, filing under the Imaflex's profile on SEDAR+ at www.sedarplus.ca, or any other notices distributed to the persons entitled to receive the Meeting Materials pursuant to this Interim Order by the method and in the time determined by Imaflex to be most practicable in the circumstances;

[21] **DECLARES** that the mailing or delivery of the Notice Materials and any Additional Materials in accordance with this Interim Order as set out above constitutes good and sufficient notice of the Meeting upon all persons, and that no other form of service of the Notice Materials and any Additional Materials or any portion thereof, or of the Motion need be made, or notice given or other material served in respect of the Meeting to any persons;

[22] **ORDERS** that the Notice Materials and any Additional Materials shall be deemed, for the purposes of the present proceedings, to have been received and served upon:

a. in the case of distribution by mail, three (3) business days after delivery thereof to the post office;

b. in the case of delivery in person or by courier, upon receipt thereof at the intended recipient's address;

c. in the case of delivery by facsimile transmission or by e-mail, on the day of transmission; and

d. in the case of press release disseminated by national newswire, on the day of such dissemination;

[23] **DECLARES** that the accidental failure or omission to give notice of the Meeting to, or the non-receipt of such notice by, one or more of the persons specified in the Interim Order shall not invalidate any resolution passed at the Meeting or the proceedings herein, and shall not constitute a breach of the Interim Order or defect in the calling of the Meeting, provided that if any such failure or omission is brought to the attention of Imaflex, it shall use reasonable efforts to rectify such failure or omission by the method and in the time it determines to be most reasonably practicable in the circumstances;

iii. <u>Dissent Rights</u>

[24] **ORDERS** that the Registered Shareholders shall be entitled to exercise the dissent rights to be paid the fair value of their Shares (the "**Dissent Rights**") in accordance with the "Dissent Rights" mechanism set forth in the proposed Plan of Arrangement and that Section 190 of the CBCA (subject to the terms of this Interim Order) shall apply *mutatis mutandis* to the exercise of such Dissent Rights;

[25] **ORDERS** that the Registered Shareholders as of the Record Date will be the only Shareholders entitled to exercise the Dissent Rights; and that a Non-Registered Shareholder of Shares registered in the name of a broker, custodian, trustee, nominee or other intermediary who wishes to exercise the Dissent Rights must make arrangements for the Registered Shareholder to dissent on behalf of the Non-Registered Shareholder or, alternatively, make arrangements to become a Registered Shareholder;

[26] **ORDERS** that for a Registered Shareholder (whether on their own behalf or on behalf of a Non-Registered Shareholder) to exercise the Dissent Rights under Section 190 of the *CBCA*:

a. a dissenting Shareholder shall deliver a written objection to the Arrangement Resolution (a "**Dissent Notice**") to the Company at its registered office c/o Tony Abbandonato, Vice President Sales and Corporate Secretary, 5710 Notre-Dame Street West, Montréal, Québec H4C 1V2, with a copy to Lavery, de Billy, L.L.P. c/o Me Josianne Beaudry, 1 Place Ville Marie, Suite 4000, Montréal, Québec, Canada, no later 5:00 p.m. (Eastern Time) on February 17, 2026 or two business days prior to any postponed or adjourned Meeting;

b. a dissenting Shareholder shall not have voted any of his, her or its Shares at the Meeting, either by proxy or present virtually, in favour of the Arrangement Resolution;

c. a dissenting Shareholder shall have been a Shareholder as of the Record Date of the Meeting and as of the deadline for exercising the Dissent Rights;

d. a dissenting Shareholder must dissent with respect to all of the Shares held or owned by such person, failing which the Shareholder's Dissent Notice shall be null and void; and

e. the exercise of such Dissent Rights must otherwise comply with the requirements of Section 190 of the *CBCA*, as modified by the Plan of Arrangement, the Interim Order and the Final Order.

