

LEI: 213800XC35KGM9NFC641

**THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, REPUBLIC OF SOUTH AFRICA, JAPAN OR ANY JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL**

**FURTHER, THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT AN OFFER OF SECURITIES IN ANY JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**9 June 2020**

**SEGRO plc**

## **PLACING TO FUND CONTINUED EXPANSION ACROSS UK AND CONTINENTAL EUROPE**

SEGRO plc ("**SEGRO**" or the "**Company**" or the "**Group**") today announces its intention to conduct a placing through the issue of new ordinary shares of 10 pence each (the "**Placing Shares**") in the capital of the Company (the "**Placing**").

In addition to the Placing, there will be a separate offer made by the Company of new ordinary shares of 10 pence each in the capital of the Company (the "**Retail Offer Shares**") at the Placing Price (as defined below) (the "**Retail Offer**"), to provide retail investors in the UK only with an opportunity to acquire Retail Offer Shares. A separate announcement will be made shortly regarding the Retail Offer and its terms.

### **Highlights**

- **Proposed Placing and Retail Offer of new ordinary shares representing approximately 7 per cent of the issued share capital of the Company to raise approximately £650 million of gross proceeds.**
- **New equity will allow SEGRO to take advantage of additional investment opportunities across the UK and Continental Europe through further, mostly pre-let, development projects together with acquisitions of land and investment assets.**
- **Well established structural trends in adoption of technology and e-commerce are accelerating.** The data on e-commerce penetration during the current Covid-19 pandemic underpins the importance of SEGRO's high quality, well located big box and urban warehouse portfolio: in the UK, e-commerce volumes in April represented 31 per cent of retail sales, 16 per cent higher than the previous month (source: ONS) and online grocery sales almost doubled, representing 13 per cent of the market, up from 7 per cent previously (source: Nielson). Similar trends have been observed across Continental Europe.

- **SEGRO's business continues to progress well despite the uncertainty caused by the Covid-19 pandemic with new lettings and pre-let development agreements across the Group tracking ahead of pre-crisis expectations.** £20.9 million of headline rent has been contracted in the five months to 31 May 2020. This includes pre-let agreements equating to £9.7 million of headline rent, including £4.0 million in April and May, with significant further projects at advanced stages of negotiation or agreed subject to planning consent.
- **Continued strong occupier demand underpins momentum in pre-let development pipeline.** The Board believes that SEGRO will be able to invest more than £1 billion of capital into profitable development activity and further land acquisitions across 2020 and 2021, including in excess of £600 million this year, as indicated in the Group's 2019 full year results.
  - Approximately £600 million of future development expenditure is in respect of projects under construction or in advanced negotiations.
  - Since the beginning of 2020, SEGRO has acquired £184 million of land and it has a further £184 million of land acquisitions under offer or agreed subject to planning consents.
- **Opportunities to acquire high-quality investment properties, such as the recent £203 million acquisition of Perivale Park, West London.** Whilst investor demand for warehouse assets remains strong, access to funding has changed, and SEGRO's strong balance sheet and unsecured funding structure provides vendors with certainty and speed of execution which the Board believes is a competitive strength in the present environment.
- **Unchanged dividend policy.** SEGRO will continue to target a payout ratio of 85 to 95 per cent of Adjusted profit after tax, in line with its aim of delivering a progressive and sustainable dividend which grows in line with its underlying profitability. Having paid the 2019 final dividend of 14.4 pence, the Board currently intends to declare a 2020 interim dividend of 6.9 pence per share (H1 2019: 6.3 pence), reflecting its usual practice of setting the interim dividend at one-third of the previous full year dividend.
- **Strong balance sheet with long-term debt structure and high liquidity.** The proceeds of the Placing will enable SEGRO to continue to invest whilst maintaining leverage at or around the current level.

## Trading Update

The Company has published a separate Trading Update for the period from 1 January 2020 to 8 June 2020.

## Background to the Placing

SEGRO's goal is to be the best owner-manager and developer of warehouse property in Europe through a strategy based on disciplined capital allocation and operational excellence, underpinned by an efficient capital and corporate structure. This approach has led to the creation of a high quality, prime, modern portfolio covering 7.8 million square metres of space across the UK and Continental Europe, valued at £12.2 billion as at 31 December 2019 (£10.3 billion including joint ventures at share).

Two-thirds of SEGRO's portfolio comprises urban warehouses concentrated in and around Europe's major cities, particularly London, Paris, Düsseldorf, Frankfurt, Berlin and Warsaw, where supply of modern warehouse space vital to facilitating rapid "last mile" distribution is particularly constrained. The remaining one-third of the portfolio is mainly big box warehouses which are used for large-scale centralised distribution and fulfilment.

The Covid-19 pandemic appears to be accelerating the structural changes in technology and e-commerce that have been positively impacting the warehouse sector in recent years and resulting in elevated levels of occupier demand. Higher levels of e-commerce penetration and the critical importance of best-in class, resilient supply chains across the economy require a prime, modern network of both big box and urban warehouse space. Data centres provide the capacity for greater use of data, whether for home working, video conferencing or leisure.

The Board believes that the Placing and the Retail Offer will provide the Company with additional capital to respond to this expected demand across the UK and Continental Europe by executing its development plans and acquiring new land and investments. It also believes that the Placing and the Retail Offer will be accretive to net asset value per share; and in regard to earnings per share, it is expected to be accretive in the medium-term once the development pipeline is complete and let, more than offsetting the short-term dilution.

### **Use of proceeds of the Placing and Retail Offer**

Due to the continued occupier demand resulting from positive structural trends, the Board believes that SEGRO will be able to invest more than £1 billion of capital in 2020 and 2021 through development capital expenditure and the acquisition of land for future development. In addition, opportunistic acquisitions of standing assets may be possible to allow the business to accelerate growth in its key markets across the UK and Continental Europe.

#### Development pipeline

SEGRO is currently building, or has identified, development projects which require capital expenditure of £595 million to complete. Once fully let, these projects are expected to yield a return on total development cost (including land) of 6.8 per cent, or 8.7 per cent yield on new money (excluding land already on the balance sheet).

- At 31 May 2020, SEGRO had development projects approved, contracted or under construction totalling 702,100 sq m, representing £216 million of future capital expenditure and £40 million of annualised gross rental income (SEGRO share) when fully let. The projects are 74 per cent let or pre-let and should yield approximately 6.5 per cent on total development cost when fully leased. Construction is progressing on all of the Group's sites and delays due to the Covid-19 pandemic have been limited to a matter of weeks. All projects are due to complete in 2020 and 2021.
- At 31 May 2020, SEGRO had a near-term pipeline of further pre-let development projects representing 666,600 sq m of space, equating to £33 million of additional rent and £379 million of additional capital expenditure. Assuming successful conclusion of negotiations and planning applications, these projects are expected to generate a yield on total development cost of approximately 7.1 per cent when complete.
- The Board considers potential new development opportunities on an ongoing basis and expects to approve investment in additional projects over the coming months utilising SEGRO's high quality, well located land bank.

#### Land acquisitions

SEGRO has continued to source opportunities to add to its well-located land bank which will create future development opportunities.