[27] **ORDERS** that, in the event that a Shareholder validly exercises a Dissent Right, the fair value to be paid shall be offered and, when due, paid by the Purchaser;

[28] **ORDERS** that any Shareholder wishing to apply to a Court to fix a fair value for Shares in respect of which Dissent Rights have been duly exercised must apply to the Superior Court of Québec (district of Montreal) and that for the purposes of the Arrangement contemplated in these proceedings, the "Court" referred to in Section 190 of the CBCA means the Superior Court of Québec;

iv. <u>The Final Order Hearing</u>

[29] **ORDERS** that subject to the approval by the Shareholders of the Arrangement Resolution in the manner set forth in this Interim Order, Imaflex may apply for this Court to sanction the Arrangement by way of a final judgment (the "**Motion for a Final Order**");

[30] **ORDERS** that the Motion for a Final Order be presented on February 20, 2026 before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal at the Montréal Courthouse, located at 1 Notre-Dame Street East in Montréal, Québec, in a room and at a time to be communicated by the Court to Imaflex's counsel who shall forthwith communicate them to counsel to the Purchaser, to the Director and to all persons who have filed and served an appearance pursuant to paragraph 32 below, or so soon thereafter as counsel may be heard, or at any other date this Court may see fit;

[31] **ORDERS** that the mailing or delivery of the Notice Materials constitutes good and sufficient service of the Motion for a Final Order and good and sufficient notice of presentation of the Motion for a Final Order to all persons, whether those persons reside within Québec or in another jurisdiction;

[32] **ORDERS** that the only persons entitled to appear and be heard at the hearing of the Motion for a Final Order shall be Imaflex, the Purchaser, the Parent and any person that:

a. files a notice of appearance in the form required by the rules of the Court, and any additional affidavits or other materials on which a party intends to rely in connection with any submissions at such hearing, as soon as reasonable practicable, and in any event, no later than 4:30 p.m. on February 13, 2026**,** with this Court's registry and serve same on Imaflex's counsel, Lavery, de Billy, L.L.P. (Attn: Bruno Verdon), either by fax (514-871-8977) or e-mail (bverdon@lavery.ca)**,** with a copy to the Purchaser and the Parent by service upon counsel thereto, Stikeman Elliott LLP (Attn: Stéphanie Lapierre), either by fax (514-397-3222) or email (slapierre@stikeman.com); and

b. if such appearance is with a view to contesting the Motion for a Final Order, serves on Imaflex's counsel (at the above address and facsimile number) with a copy to counsel for the Purchaser and Parent (at the above address and facsimile number), no later than 4:30 p.m. on February 16, 2026, a written contestation supported as to the facts alleged by affidavit(s), and exhibit(s), if any;

[33] **ALLOWS** Imaflex to file any further evidence it deems appropriate, by way of supplementary affidavits or otherwise, in connection with the Motion for a Final Order;

v. <u>Miscellaneous</u>

[34] **DECLARES** that Imaflex shall be entitled to seek leave to vary this Interim Order upon such terms and such notice as this Court deems just;

[35] **ORDERS** provisional execution of this Interim Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;

[36] **DECLARES** that this Court shall remain seized of this matter to resolve any difficulty which may arise in relation to, or in connection with the Interim Order sought;

[37] **RENDERS** any other Order that this Court deems appropriate in the circumstances;

[38] **THE WHOLE** without costs.

Martin Sheehan

Signature numérique de Martin Sheehan
Date : 2026.01.15 14:48:58 -05'00'

MARTIN F. SHEEHAN

APPENDIX "D"

FAIRNESS OPINION

See attached.

Stifel Nicolaus Canada Inc.
1250 Rene Levesque Blvd. West, Suite 1605
Montreal QC H3B 4W8

December 17th, 2025

The Special Committee of the Board of Directors
Imaflex Inc.
5710 Rue Notre-Dame Ouest
Montréal, Québec H4C 1V2

Dear Sirs:

Stifel Nicolaus Canada Inc. ("**Stifel**", "**us**" or "**we**") understands that Imaflex Inc. ("**Imaflex**" or the "**Company**") has entered into an arrangement agreement (the "**Arrangement Agreement**") with Soteria Flexibles Corp. ("**Soteria**"), a portfolio company of TJC, L.P. pursuant to which, among other things, Soteria will acquire all of the issued and outstanding common shares of Imaflex (the "**Imaflex Shares**"), in cash, by way of a court approved plan of arrangement (the "**Plan of Arrangement**") under the Canada *Business Corporation Act* , which transaction is referred to herein as the "**Arrangement**".

The Arrangement

Pursuant to the Arrangement, the holder of Imaflex Shares will receive $2.35 for every one (1) common share of Imaflex (the "**Consideration**"). The terms of the Arrangement are more fully described in the Arrangement Agreement.

The Arrangement is subject to certain conditions, including, among other things, the approval of: (a) at least 66 2/3% of the votes cast by the shareholders of Imaflex, and the holders of any other securities of Imaflex that may be determined by the court, pursuant to its interim order, entitled to vote on the Arrangement, present in person or by proxy at the special meeting of holders of Imaflex Shares ("**Imaflex Shareholders**") to be called and held to consider the Arrangement (the "**Special Meeting**"), (b) such minority approval as required by Multilateral Instrument 61-101 – *Protection of Minority Security holders in Special Transactions* ("**MI 61-101**") and/or the TSX Venture Exchange ("**TSX-V**") at the Special Meeting and (c) approval of the Quebec Superior Court of Justice,.

Stifel's Engagement

The Special Committee of the Board of Directors of Imaflex (the "**Special Committee**") retained Stifel to act as its financial advisor pursuant to an engagement letter (the "**Engagement Letter**") dated August 15th 2025. Stifel was first contacted on behalf of the Special Committee in respect of this engagement on August 4th 2025. Pursuant to the Engagement Letter, Stifel has agreed to, among other things, deliver, at the request of the Special Committee, an opinion (the "**Opinion**") as to whether the Consideration is fair, from a financial point of view, to Imaflex Shareholders. Pursuant to the Engagement Letter, on September 10th 2025, Stifel delivered to the Special Committee its verbal opinion that the Consideration was fair, from a financial point of view, to Imaflex Shareholders; this opinion was reconfirmed on December 17th 2025, following the completion of Soteria's due diligence.

The Engagement Letter provides that Stifel will be paid by Imaflex, for the services provided thereunder, a fee which is not contingent on the successful outcome of the Arrangement, as well as reimbursement of certain legal and out-of-pocket expenses. In addition, Stifel and its affiliates and their respective directors, officers, employees, agents and controlling persons are to be indemnified by Imaflex under certain circumstances from and against certain liabilities arising out of the performance of professional services rendered to Imaflex. In the future, Stifel may in the ordinary course of the business, seek to perform financial advisory services or corporate finance services for Imaflex, Soteria, and their associates from time to time.

Stifel has not been engaged to prepare, and has not prepared, a formal valuation or appraisal of Imaflex, or any of their respective assets, securities or liabilities (whether on a standalone basis or as a combined entity), and the Opinion should not be construed as such. Stifel was similarly not engaged to review any legal, tax or accounting aspects of the Arrangement and, accordingly, expresses no views thereon. Stifel has assumed, with Imaflex's

agreement, that the Arrangement is not subject to the delivery of a formal valuation pursuant to the requirements of MI 61-101 and Stifel's engagement does not include, and this Opinion should not be considered to represent, a formal valuation under MI 61-101.

This Opinion has been prepared in accordance with the disclosure standards for formal valuations and fairness opinions of the Canadian Investment Regulatory Organization ("**CIRO**") but CIRO has not been involved in the preparation or review of this Opinion.

Credentials of Stifel

Stifel is a leading independent Canadian investment dealer focused on investment banking and institutional equities for corporate clients and institutional investors. As part of our investment banking activities, we are regularly engaged in the valuation of securities in connection with mergers and acquisitions, public offerings and private placements of listed and unlisted securities and regularly engage in market making, underwriting and secondary trading of securities in connection with a variety of transactions. Stifel is not in the business of providing auditing services. Stifel is a brand name of Stifel Nicolaus Canada Inc., which is a wholly-owned subsidiary of Stifel Financial Corp., a financial institution listed on the New York Stock Exchange.

The Opinion expressed herein represents the opinion of Stifel and the form and consent hereof have been approved for release by a group of professionals of Stifel, each of whom is experienced in mergers, acquisition, divestiture, restructuring, valuation and fairness opinion matters.

Independence of Stifel

None of Stifel, its affiliates or associates is an insider, associate or affiliate (as such terms are defined in the *Securities Act* (Quebec)) of Imaflex or Soteria or any of their respective associates or affiliates (collectively, the "**Interested Parties**"). Stifel has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the last 24 months.