- In the period from 1 January 2020 to 31 May 2020, SEGRO has acquired £184 million of land, most of which is associated with two new major UK big box warehouse parks in the prime logistics hubs of Coventry and Northampton. These two sites have planning consent for over 800,000 sq m of modern space, to be developed over a number of years.
- Infrastructure spend relating to these two sites is expected to be in excess of £150 million over the next two years.
- As at 31 May 2020, SEGRO has a further £62 million of land acquisitions exchanged (subject to securing planning permission) and £122 million under offer in its core markets.

### Acquisitions of investment assets

Investor demand for high quality warehouse assets remains strong. However, access to funding for some bidders may be impacted by the Covid-19 pandemic, which provides SEGRO with a competitive advantage given its strong balance sheet and unsecured funding model. This is in addition to SEGRO's other longstanding competitive advantages, including extensive in-country experience, a wide network of local stakeholder contacts and access to off-market transactions. By providing vendors of assets with the certainty and speed of execution, the Board believes that the Company will have the opportunity to acquire assets in line with its strategy over the coming 12-18 months.

SEGRO recently announced the acquisition of Perivale Park, a 34-acre urban warehouse scheme in West London for £203 million. The estate provides 55,100 sq m of lettable space as well as 8 acres of land with medium-term development potential and offers a rare opportunity to build further scale and drive value in an area where the Company already has considerable expertise and knowledge of the local market and customer base.

### **Shareholder consultation**

The Company has consulted with a number of its leading shareholders regarding the rationale for the Placing and the Retail Offer and their non-pre-emptive nature ahead of this Announcement. The Board's belief is that the Placing and the Retail Offer are in the best interests of shareholders and will promote the success of the Company has been strengthened by these discussions.

The proposed issue and allotment of the Placing Shares and the Retail Offer Shares is within the existing shareholder authorities granted to the Company at its Annual General Meeting held on 21 April 2020.

### **Details of the Placing**

Merrill Lynch International ("**BofA Securities**") and UBS AG London Branch ("**UBS**", and together with BofA Securities, the "**Joint Bookrunners**") are acting as Joint Bookrunners and Corporate Brokers in connection with the Placing.

The Placing is subject to the terms and conditions set out in the Appendix to this announcement (which forms part of this announcement, such announcement and the Appendix together being the "**Announcement**"). The Joint Bookrunners will today commence a bookbuilding process in respect of the Placing (the "**Bookbuild**"). The price per ordinary share at which the Placing Shares are to be placed (the "**Placing Price**") will be decided at the close of the Bookbuild. The book will open with immediate effect following this Announcement. The timing of the closing of the book, pricing and allocations are at the discretion of the Joint Bookrunners and SEGRO. Details of the Placing Price, the number of Placing Shares and the number of Retail Offer Shares will be announced as soon as practicable after the close of the Bookbuild.

The Placing Shares, if issued, will be fully paid and will rank *pari passu* in all respects with the existing ordinary shares of the Company, including the right to receive all dividends and other distributions declared, made or paid after the date of issue. The number of Placing Shares and Retail Offer Shares shall not exceed 9.9% of the current issued share capital of the Company.

Application will be made for the Placing Shares to be admitted to the premium listing segment of the Official List (the “**Official List**”) of the Financial Conduct Authority (the “**FCA**”) and to be admitted to trading on the main market for listed securities of the London Stock Exchange plc (the “**London Stock Exchange**”) (together, “**Admission**”). Settlement for the Placing Shares and Admission is expected to take place on or before 8.00 a.m. on 12 June 2020. The Placing is conditional, among other things, upon Admission becoming effective and the placing agreement between the Company and the Joint Bookrunners (the “**Placing Agreement**”) not being terminated in accordance with its terms. The Appendix sets out further information relating to the Bookbuild and the terms and conditions of the Placing.

The Retail Offer will be made on the terms outlined in a separate announcement to be made shortly regarding the Retail Offer and its terms.

This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the “Important notices” section of this Announcement.

The person responsible for arranging release of this Announcement on behalf of SEGRO is Elizabeth Blease.

For further information on the Announcement, please contact

**SEGRO plc:**

David Sleath, Chief Executive

Soumen Das, Chief Financial Officer

Harry Stokes, Commercial Finance Director

Claire Mogford, Head of Investor Relations

+44 (0) 20 7451 9048

**BofA Securities:**

**+44 (0) 20 7628 1000**

Ed Peel

Simon Mackenzie Smith

Richard Abel

Daniel Burton-Morgan

**UBS Investment Bank:**

**+44 (0) 20 7567 8000**

John Woolland

Thomas Raynsford

Fergus Horrobin

Alex Bloch

**Media enquiries:**

Lizzie Humphreys, External Communications Manager

+44 (0) 20 7451 9129

Richard Sunderland, FTI Consulting

+44 (0) 20 3727 1000

Claire Turvey, FTI Consulting

+44 (0) 20 3727 1000

## Notes to Editors

### About SEGRO

SEGRO is a UK Real Estate Investment Trust (REIT), and a leading owner, manager and developer of modern warehouses and light industrial property. It owns or manages 7.8 million square metres of space (84 million square feet) valued at £12.2 billion at 31 December 2019. Its assets are positioned strategically at locations in the UK and across London and the South-East and Midlands regions, while in Continental Europe it has developments in France, Germany, Italy, Poland, Spain, The Netherlands and the Czech Republic.

For 100 years SEGRO has been creating the space that enables extraordinary things to happen. From modern big box warehouses, used primarily for regional, national and international distribution hubs, to urban warehousing located close to major population centres and business districts, it provides high-quality assets that allow its customers to thrive.

See [www.SEGRO.com](http://www.SEGRO.com) for further information.

### IMPORTANT NOTICE

No action has been taken by the Company or the Joint Bookrunners, or any of their respective affiliates that would, or which is intended to, permit a public offer of the Placing Shares in any jurisdiction or result in the possession or distribution of this Announcement or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Persons into whose possession this Announcement comes shall inform themselves about, and observe, such restrictions.

No prospectus will be made available in connection with the matters contained in this Announcement and no such prospectus is required (in accordance with the Prospectus Regulation (EU) 2017/1129 as amended from time to time (the "**Prospectus Regulation**")) to be published. Persons needing advice should consult an independent financial adviser.

This Announcement is for information purposes only and does not constitute an offer or invitation to underwrite, buy, subscribe, sell or issue, or the solicitation of an offer to buy, sell, acquire, dispose or subscribe for, the Placing Shares or any other security in the United States (including its territories and possessions, any State of the United States and the District of Columbia, collectively the "**United States**"), Australia, Canada, Republic of South Africa, Japan or in any jurisdiction in which, or to any persons to whom, such offering, solicitation or sale would be unlawful or require registration.

The Placing Shares have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any State or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any State or other jurisdiction of the United States. There is no public offering of the Placing Shares in the United States. In addition, the Retail Offer Shares are being offered and sold by the Company only outside the United States in offshore transactions as defined in, and pursuant to, Regulation S under the Securities Act.

The relevant clearances have not been, and nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, and nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Canada, Australia, Republic of South Africa or Japan. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Canada, Australia, Republic of South Africa, Japan or any other jurisdiction outside the United Kingdom or to, or for the account or benefit of any national, resident or citizen of Australia, Republic of South Africa, Japan or to any investor located or resident in Canada.