There are no understandings, agreements or commitments between Stifel or any of its affiliates and any Interested Parties with respect to any future business dealings, however, Stifel may in the future in the ordinary course of business seek to perform financial advisory services for any one or more of them from time to time.

In the ordinary course of its business, Stifel acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have, today, or in the future, positions in the securities of Imaflex and, from time to time, may have executed or may execute transactions on behalf of Imaflex and Soteria or other clients for which it received or may receive compensation. In addition, as an investment dealer, Stifel conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matter, including research with respect to Imaflex and/or its affiliates or associates.

Scope of Review

Stifel has acted as financial advisor to the Special Committee and to the Board of Directors of Imaflex in respect of the Arrangement and certain related matters. In this context, and for the purpose of preparing the Opinion, we have analyzed financial, operational and other information relating to Imaflex, including information derived from meetings and discussions with Imaflex's management and the Special Committee. Except as expressly described herein, Stifel has not conducted any independent investigations to verify the accuracy and completeness thereof. In connection with rendering the Opinion, and among other things, we:

(a) reviewed a substantially complete version of the Arrangement Agreement between Imaflex and Soteria;

(b) reviewed the forms of voting and support agreement to be entered into between Soteria and the officers and directors of Imaflex, as referred to in the Arrangement Agreement;

(c) reviewed and analyzed certain publicly available information relating to the business, operations, financial condition and trading history of Imaflex, including but not limited to its financial statements, technical reports, continuous disclosure documents and other information that Stifel considered relevant;

(d) reviewed public information relating to the business and financial condition of other selected public flexible packaging companies that Stifel considered relevant;

(e) performed a comparison of the multiples implied under the terms of the Arrangement with those implied from recent precedent acquisitions involving companies that Stifel deemed relevant and reviewed the consideration paid for such companies or shares thereof;

(f) performed a comparison of the multiples implied under the terms of the Arrangement to an analysis of the trading levels of similar companies we deemed relevant under the circumstances;

(g) performance a comparison of the Consideration to be paid to the Imaflex Shareholders to the recent trading levels of securities of Imaflex;

(h) reviewed certain technical information and analyses prepared by the management of Imaflex relating to Imaflex's assets;

(i) had discussions with members of the Special Committee and management of Imaflex with regard to, among other things, the business, past and current operations, current financial condition and future potential of Imaflex;

(j) reviewed officer's certificates addressed to Stifel and executed and delivered by each of the Chief Executive Officer of Imaflex and the Corporate Secretary of Imaflex dated the date thereof setting out representations as to certain factual matters and the completeness and accuracy of the Information (as defined herein) upon which the Opinion is, in part, based and conducted due diligence sessions with Imaflex's management and received detailed information concerning its business and affairs;

(k) reviewed various equity research reports and industry sources regarding Imaflex and the flexible packaging industry;

(l) considered such other corporate, industry and financial market information, investigations and analyses as Stifel considered necessary or appropriate in the circumstances.

In its assessment, Stifel considered several methodologies, analyses and techniques and used a combination of those approaches in order to produce the Opinion. Stifel based the Opinion upon a number of quantitative and qualitative factors as deemed appropriate based on Stifel's professional experience.

Stifel has not, to the best of its knowledge, been denied access by Imaflex to any information requested by Stifel. Stifel did not meet with the auditors of Imaflex and, as stipulated below, has assumed, without independent investigation, the accuracy and fair presentation of the audited financial statements of Imaflex, and the report of the auditors thereon, and the unaudited interim financial statements of Imaflex.

Assumptions and Limitations

With Imaflex's approval and as provided for in the Engagement Letter, Stifel has relied upon and has assumed, without independent investigation, the completeness, accuracy and fair presentation of all financial, technical and other information, data, documents, advice, materials, opinions and representations obtained by Stifel from public sources, including information relating to Imaflex and the Arrangement, or provided to Stifel by Imaflex and its

respective affiliates or advisors or otherwise pursuant to our engagement (collectively, the "**Information**") and the Opinion is conditional upon such completeness, accuracy and fairness. Subject to the exercise of professional judgment and except as expressly described herein, Stifel has not attempted to verify independently the accuracy or completeness of any such Information. Senior officers of Imaflex have in separate certificates delivered on behalf of the Company represented to Stifel, as at the date hereof, among other things, that the Information provided by Imaflex with respect to Imaflex (the "**Imaflex Information**") is true and correct in all material respects at the date the Imaflex Information was provided to Stifel, and did not and does not, contain a misrepresentation (as defined in the *Securities Act* (Quebec)) and that, since the date the Imaflex Information was provided to Stifel, there has been no material change, no change in a material fact (as such terms are defined in the *Securities Act* (Quebec)) and no new material fact, financial or otherwise, in Imaflex's financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects, which is of such a nature as to render any portion of the Imaflex Information or any part thereof untrue or misleading in any material respect or which could reasonably be expected to have material adverse effect on the Company and its subsidiaries taken as a whole.

Stifel was not engaged to review any legal, regulatory, tax or accounting aspects of the Arrangement and, accordingly, expresses no view thereon. The Arrangement is subject to a number of conditions outside of the control of Imaflex and Soteria, and Stifel has assumed that all conditions precedent to the completion of the Arrangement will be satisfied in due course, that all consents, agreements, permissions, exemptions or orders of relevant regulatory and governmental authorities will be obtained, without adverse conditions or qualification, that the Arrangement will be completed in accordance with the terms and conditions of the Arrangement Agreement: (i) without additional material costs or liabilities to Imaflex; (ii) without waiver of, or amendment to, any term or condition thereof that is any way material to our analysis; and (iii) in compliance with all applicable laws; and that the disclosure relating to Imaflex, Soteria and the Arrangement set forth in any disclosure documents prepared by Imaflex or Soteria will be accurate and complete, and will comply with the requirements of all applicable laws.

The Opinion is rendered as of December 17th, 2025 on the basis of securities markets, economics, financial and general business conditions prevailing as at such date, and the condition and prospects, financial and otherwise, of Imaflex as they were reflected in the Information and as they were represented to Stifel in discussions with the Management of Imaflex. In rendering the Opinion, Stifel has assumed that there are no material changes or material facts relating to Imaflex or its respective business, operations, capital or future prospects which have not been publicly disclosed. Any changes therein may affect the Opinion and, although Stifel reserves the right to change or withdraw the Opinion in such event, we disclaim any obligation to advise any person of any change that may come to our attention or to update the Opinion after today.

Stifel believes that the analyses and factors considered in arriving at the Opinion must be considered as a whole and is not amenable to partial analyses or summary description and that selecting portions of the analyses and the factors considered, without considering all factors and analyses together, could create a misleading view of the process employed and the conclusions reached. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. In arriving at the Opinion, Stifel has not attributed any particular weight to any specific analyses or factor but rather based on the Opinion on a number of qualitative and quantitative factors deemed appropriate by Stifel based on Stifel's experience in rendering such opinions.

In our analyses and in connection with the preparation of the Opinion, Stifel made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved in the Arrangement. While in the professional opinion of Stifel, the assumptions used in preparing the Opinion are reasonable in the current circumstances, some or all of these assumptions may prove to be incorrect.

In addition, the Opinion is not and should not be construed as, advice as to the price as which Imaflex shares may trade at any future date.

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Fairness Methodology

In support of this Opinion, Stifel has performed certain analysis on Imaflex, based on those methodologies and assumptions that we considered appropriate in the circumstances for the purpose of providing this Opinion. In the context of this Opinion, we considered, among other things, the following primary methodologies:

1. Discounted cash flow analysis
2. Precedent transaction analysis
3. Public comparable companies analysis

Discounted cash flow analysis:

The discounted cash flow ("**DCF**") analysis estimates the intrinsic value of a company by projecting its expected future free cash flows and discounting them back to present value using an appropriate discount rate, typically reflecting the company's weighted average cost of capital ("**WACC**"). This approach captures the time value of money and the inherent risks of achieving the projected cash flows. By summing the present value of these projected cash flows and the company's estimated terminal value, the DCF provides a comprehensive measure of enterprise value, which can then be adjusted for net debt and other factors to arrive at an implied equity value range.

For purposes of the DCF analysis, we utilized the detailed financial projections provided by management, which extended through fiscal year 2029, from which, we extended the projections by one additional year, through fiscal year 2030, applying the same growth and margin assumptions as those reflected in fiscal year 2029. Given our view that the management case may be conservative in certain aspects, we also performed sensitivity analyses on key drivers, including revenue growth rates and margin expansion to assess their potential impacts.