This Announcement does not constitute, or purport to include the information required of, a disclosure document under Chapter 6D of the Corporations Act 2001 (Cth) (the "**Corporations Act**") or a product disclosure statement under Chapter 7 of the Corporations Act and will not be lodged with the Australian Securities and Investments Commission. No offer of securities is made pursuant to this Announcement in Australia except to a person who

is: (i) either a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 9 and section 708(11) of the Corporations Act; and (ii) a "wholesale client" for the purposes of section 761G(7) of the Corporations Act (and related regulations) who has complied with all relevant requirements in this respect. No Placing Shares may be offered for sale (or transferred, assigned or otherwise alienated) to investors in Australia for at least 12 months after their issue, except in circumstances where disclosure to investors is not required under Part 6D.2 of the Corporations Act.

#### NOTICE TO CANADIAN INVESTORS

The Placing Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Placing Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("**NI 33-105**"), the Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

The offering of the Placing Shares may be made on a private placement basis in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec and Saskatchewan and is exempt from the requirement that the Company prepare and file a prospectus with the relevant securities regulatory authorities in Canada. No offer of securities is made pursuant to this Announcement in Canada except to a person who has represented to the Company and the Joint Bookrunners that such person: (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or distribution; (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario); and (iii) is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Placing Shares acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the Placing Shares outside of Canada.

Merrill Lynch International, authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, and UBS AG London Branch, authorised and regulated by the Financial Market Supervisory Authority in Switzerland and authorised by the Prudential Regulatory Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority in the United Kingdom, are acting as Joint Bookrunners for the Company in connection with the Placing and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to their clients nor for providing advice to any other person in relation to the Placing and/or any other matter referred to in this Announcement.

This Announcement is being issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners nor any of their respective affiliates or agents (or any of their respective directors, officers, employees or advisers) for the contents of the information contained in this Announcement, or any other written or oral information made available to or publicly available to any interested party or its advisers, or any other statement made or purported to be made by or on behalf of either Joint Bookrunner or any of their

respective Affiliates in connection with the Company, the Placing Shares or the Placing and any responsibility therefor is expressly disclaimed. The Joint Bookrunners and each of their respective Affiliates accordingly disclaim all and any liability, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement and no representation or warranty, express or implied, is made by either Joint Bookrunner or any of their respective affiliates as to the accuracy, completeness or sufficiency of the information contained in this Announcement.

This Announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the Placing Shares. Any investment decision to buy Placing Shares in the Placing must be made solely on the basis of publicly available information, which has not been independently verified by the Joint Bookrunners.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which sometimes use words such as "aim", "anticipate", "believe", "intend", "plan" "estimate", "expect" and words of similar meaning, include all matters that are not historical facts and reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. These statements are subject to unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Announcement is subject to change without notice and, except as required by applicable law, neither the Company nor the Joint Bookrunners assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Announcement. Any indication in this Announcement of the price at which Placing Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. Past performance is no guide for future performance and persons reading this Announcement should consult an independent financial adviser.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Announcement should seek appropriate advice before taking any action.

In connection with the Placing, the Joint Bookrunners may release communications to the market as to the extent to which the book is "covered". A communication that a transaction is, or that the books are, "covered" refers to the position of the order book at that time. It is not an assurance that the books will remain covered, that the transaction will take place on any terms indicated or at all, or that if the transaction does take place, the securities will be fully distributed by the Joint Bookrunners.

In connection with the Placing, each of the Joint Bookrunners and any of their affiliates, acting as investors for their own account, may take up a portion of the shares in the Placing as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references to Placing Shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, the Joint Bookrunners and any of their affiliates acting in such capacity. In addition, the Joint Bookrunners and any of their affiliates may enter into financing arrangements (including swaps) with investors in connection with which the Joint Bookrunners and any of their respective affiliates may from time to time acquire, hold or dispose of shares. The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

The most recent Annual Report of the Group and other information about the Group are available on the SEGRO website at [www.SEGRO.com](http://www.SEGRO.com). Neither the contents of the SEGRO website nor any website accessible by hyperlinks on the SEGRO website is incorporated in, or forms part of, this Announcement.

This Announcement does not constitute a recommendation to acquire any securities of the Company.

## **Information to Distributors**



Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended, ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Merrill Lynch International and UBS AG London Branch will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

## APPENDIX: TERMS AND CONDITIONS OF THE PLACING

THIS ANNOUNCEMENT AND THE INFORMATION CONTAINED HEREIN ARE RESTRICTED AND ARE NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA, REPUBLIC OF SOUTH AFRICA, JAPAN OR ANY JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL.

REFERENCES TO THIS ANNOUNCEMENT INCLUDE THE ANNOUNCEMENT AND THIS APPENDIX TAKEN TOGETHER.

IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEEES ONLY.

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT IN THIS APPENDIX ARE FOR INFORMATION PURPOSES ONLY AND ARE DIRECTED ONLY AT PERSONS WHOSE ORDINARY ACTIVITIES INVOLVE THEM IN ACQUIRING, HOLDING, MANAGING AND DISPOSING OF INVESTMENTS (AS PRINCIPAL OR AGENT) FOR THE PURPOSES OF THEIR BUSINESS AND WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS AND ARE:

(A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA, WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE PROSPECTUS REGULATION (“**QUALIFIED INVESTORS**”);

(B) PERSONS IN THE UNITED KINGDOM (I) WHO ARE QUALIFIED INVESTORS AND WHO ARE INVESTMENT PROFESSIONALS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE “**ORDER**”), OR (II) WHO FALL WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC”) OF THE ORDER; OR

(C) IN THE CASE OF PERSONS LOCATED IN THE UNITED STATES, PERSONS WHO ARE “QUALIFIED INSTITUTIONAL BUYERS” (EACH A “**QIB**”) (AS DEFINED IN RULE 144A UNDER THE US SECURITIES ACT OF 1933, AS AMENDED, (THE “**SECURITIES ACT**”)); OR

(D) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED,

(ALL SUCH PERSONS IN (A), (B), (C) AND (D) TOGETHER BEING REFERRED TO AS “**RELEVANT PERSONS**”). THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN ACQUISITION OF PLACING SHARES.

To the extent distributed in the United Kingdom, this Announcement is being distributed and communicated to persons only in circumstances to which section 21(1) of the Financial Services and Markets Act 2000, as amended (“**FSMA**”) does not apply.

Persons who are invited to and who choose to participate in the Placing of new ordinary shares in the Company (“**Placing Shares**”), by making an oral or written offer to acquire Placing Shares, including any individuals, funds or others on whose behalf a commitment to acquire Placing Shares is given (the “**Placees**”), will be deemed to have read and understood this Announcement in its entirety and to be making such offer on the terms and conditions, and to be providing (and shall only be permitted to participate in the Placing on the basis that they

have provided) the representations, warranties, acknowledgements and undertakings, contained in this Appendix. In particular, each such Placee represents, warrants and acknowledges that:

- a) it is a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- b) it is: (i) outside the United States, acquiring the Placing Shares in an “offshore transaction” in accordance with Regulation S under the Securities Act (“**Regulation S**”) and is acquiring the Placing Shares for its own account or for an account with respect to which it exercises sole investment discretion, and that it (and any such account) is outside the United States and has not entered into any arrangement for transfer of the Placing Shares or any economic interest therein to any person in the United States; or (ii) in the case of a Relevant Person in the United States, it is a QIB; or
- c) if it is a financial intermediary, as that term is used in Article 2(d) of the Prospectus Regulation, that it understands the resale and transfer restrictions set out in this Appendix and that any Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA to Qualified Investors, or in circumstances in which the prior consent of the Company has been given to each such proposed offer or resale.

The Company, Merrill Lynch International (“**BofA Securities**”) and UBS AG London Branch (“**UBS**”) will rely on the truth and accuracy of the foregoing representations, warranties and acknowledgements.

The Placing Shares have not been, and will not be, registered under the Securities Act or under the securities laws of any State or other jurisdiction of the United States, and may not be offered or sold directly or indirectly in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any State or any other jurisdiction of the United States. There is no public offering of the Placing Shares in the United States, and any offering or sale of Placing Shares in the United States will be made only to a limited number of QIBs pursuant to an exemption from registration under the Securities Act in a transaction not involving a public offering. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S.

The Placing Shares have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States.

The distribution of this Announcement and the Placing and/or the offer or sale of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, BofA Securities, UBS or any of their respective affiliates or any of their respective agents, directors, officers or employees which would permit an offer of the Placing Shares or possession or distribution of this Announcement or any other offering or publicity material relating to such Placing Shares in any jurisdiction where action for that purpose is required.

The relevant clearances have not been, and nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; and the Placing Shares have not been, nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Canada, Republic of South Africa or Japan. Accordingly, the Placing Shares may not (unless an exemption under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Australia, Canada, Republic of South Africa, Japan, or any other jurisdiction outside the United Kingdom.

This Announcement does not constitute, or purport to include the information required of, a disclosure document under Chapter 6D of the Corporations Act 2001 (Cth) (the “**Corporations Act**”) or a product disclosure statement under Chapter 7 of the Corporations Act and will not be lodged with the Australian Securities and Investments Commission. No offer of securities is made pursuant to this Announcement in Australia except to a person who

is: (i) either a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 9 and section 708(11) of the Corporations Act; and (ii) a "wholesale client" for the purposes of section 761G(7) of the Corporations Act (and related regulations) who has complied with all relevant requirements in this respect. No Placing Shares may be offered for sale (or transferred, assigned or otherwise alienated) to investors in Australia for at least 12 months after their issue, except in circumstances where disclosure to investors is not required under Part 6D.2 of the Corporations Act.

#### NOTICE TO CANADIAN INVESTORS

The Placing Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Placing Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts ("NI 33-105"), the Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

The offering of the Placing Shares may be made on a private placement basis in the provinces of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island, Quebec and Saskatchewan and is exempt from the requirement that the Company prepare and file a prospectus with the relevant securities regulatory authorities in Canada. No offer of securities is made pursuant to this Announcement in Canada except to a person who has represented to the Company and the Joint Bookrunners that such person: (i) is purchasing as principal, or is deemed to be purchasing as principal in accordance with applicable Canadian securities laws, for investment only and not with a view to resale or distribution; (ii) is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, as such term is defined in section 73.3(1) of the Securities Act (Ontario); and (iii) is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Placing Shares acquired by a Canadian investor in this offering must be made in accordance with applicable Canadian securities laws, which may vary depending on the relevant jurisdiction, and which may require resales to be made in accordance with Canadian prospectus requirements, a statutory exemption from the prospectus requirements, in a transaction exempt from the prospectus requirements or otherwise under a discretionary exemption from the prospectus requirements granted by the applicable local Canadian securities regulatory authority. These resale restrictions may under certain circumstances apply to resales of the Placing Shares outside of Canada.

Persons (including, without limitation, nominees and trustees) who have a contractual or other legal obligation to forward a copy of this Appendix or the Announcement of which it forms part should seek appropriate advice before taking any action.

#### **Details of the Placing Agreement and the Placing Shares**

BofA Securities and UBS (together, the "**Joint Bookrunners**") have entered into a placing agreement (the "**Placing Agreement**") with the Company under which they have agreed as agents for the Company to use their respective reasonable endeavours to procure Placees to take up the Placing Shares, on the terms and subject to the conditions set out therein. Following the execution of a terms of placing setting out, among other things, the final number of Placing Shares and the final Placing Price (as defined below) following completion of the Bookbuild (as defined below) (the "**Terms of Placing**"), if any such Placee defaults in paying the Placing Price in respect of any Placing Shares allotted to it, the Joint Bookrunners have severally (and not jointly or jointly and severally) agreed to subscribe for such shares, and the Company has agreed to allot or issue, as applicable, such shares

to the Settlement Agent, as nominee for the Joint Bookrunners, at the Placing Price, on and subject to the terms set out in the Placing Agreement.

The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing ordinary shares of 10 pence each in the capital of the Company ("**Ordinary Shares**"), including the right to receive all dividends and other distributions declared, made or paid after the date of issue, and will on issue be free of all claims, liens, charges, encumbrances and equities.

The net proceeds raised through the Placing will be retained for the benefit of the Company.

Application will be made to the Financial Conduct Authority (the "**FCA**") for admission of the Placing Shares to the Official List and to London Stock Exchange plc for admission to trading of the Placing Shares on its main market for listed securities ("**Admission**").

It is expected that Admission will become effective at or around 8:00 a.m. on 12 June 2020 (or such later time and/or date as the Joint Bookrunners may agree with the Company) and that dealings in the Placing Shares will commence at that time.

The Joint Bookrunners are not acting for the Company with respect to the Retail Offer.

### **Bookbuild**

The Joint Bookrunners will today commence the bookbuilding process in respect of the Placing (the "**Bookbuild**") to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares. Members of the public are not entitled to participate in the Placing.

The Joint Bookrunners and the Company shall be entitled to effect the Placing by such alternative method to the Bookbuild as they may, in their sole discretion, determine.

### **Participation in, and principal terms of, the Placing**

- 1) The Joint Bookrunners are arranging the Placing severally and not jointly or jointly and severally as joint bookrunners and agents of the Company. Participation will only be available to persons who may lawfully be, and are, invited to participate by any of the Joint Bookrunners. Each of the Joint Bookrunners and their respective affiliates are entitled to enter bids as principal in the Bookbuild.
- 2) The Bookbuild, if successful, will establish a single price payable in respect of the Placing Shares (the "**Placing Price**") to the Joint Bookrunners by all Placees whose bids are successful. The Placing Price and the aggregate proceeds to be raised through the Placing will be agreed between the Joint Bookrunners and the Company following completion of the Bookbuild and any discount to the market price of the Ordinary Shares will be determined in accordance with the FCA Listing Rules published pursuant to Part IV of the FSMA and applicable guidelines. The Placing Price and the number of Placing Shares to be issued will be announced on a Regulatory Information Service following the completion of the Bookbuild.
- 3) To bid in the Bookbuild, prospective Placees should communicate their bid by telephone to their usual sales contact at one of the Joint Bookrunners. Each bid should state the number of Placing Shares which the prospective Placee wishes to acquire at the Placing Price ultimately established by the Company and the Joint Bookrunners or at prices up to a price limit specified in its bid. Bids may be scaled down by the Joint Bookrunners on the basis referred to in paragraph 7 below.
- 4) The Bookbuild is expected to close no later than 6:30 a.m. (London time) on 10 June 2020, but may be closed earlier or later at the discretion of the Joint Bookrunners. The Joint Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild has closed.
- 5) Each prospective Placee's allocation will be agreed by the Joint Bookrunners and the Company and will be confirmed to Placees orally by the relevant Joint Bookrunner following the close of the Bookbuild, and a trade

confirmation will be dispatched as soon as possible thereafter. The relevant Joint Bookrunner's oral confirmation to such prospective Placee (who will at that point become a Placee) will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of such Joint Bookrunner and the Company, under which such Placee agrees to acquire the number of Placing Shares allocated to it and to pay the relevant Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's corporate documents.