In performing the DCF analysis, we applied a discount rate of 12%. This rate was selected to reflect an appropriate WACC for the Company, incorporating both the current market environment and the business and industry-specific risks associated with achieving the projected financial results. In our view, the 12% discount rate represents a fair and reasonable measure to capture the risk-adjusted return expectations of potential investors.

To estimate the Company's value beyond the explicit forecast period, we calculated a terminal value using the perpetuity growth method. In this approach, we applied a long-term terminal growth rate of 2% to the extended fiscal year 2030 cash flows. We believe this assumption appropriately reflects a sustainable growth rate in line with long-term economic conditions and industry dynamics. In our view, the 2% terminal growth rate represents a fair and reasonable basis for estimating the Company's continuing value in this scenario.

Based on the DCF approach, and after incorporating the sensitivity analysis around revenue growth assumptions and margin expansion, the valuation results are consistent with the consideration proposed under the Arrangement.

Precedent transaction analysis:

In conducting our precedent transactions analysis, we identified and reviewed a set of transactions that involves companies that we believe to be most comparable to Imaflex, based on industry, business profile, and data availability, and for which transaction terms were publicly disclosed. It is important to note that each transaction is inherently unique in a number of aspects, including size, geography, timing, market position, business risks and opportunities for growth, profitability, and transaction structure. For purposes of this analysis, Stifel considered the enterprise value to earnings before interested, tax, depreciation and amortization ("**EV / EBITDA**"), on the basis of U.S. GAAP, to be the most relevant metrics for purposes of this analysis. The table below outlines the precedent transactions Stifel reviewed as part of this approach:

Announced Date	Target	Acquiror
Dec-25	TC Transcontinental Packaging	ProAmpac
Dec-24	Sonoco TFP Business	TOPPAN Holdings
Nov-24	Berry	Amcor
Feb-22	Mondi Flexibles	Nitto Denko Corporation
Feb-22	Novolex	Apollo
Aug-18	Bemis	Amcor
Apr-18	Coveris Americas	Transcontinental
Mar-18	Treofan Americas	CCL Industries
Nov-17	Clopay Plastic Products	Berry Global
Apr-17	CharterNEX	Leonard Green

Stifel's calculated multiple of EV / EBITDA, based on U.S. GAAP, implied by the consideration under the Arranged to be superior to the average EV / EBITDA multiple paid in the precedent transactions reviewed by Stifel.

Public comparable companies analysis:

Stifel compared public market trading statistics of Imaflex to corresponding data from selected publicly-traded packaging companies that we considered relevant (the "**Comparable Companies Trading Analysis**"). Stifel considered EV / EBITDA to be the most relevant metrics for purposes of the Comparable Companies Trading Analysis. Stifel examined multiples based on EV / EBITDA, on the basis of U.S. GAAP, for each of the comparable companies, then adjusting the multiples for both a take-over premium and a discount for lack of marketability, and then compared those multiples to Imaflex. The table below outlines the comparable companies Stifel reviewed as part of this approach:

Flexible Packaging Companies	Canadian Packaging Companies
Amcor PLC	CCL Industries Inc.
Huhtamaki Oyj	Richards Packaging Income Fund
Mondi plc	Supremex
Sealed Air Corporation	Transcontinental Inc.[(1)]
Tredegar Corporation	

(1) Prior to the announced sale of its packaging business

Stifel's calculated multiple of EV / EBITDA, based on U.S. GAAP, implied by the consideration under the Arranged to be superior to the average adjusted EV / EBITDA multiples of the public comparable companies reviewed by Stifel.

Other factors considered

Stifel also considered several other factors in arriving at the Opinion, including:

- The potential value of Advaseal;
- That a sell-side process was undertaken by Imaflex four years ago;
- That Imaflex has received multiple acquisition proposals from various parties over the past two years, none of which were as compelling as the Soteria offer;
- The Arrangement is being supported by holders of a substantial portion of the Company's shares; and
- Such other factors or analyses, which we have judged, based on the exercise of our professional judgment and our experience in rendering such opinions, to be relevant.