- 6) The Company will make a further announcement following the close of the Bookbuild detailing the number of Placing Shares to be issued and the price at which the Placing Shares have been placed.
- 7) The Joint Bookrunners will, in effecting the Placing, agree with the Company the identity of the Placees and the basis of allocation of the Placing Shares. The Joint Bookrunners may choose to accept bids, either in whole or in part, on the basis of allocations determined in agreement with the Company and may scale down any bids for this purpose on such basis as they may determine. The Joint Bookrunners may also, notwithstanding paragraphs 3 and 5 above, in agreement with the Company: (i) allocate Placing Shares after the time of any initial allocation to any person submitting a bid after that time; and (ii) allocate Placing Shares after the Bookbuilding Process has closed to any person submitting a bid after that time. The Company reserves the right (upon agreement with the Joint Bookrunners) to reduce or seek to increase the amount to be raised pursuant to the Placing, at its absolute discretion. The acceptance of the bids shall be at the Joint Bookrunners' absolute discretion, subject to agreement with the Company.
- 8) A bid in the Bookbuild will be made on the terms and subject to the conditions in this Appendix and will be legally binding on the Placee on behalf of which it is made and except with the relevant Joint Bookrunner's consent will not be capable of variation or revocation after the time at which it is submitted. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to the relevant Joint Bookrunner, to pay it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares that such Placee has agreed to acquire. Each Placee's obligations will be owed to the relevant Joint Bookrunner and the Company.
- 9) Except as required by law or regulation, no press release or other announcement will be made by the Joint Bookrunners or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
- 10) Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
- 11) All obligations under the Bookbuild and Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
- 12) By participating in the Bookbuild, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by a Joint Bookrunner.
- 13) To the fullest extent permissible by law, none of the Joint Bookrunners or the Company, nor any of their respective directors, officers, employees, agents or affiliates, nor any person acting on any of their respective behalfs, shall have any responsibility or liability (whether in contract, tort or otherwise) to any Placee (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of the Joint Bookrunners or the Company, nor any of their respective directors, officers, employees, agents or affiliates, nor any person acting on any of their respective behalfs, shall have any responsibility or liability (whether in contract, tort or otherwise and including to the extent permissible by law or any fiduciary duties) in respect of the Joint Bookrunners' conduct of the Bookbuild or of such alternative method of effecting the Placing as the Joint Bookrunners, their respective affiliates and the Company may, in their sole discretion, agree.

## **Conditions of the Placing**

The Placing is conditional upon the Placing Agreement becoming unconditional and not having been terminated in accordance with its terms. The Joint Bookrunners' obligations under the Placing Agreement are conditional on customary terms and conditions, including among others:

- a) the representations and warranties of the Company contained in the Placing Agreement being true and accurate and not misleading as of the date of the Placing Agreement and the Closing Date;
- b) Admission occurring not later than 8:00 a.m. London time on 15 June 2020 (the "**Closing Date**") (or such other time or date as the Company and the Joint Bookrunners may agree);
- c) the execution and delivery of the Terms of Placing;
- d) the publication of the results of the Placing on a Regulatory Information Service as soon as reasonably practicable following the execution of the Terms of Placing and in any event by 7:00 a.m. on the Business Day following the date of the Placing Agreement (or such later time and/or date as the Company and the Joint Bookrunners may agree); and
- e) the Placing Shares having been allotted prior to Admission.

If: (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived by the Joint Bookrunners by the respective time or date where specified (or such later time or date as the Company and the Joint Bookrunners may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below under "Right to terminate under the Placing Agreement", the Placing will lapse and the Placees' rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by it in respect thereof.

The Joint Bookrunners may, in their sole discretion and upon such terms as they think fit, waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions contained in the Placing Agreement save that conditions b), d) and e) above may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

By participating in the Placing, each Placee agrees that none of the Joint Bookrunners, nor any of their respective directors, officers, employees, agents or affiliates shall have any liability (whether in contract, tort or otherwise) to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it may make as to whether or not to waive or to extend the time and/or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Joint Bookrunners.

By participating in the Bookbuilding Process, each Placee agrees that its rights and obligations hereunder terminate only in the circumstances described above and under "Right to terminate under the Placing Agreement" below, and will not be capable of rescission or termination by the Placee.

#### **Right to terminate under the Placing Agreement**

The Joint Bookrunners are entitled, by notice to the Company given at any time on or prior to the Closing Date, to terminate the Placing Agreement in accordance with the terms of the Placing Agreement in certain circumstances, including: (i) a breach of the representation, warranties and undertakings of the Company contained in the Placing Agreement which the Joint Bookrunners consider to be material in the context of the Group taken as a whole, Placing and/or Admission; or (ii) upon the occurrence of certain material adverse changes in the financial condition or prospects of the Group taken as a whole or in the relevant financial markets or in the event of a force majeure event.

Upon termination of the Placing Agreement, the parties to the Placing Agreement shall be released and discharged (except for any liability arising before or in relation to such termination) from their respective obligations under or pursuant to the Placing Agreement, subject to certain exceptions.

By participating in the Placing, Placees agree that the exercise by any Joint Bookrunner of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of such Joint Bookrunner and that neither the Company nor the Joint Bookrunners need make any reference to, or consult with, Placees and neither the Company nor the Joint Bookrunners shall have any liability to Placees whatsoever in connection with any such exercise and none of the Company or the Joint Bookrunners, nor any of their respective directors, officers, employees, agents or affiliates, nor any person acting on any of their respective behalfs, shall have any liability to Placees whatsoever in connection with any such exercise or failure to exercise.

### **Lock-up**

The Company has undertaken to the Joint Bookrunners that, between the date of the Placing Agreement and the date which is 180 days after the Closing Date, other than in respect of, amongst other things, grants or exercises of options or share issues pursuant to terms of existing employee share schemes or the Company's scrip dividend scheme, and the Placing Shares and Retail Offer Shares, it will not, without the prior written consent of the Joint Bookrunners (such consent not to be unreasonably withheld or delayed), directly or indirectly offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant for the sale of or otherwise transfer or dispose of any Ordinary Shares or any securities convertible into or exchangeable for Ordinary Shares or other investments representing interests in Ordinary Shares or enter into any swap or other agreement or transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of shares, whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

By participating in the Placing, Placees agree that the exercise by the Joint Bookrunners of any power to grant consent to the undertaking by the Company of a transaction which would otherwise be subject to the lock-up under the Placing Agreement shall, subject to the terms of the Placing Agreement, be within the discretion of the Joint Bookrunners and that they need not make any reference to, or consultation with, Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise of the power to grant consent or failure to exercise such power.

### **No Prospectus**

No offering document or prospectus has been or will be submitted to be approved by the FCA (or any other authority) in relation to the Placing or Admission and no such prospectus is required (in accordance with the Prospectus Regulation) to be published, or will be published.

Placees' commitments will be made solely on the basis of the information contained in this Announcement. Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement (including this Appendix) and all other publicly available information previously or simultaneously published by the Company by notification to a Regulatory Information Service or otherwise filed by the Company is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or the Joint Bookrunners or any other person and none of the Joint Bookrunners or the Company, nor any other person, will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received (regardless of whether or not such information, representation, warranty or statement was given or made by or on behalf of any such persons). Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Registration and Settlement**

Settlement of transactions in the Placing Shares (ISIN: GB00B5ZN1N88) following Admission will take place within the CREST system, subject to certain exceptions. The Joint Bookrunners and the Company reserve the right to require settlement for, and delivery of, the Placing Shares to Placees by such other means that they deem necessary if delivery or settlement is not practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction. In particular, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of



CREST in relation to the Placing, the Company and the Joint Bookrunners may agree that the Placing Shares should be issued in certificated form.

Following the close of the Bookbuild, each Placee allocated Placing Shares in the Placing will be sent a trade confirmation in accordance with the standing arrangements it has in place with the relevant Bookrunner stating the number of Placing Shares allocated to it at the Placing Price, the aggregate amount owed by such Placee to the relevant Bookrunner and settlement instructions. Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with the standing CREST or certificated settlement instructions in respect of the Placing Shares that it has in place with the relevant Bookrunner (unless otherwise agreed).

It is expected that settlement will be on 12 June 2020 in accordance with the instructions set out in the trade confirmation.

Interest is chargeable daily on payments not received from Placees on the due date in accordance with the arrangements set out above at the rate of two percentage points above LIBOR.

Each Placee is deemed to agree that, if it does not comply with these obligations, the Joint Bookrunners may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Joint Bookrunners' account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax or other stamp, securities, transfer, registration, execution, documentary or other similar impost, duty or tax imposed in any jurisdiction (together with any interest, fines or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf. By communicating a bid for Placing Shares, each Placee confers on the Joint Bookrunners all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which the Joint Bookrunners lawfully take in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the trade confirmation is copied and delivered immediately to the relevant person within that organisation.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax (and/or any interest, fines or penalties relating thereto) is payable in respect of the allocation, allotment, issue or delivery of the Placing Shares (or for the avoidance of doubt if any stamp duty or stamp duty reserve tax is payable in connection with any subsequent transfer of or agreement to transfer Placing Shares), neither the Company nor the Joint Bookrunners shall be responsible for the payment thereof.

## **Representations, Warranties and Further Terms**

By participating in the Placing each Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (for itself and for any such prospective Placee) with the Joint Bookrunners and the Company, in each case as a term of its application for Placing Shares, the following:

- 1) it has the knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of purchasing the Placing Shares. It is experienced in investing in securities of this nature in the Company's sector and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain a complete loss in connection with the Placing. It has relied on its own examination and due diligence of the Company, and the terms of the Placing, including the merits and risks involved;
- 2) it has: (a) made its own assessment and satisfied itself concerning legal, regulatory, tax, business and financial considerations in connection herewith to the extent it deems necessary; (b) received, read and understood this Announcement in its entirety (including this Appendix), and understands that its subscription

for and purchase of Placing Shares is subject to and based upon all the terms, conditions, representations, warranties, indemnities, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Announcement;

- 3) it understands and agrees that: (a) the only information on which it is entitled to rely, and on which it has relied, in committing itself to acquire Placing Shares is contained in this Announcement and any information previously or simultaneously published by the Company by notification to a Regulatory Information Service; (b) it has had access to, and reviewed, such information; (c) such information is all information that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the Placing Shares; and (d) it has made its investment decision based solely upon its own judgement, due diligence and analysis and not upon any view expressed or information provided by or on behalf of the Joint Bookrunners or any other person otherwise than as set out in this Announcement, and none of the Joint Bookrunners and the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement, provided that nothing in this paragraph excludes the liability of any person for fraudulent misrepresentation made by that person;
- 4) that its commitment to acquire Placing Shares on the terms set out herein will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or the Joint Bookrunners' conduct of the Placing;
- 5) it understands and acknowledges that no offering document, offering memorandum, admission document, listing particulars or prospectus has been or will be prepared in connection with the Placing, or is required under the Prospectus Regulation, the FSMA or any other applicable law, and it has not received and will not receive any such document in connection therewith;
- 6) that none of the Joint Bookrunners or the Company, nor any of their respective affiliates, nor any person acting on behalf of any of them, has provided, nor will provide it, with any information regarding the Placing Shares, the Bookbuild, the Placing or the Company other than this Announcement;
- 7) that the Ordinary Shares are listed on the Official List of the FCA and admitted to trading on the London Stock Exchange and the Company is therefore required to publish certain business and financial information in accordance with the Market Abuse Regulation (EU) No.596/2014 ("**MAR**") and the rules and practices of the London Stock Exchange and/or the FCA (collectively, the "**Exchange Information**"), which includes a description of the Company's business and the Company's financial information, including balance sheets and income statements, and similar statements for preceding financial years and that it is able to obtain or access the Exchange Information and that it has reviewed such Exchange Information;
- 8) it understands and acknowledges that it is likely that the Company and some or all of its subsidiaries will be classified as a "passive foreign investment company" ("**PFIC**") for US federal income tax purposes for the current taxable year and may be classified as a PFIC in one or more future taxable years, that an investment in a PFIC may have materially adverse US federal income tax consequences to persons subject to US federal income tax, and that it has sought professional advice from its own tax advisers as to the application and impact of these matters to the extent it thinks appropriate. Furthermore, it acknowledges that it is likely that elections that potentially mitigate such adverse consequences, such as the so called mark-to-market election or the qualified electing fund (QEF) election, will not be available to it in any given tax year;
- 9) it understands and agrees that it may not rely, and has not relied, on any investigation that the Joint Bookrunners or any person acting on their behalf may or may not have conducted with respect to the Company, the Group, or the Placing, and the Joint Bookrunners have not made any representation to it, express or implied, with respect to the accuracy or adequacy of Exchange Information or any other information concerning the Company, the merits of the Placing, the subscription or purchase of the Placing Shares, or as to the condition, financial or otherwise, of the Company, the Group, or as to any other matter relating thereto, and nothing herein shall be construed as a recommendation to it to purchase the Placing Shares. It acknowledges and understands that this Announcement and any other announcement or presentation provided to it (if any) have been prepared by the Company and no such announcement or presentation (if

any) nor any other information has been prepared by the Joint Bookrunners for the purposes of the Placing or is in any way the responsibility of the Joint Bookrunners;