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Conclusion and Fairness Opinion

Based upon our analysis and subject to all of the foregoing and such other matters as we have considered relevant, Stifel is of the opinion that, as the date hereof, the Consideration to be paid by Soteria to Imaflex Shareholders under the Arrangement is fair, from a financial point of view, to the Imaflex Shareholders.

The Opinion has been provided solely for the use of the Special Committee and the Board of Directors of Imaflex for the purposes of considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without the prior written consent of Stifel.

Other than as authorized herein, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without Stifel's prior written consent. Imaflex is expressly authorized to reproduce, disseminate, quote from, include or refer to the Opinion of Stifel in the documentation prepared and to be prepared by Imaflex in connection with the Arrangement, including but not limited to press releases, information circulars and legal proceedings, as well as to the extent required for Imaflex to satisfy its disclosure obligations under securities legislation.

Yours very truly,

Stifel Nicolaus Canada Inc.

Stifel Nicolaus Canada Inc.

APPENDIX "E"

PROVISIONS OF THE CBCA RELATING TO DISSENT RIGHTS

RIGHT TO DEMAND REPURCHASE OF SHARES

Right to dissent
190 (1) Subject to sections 191 and 241, a holder of shares of any class of a corporation may dissent if the corporation is subject to an order under paragraph 192(4)(d) that affects the holder or if the corporation resolves to

amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of that class;
amend its articles under section 173 to add, change or remove any restriction on the business or businesses that the corporation may carry on;
amalgamate otherwise than under section 184;
be continued under section 188;
sell, lease or exchange all or substantially all its property under subsection 189(3); or
carry out a going-private transaction or a squeeze-out transaction.

Further right
(2) A holder of shares of any class or series of shares entitled to vote under section 176 may dissent if the corporation resolves to amend its articles in a manner described in that section.
If one class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares.

Payment for shares
(3) In addition to any other right the shareholder may have, but subject to subsection (26), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents or an order made under subsection 192(4) becomes effective, to be paid by the corporation the fair value of the shares in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted or the order was made.

No partial dissent
(4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.

Objection
(5) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting and of their right to dissent.

Notice of resolution
(6) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (5) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn their objection.

Demand for payment
(7) A dissenting shareholder shall, within twenty days after receiving a notice under subsection (6) or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing

a) the shareholder's name and address;
b) the number and class of shares in respect of which the shareholder dissents; and
c) a demand for payment of the fair value of such shares.

Share certificate
(8) A dissenting shareholder shall, within thirty days after sending a notice under subsection (7), send the certificates representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent.

Forfeiture
(9) A dissenting shareholder who fails to comply with subsection (8) has no right to make a claim under this section.

Endorsing certificate
(10) A corporation or its transfer agent shall endorse on any share certificate received under subsection (8) a notice that the holder is a dissenting shareholder under this section and shall forthwith return the share certificates to the dissenting shareholder.

Suspension of rights
(11) On sending a notice under subsection (7), a dissenting shareholder ceases to have any rights as a shareholder other than to be paid the fair value of their shares as determined under this section except where

a) the shareholder withdraws that notice before the corporation makes an offer under subsection (12),
b) the corporation fails to make an offer in accordance with subsection (12) and the shareholder withdraws the notice, or
c) the directors revoke a resolution to amend the articles under subsection 173(2) or 174(5), terminate an amalgamation agreement under subsection 183(6) or an application for continuance under subsection 188(6), or abandon a sale, lease or exchange under subsection 189(9),

in which case the shareholder's rights are reinstated as of the date the notice was sent.

Offer to pay
(12) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (7), send to each dissenting shareholder who has sent such notice

a) a written offer to pay for their shares in an amount considered by the directors of the corporation to be the fair value, accompanied by a statement showing how the fair value was determined; or
b) if subsection (26) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares.

Same terms
(13) Every offer made under subsection (12) for shares of the same class or series shall be on the same terms.

Payment
(14) Subject to subsection (26), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (12) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made.

Corporation may apply to court
(15) Where a corporation fails to make an offer under subsection (12), or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as a court may allow, apply to a court to fix a fair value for the shares of any dissenting shareholder.

Shareholder application to court
(16) If a corporation fails to apply to a court under subsection (15), a dissenting shareholder may apply to a court for the same purpose within a further period of twenty days or within such further period as a court may allow.