- 10) acknowledges and agrees that it will not hold the Joint Bookrunners, any of their associates or any person acting on their behalf responsible or liable for any misstatements in or omission from any publicly available information relating to the Group or information made available (whether in written or oral form) as part of pre-sounding discussions with investors (if relevant) relating to the Group (the "Information") and that none of the Joint Bookrunners or any person acting on behalf of them, makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such Information or accepts any responsibility for any of such Information, either at the date of this Announcement or at the closing date;
- 11) with respect to any Placing Shares offered to or purchased by it in the United States or for and on behalf of persons in the United States, it acknowledges and agrees: (a) that it is a QIB; (b) that the Placing Shares are being offered and sold to it in accordance with an exemption from registration under the Securities Act for transactions by an issuer not involving a public offering of securities in the United States and that the Placing Shares have not been, and will not be, registered under the Securities Act or with any State or other jurisdiction of the United States; (c) that the Placing Shares may not be reoffered, resold, pledged or otherwise transferred by it except (i) outside the United States in an offshore transaction pursuant to Rule 903 or Rule 904 of Regulation S under the Securities Act, (ii) in the United States to a person whom the seller reasonably believes is a QIB to whom notice is given that the offer, sale or transfer is being made in reliance on Rule 144A, pursuant to Rule 144A under the Securities Act, (iii) pursuant to Rule 144 under the Securities Act (if available), (iv) to the Company, or (v) pursuant to another available exemption, if any, from registration under the Securities Act, in each case in compliance with all applicable laws; (d) that the Placing Shares are "restricted securities" as defined in Rule 144(a)(3) under the Securities Act; (e) for so long as the Placing Shares are "restricted securities" (within the meaning of Rule 144(a)(3) under the Securities Act), it will segregate such Placing Shares from any other shares that it holds that are not restricted securities, shall not deposit such shares in any depository facility established or maintained by a depository bank and will only transfer such Placing Shares in accordance with this paragraph; (f) to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Placing Shares of the foregoing restrictions on transfer; (g) if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, each such account is a QIB, it has sole investment discretion with respect to each such account and it has full power and authority to make the acknowledgements, representations, warranties and agreements herein on behalf of each such account; (h) it is acquiring such Placing Shares for its own account (or the account of a QIB as to which it has sole investment discretion) for investment purposes and (subject to the disposition of its property being at all times within its control) not with a view to any distribution of the Placing Shares; and (i) that no representation has been made as to the availability of the exemption provided by Rule 144 under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares;
- 12) if it is a person in a member state of the European Economic Area ("EEA"), that it is a Qualified Investor and, to the extent applicable, any funds on behalf of which it is acquiring the Placing Shares that are located in a member state of the EEA are each such a Qualified Investor;
- 13) if it is a person in the United Kingdom, that it is a Qualified Investor: (i) having professional experience in matters relating to investments who falls within the definition of "investment professionals" in Article 19(5) of the Order; or (ii) who falls within Article 49(2)(a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc") of the Order; or (iii) to whom this Announcement may otherwise lawfully be communicated;
- 14) if it is a person in Australia, that it is: (i) a "sophisticated investor" within the meaning of section 708(8) of the Corporations Act or a "professional investor" within the meaning of section 9 and section 708(11) of the Corporations Act; and (ii) a "wholesale client" as defined in section 761G(7) of the Corporations Act, and the issue of the Placing Shares to it does not require a prospectus, product disclosure statement or other form of disclosure document under the Corporations Act;
- 15) if it is a person in Canada, that it is an "accredited investor" as such term is defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions or, in Ontario, as such term is defined in section 73.3(1) of the

Securities Act (Ontario); and (ii) is a "permitted client" as such term is defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations;

- 16) if it is a person in South Africa, that it: (i) has sought independent advice regarding any permissions that may be required of the Financial Surveillance Department of the South African Reserve Bank ("**SARB**") with regard to the subscription for Placing Shares by it and acknowledges that, to the extent that Placing Shares are offered for subscription, acquisition or sale in South Africa, such offer is being effected in terms of section 96(1) of the South African Companies Act, 71 of 2008 ("**South African Companies Act**") and does not constitute an offer to the public or any section of the public within the meaning of the South African Companies Act as it is being offered to persons falling within the exemptions set out in section 96(1) (a) or (b) of the South African Companies Act and to whom this Placing will be specifically addressed; (ii) will directly acquire the Placing Shares and the amount payable by it will be ZAR 1,000,000 (approximately £47,000) or more, and/or warrants and represents that it is (a) a person or entity regulated by the SARB, or (b) an authorised financial services provider as defined in the Financial Advisory and Intermediary Services Act 2002 (Act 37 of 2002) ("**FAIS**"), or (c) a financial institution as defined in the Financial Services Board Act, 1990 (Act 97 of 1990) and the wholly owned subsidiaries of such entities will also fall within the exemption when they act as agent in the capacity of authorised portfolio manager for a pension fund registered in terms of the Pension Funds Act 1956 (Act No 24 of 1956), or as manager for a collective investment scheme registered in terms of the Collective Investment Schemes Control Act 2002 (Act No 45 of 2002), or (d) is a person, whose ordinary business or part of whose ordinary business, is to deal in securities (whether as principal or agent), or (e) Public Investment Corporation as defined in the Public Investment Corporation Act, 2004 (23 of 2004); (iii) acknowledges that this Announcement does not, nor is it intended to, constitute an advertisement as contemplated in section 98 of the South African Companies Act or a prospectus prepared and registered under the South African Companies Act and accordingly, this Announcement does not comply with the substance and form requirements for prospectuses set out in the South African Companies Act and the South African Companies Act Regulations of 2011 and has not been approved by, and/or registered with, the South African Companies and Intellectual Property Commission, or any other South African authority; and (iv) acknowledges that the information contained in this Announcement constitutes factual information as contemplated in section 1(3)(a) of FAIS and does not constitute the furnishing of, any "advice" as defined in section 1(1) of FAIS, should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this Announcement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa;
- 17) if a financial intermediary, as that term is used in Article 2(d) of the Prospectus Regulation, that the Placing Shares purchased by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in a member state of the EEA or the United Kingdom other than Qualified Investors, or in circumstances in which the prior consent of the Joint Bookrunners has been given to the offer or resale;
- 18) that it is a Relevant Person and that it understands that any investment or investment activity to which this Announcement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons, and further understands that this Announcement must not be acted on or relied on by persons who are not Relevant Persons;
- 19) that it is acting as principal only in respect of the Placing or, if it is acting for any other person: (a) it is duly authorised to do so and has full power to make the acknowledgements, representations and agreements herein on behalf of each such person; and (b) it is and will remain liable to the Company and/or the Joint Bookrunners for the performance of all its obligations as a Placee in respect of the Placing (regardless of the fact that it is acting for another person);
- 20) that it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom, except to Relevant Persons or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA;