Venue
(17) An application under subsection (15) or (16) shall be made to a court having jurisdiction in the place where the corporation has its registered office or in the province where the dissenting shareholder resides if the corporation carries on business in that province.

No security for costs
(18) A dissenting shareholder is not required to give security for costs in an application made under subsection (15) or (16).

Parties
(19) On an application to a court under subsection (15) or (16),

a) all dissenting shareholders whose shares have not been purchased by the corporation shall be joined as parties and are bound by the decision of the court; and
b) the corporation shall notify each affected dissenting shareholder of the date, place and consequences of the application and of their right to appear and be heard in person or by counsel.

Powers of court
(20) On an application to a court under subsection (15) or (16), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall then fix a fair value for the shares of all dissenting shareholders.

Appraisers
(21) A court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders.

Final order
(22) The final order of a court shall be rendered against the corporation in favour of each dissenting shareholder and for the amount of the shares as fixed by the court.

Interest
(23) A court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment.

Notice that subsection (26) applies
(24) If subsection (26) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (22), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.

Effect where subsection (26) applies
(25) If subsection (26) applies, a dissenting shareholder, by written notice delivered to the corporation within thirty days after receiving a notice under subsection (24), may

a) withdraw their notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to their full rights as a shareholder; or
b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.

Limitation
(26) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that

a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or

b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.

APPENDIX "F"

NOTICE OF PRESENTATION FOR THE FINAL ORDER

See attached.

C A N A D A

PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

S U P E R I O R C O U R T
(Commercial Division)

No: 500-11-066683-265

IN THE MATTER OF A PROPOSED ARRANGEMENT CONCERNING:

IMAFLEX INC.

Applicant

-and-

SOTERIA FLEXIBLES ACQUIRECO LTD.

-and-

SOTERIA FLEXIBLES CORP.

-and-

THE DIRECTOR

Impleaded Parties

NOTICE OF PRESENTATION
(FINAL ORDER)

TAKE NOTICE that the present *Application for Interim and Final Orders in connection with a Proposed Arrangement* will be presented on February 20, 2026, at 2:00 pm (Eastern Time), for adjudication of the Final Order before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montreal at the Montreal Courthouse located at 1, Notre-Dame Street East, Montreal, Québec, in room 16.04.

Pursuant to the Interim Order issued by the Court on January 15, 2026, if you wish to appear and be heard at the hearing of the Application for a Final Order, you are required to file and serve upon the following persons a notice of appearance in the form required by the rules of the Court, and any affidavits and materials on which you intend to rely in connection with any submissions at the hearing, as soon as reasonably practicable and by no later than 4:30 pm (Eastern time) on February 13, 2026: counsel to the Applicant, Lavery, de Billy, LLP, 1 Place Ville-Marie, Suite 4000, Montreal, Quebec, Canada, H3B 4M4, Attention: Bruno Verdon or by email at bverdon@lavery.ca and upon Purchaser's counsel Stikeman Elliott LLP, 1155 Boul. René-Lévesque West, Suite 4100, Montreal, Quebec, Canada, H3B 3V2, Attention: Stéphanie Lapierre or by email at slapierre@stikeman.com.

If you wish to contest the Application for a Final Order, you are required, pursuant to the terms of the Interim Order, to serve upon the aforementioned counsel to the Applicant, with copy to counsel to the Purchaser, a written contestation, supported as to the facts alleged by affidavit(s) and exhibit(s), if any, by no later than 4:30 pm (Eastern time) on February 16, 2026.

TAKE FURTHER NOTICE that, if you do not file an answer (notice of appearance) within the above-mentioned time limits, you will not be entitled to contest the Application for a Final Order or make representations before the Court, and the Applicant may be granted a judgment without further notice or extension. If you wish to make representations or contest the issuance by the Court of the Final Order, it is important that you take action within the time limits indicated, either by retaining the services of an attorney who will represent you and act in your name, or by doing so yourself. A copy of the Final Order issued by the Superior Court of Québec will be filed on SEDAR+ under the Applicant's issuer profile at http://www.sedarplus.ca.

DO GOVERN YOURSELVES ACCORDINGLY.

Montreal, January 15, 2026

(signed) Lavery, de Billy, L.L.P.

LAVERY, DE BILLY, L.L.P.
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