- 21) that it has not offered or sold and will not offer or sell any Placing Shares to persons in the EEA prior to Admission except to Qualified Investors or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation;
- 22) that it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) relating to the Placing Shares in circumstances in which section 21(1) of the FSMA does not require approval of the communication by an authorised person;
- 23) that it and any person acting on its behalf has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) and will honour such obligations;
- 24) that it (and any person acting on its behalf) has the funds available to pay for, and will make payment in respect of the Placing Shares allocated to it, in accordance with this Appendix on the due time and date set out herein (unless otherwise agreed), failing which the relevant Placing Shares may be placed with other acquirers or sold as the Joint Bookrunners may in their sole discretion determine and without liability to such Placee, who will remain liable for any amount by which the net proceeds of such sale falls short of the product of the relevant Placing Price and the number of Placing Shares allocated to it and may be required to bear any stamp duty, stamp duty reserve tax or other similar taxes (together with any interest, fines or penalties) which may arise upon the sale of such Placee's Placing Shares;
- 25) that it (and any person acting on its behalf) is entitled to purchase the Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees, permits, authorisations, approvals and consents which may be required thereunder and complied with all necessary formalities and that it has not taken any action or omitted to take any action which will or may result in the Joint Bookrunners or the Company, or any of their respective directors, officers, agents, employees or advisers, acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;
- 26) that it understands that no action has been or will be taken by any of the Company, the Joint Bookrunners or any person acting on behalf of any of the Company or the Joint Bookrunners that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
- 27) that it is entitled to purchase the Placing Shares under the laws of all relevant jurisdictions which apply to it and its purchase of the Placing Shares will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;
- 28) unless otherwise agreed with the Joint Bookrunners, that it and each account it represents is not and at the time the Placing Shares are subscribed for, neither it nor the beneficial owner of the Placing Shares will be a resident of Australia, Canada, Republic of South Africa, Japan or any other jurisdiction in which it is unlawful to make or accept an offer to acquire the Placing Shares and further acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of Australia, Canada, Republic of South Africa or Japan and, subject to certain exceptions, may not be offered, sold, transferred, take up, renounced, distributed or delivered, directly or indirectly, within or into those jurisdictions;
- 29) that it has complied and will comply with all applicable laws with respect to anything done by it in relation to the Placing Shares (including all relevant provisions of the FSMA in the United Kingdom);
- 30) that it has complied with its obligations under the Criminal Justice Act 1993, MAR, Section 118 of the FSMA and in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Anti-Terrorism Crime and Security Act 2001, the Terrorism Act 2006, the Money

Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and the Money Laundering Sourcebook of the FCA and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the “**Regulations**”) and, if making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;

- 31) that it will acquire any Placing Shares purchased by it for its account or for one or more accounts as to each of which it exercises sole investment discretion and it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account;
- 32) it understands that the Placing Shares are expected to be issued to it through CREST;
- 33) where it is acquiring the Placing Shares for one or more managed accounts, that it is authorised in writing by each managed account to acquire the Placing Shares for each managed account and it has full power to make the acknowledgements, representations and agreements herein on behalf of each such account;
- 34) if it is a pension fund or investment company, that its purchase of Placing Shares is in full compliance with applicable laws and regulations;
- 35) that it understands and acknowledges that the Company, the Joint Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the representations, warranties and acknowledgements set forth herein and in this Announcement;
- 36) that it acknowledges and agrees that the exercise by the Joint Bookrunners of any power to grant consent to the Company to undertake a transaction which would otherwise be subject to the lock-up under the placing agreement shall be within the absolute discretion of the Joint Bookrunners (subject to the Joint Bookrunners having agreed with the Company not to withhold or delay its consent unreasonably) and that it need not make any reference to, or consult with, us and that it shall have no liability to it in connection with any such exercise of the power to grant such consent;
- 37) that it acknowledges and agrees that the good faith exercise or non-exercise by the Joint Bookrunners of any right of termination under the placing agreement shall be at the absolute discretion of the Joint Bookrunners, with no requirement to reference or consult with it and the Joint Bookrunners shall have no liability to us in connection with the good faith exercise or non-exercise of such termination right; and
- 38) that it acknowledges and agrees that any agreements entered into by it pursuant to the terms and conditions set out in this Announcement, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and Wales and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract (including any dispute regarding the existence, validity or termination of such contract or relating to any non-contractual or other obligation arising out of or in connection with such contract), except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by either the Company or the Joint Bookrunners (at their sole discretion) in any jurisdiction in which the relevant Placee is incorporated.

The agreement to settle a Placee’s acquisition of Placing Shares (and/or the acquisition by a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax is conditional on the settlement relating only to a subscription by such Placee and/or such person direct from the Company for the Placing Shares in question. Such agreement is also conditional on the Placing Shares not being subscribed for in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other dealing in the Placing Shares, stamp duty or stamp duty reserve tax or other similar taxes (including any interest, fines or penalties) may be payable, for which neither the Company nor the Joint Bookrunners will be liable and the Placees shall indemnify the Company and the Joint Bookrunners on an after-tax basis for any such taxes paid by the Company or the Joint Bookrunners in respect of any such arrangements or dealings. If there are any such arrangements or dealings, each Placee should seek its own advice and notify the Joint Bookrunners accordingly.

In addition, Placees should note that they will be liable for any stamp duty, stamp duty reserve tax and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties) payable outside the UK by them or any other person on the acquisition of any Placing Shares or the agreement to acquire any Placing Shares.

Each Placee, and any person acting on behalf of the Placee, acknowledges that the Joint Bookrunners do not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that any Joint Bookrunner or any of its affiliates may, at its absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares.

Each Placee and any person acting on behalf of the Placee acknowledges and agrees that it has neither received nor relied on any inside information concerning the Company in accepting this invitation to participate in the Placing.

Each Placee undertakes that the person whom it specifies for registration as holder of the Placing Shares will be: (a) itself; or (b) its nominee, as the case may be. None of the Joint Bookrunners or the Company will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar taxes resulting from a failure to observe this requirement ("**Indemnified Taxes**").

Each Placee agrees to indemnify on an after-tax basis and hold the Company, the Joint Bookrunners and their respective directors, officers, employees, agents and affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix (including in respect of any Indemnified Taxes) and further agrees that the provisions of this Appendix shall survive after completion of the Placing.

When a Placee or person acting on behalf of the Placee is dealing with a Joint Bookrunner, any money held in an account with such Joint Bookrunner on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from such Joint Bookrunner's money in accordance with the client money rules and will be used by such Joint Bookrunner in the course of its own business and the Placee will rank only as a general creditor of such Joint Bookrunner.

The foregoing representations, warranties, confirmations, acknowledgements, agreements and undertakings are given for the benefit of the Company as well as the Joint Bookrunners and are irrevocable.

The rights and remedies of the Joint Bookrunners and the Company under these terms and conditions are in addition to any rights and remedies which would otherwise be available to each of them and the exercise or partial exercise of one will not prevent the exercise of others.

Past performance is no guide for future performance and persons reading this Announcement should consult an independent financial adviser.

All times and dates in this Announcement may be subject to amendment. The Joint Bookrunners shall notify the Placees and any person acting on behalf of the Placees of any changes.

The information contained herein is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any State of the United States and the District of Columbia). These materials do not contain or constitute an offer for sale or the solicitation of an offer to purchase securities in the United States.