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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

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For immediate release

20 July 2022

### **Dechra Pharmaceuticals PLC**

("Dechra", the "Company" or the "Group")

### **Acquisition of Piedmont Animal Health, Inc**

### **Proposed Placing of New Ordinary Shares to raise c.£180 million**

Dechra (LSE: DPH) today announces it has agreed to acquire Piedmont Animal Health, Inc ("**Piedmont**"), for \$210 million (£175 million) in cash. Piedmont specialises in developing novel and differentiated products for the companion animal market and has a strong development track record.

Dechra today also announces its intention to conduct a non-pre-emptive placing (the "**Placing**") to raise approximately £180 million through the issue of 5,247,813 new ordinary shares of nominal value of 1 pence each ("**Ordinary Shares**") in the capital of the Company ("**Placing Shares**") representing approximately 4.8% per cent. of the Company's existing issued share capital at a price of 3430p per share ("**Placing Price**"). The Placing Price is a discount of approximately 8 per cent. to the closing share price of 3730p per share as of today.

In conjunction with the Placing, Dechra intends to undertake an offer made on the PrimaryBid platform of new Ordinary Shares (the “**Retail Offer Shares**”) at the Placing Price (the “**Retail Offer**”) and, together with the Placing, the “**Capital Raise**”). The Retail Offer is not made subject to the terms and conditions set out in the Appendix 1 to this Announcement (as defined below), and instead a separate announcement will be made shortly regarding the Retail Offer and its terms.

The Placing will be conducted through an accelerated bookbuild (the “**Bookbuild**”), which will be launched immediately following this announcement and is subject to the terms and conditions set out in Appendix 1 to this announcement (such announcement and its appendices together being the “**Announcement**”).

One or more non-executive directors may participate in the Retail Offer.

Investec Bank plc (“**Investec**”) is acting as financial adviser, sole broker and bookrunner in connection with the Placing.

### **Reasons for the Capital Raise**

The Company has today announced it has agreed to acquire Piedmont for \$210 million (£175 million). The Capital Raise will also provide balance sheet flexibility to execute on an active acquisition pipeline including on one near term opportunity which the Company is in exclusive discussions to acquire with an acquisition price similar to Piedmont (the “**Potential Acquisition**”). Assuming completion of the Potential Acquisition and after paying the purchase cost of Piedmont, Dechra expects its net debt to EBITDA to be approximately 1.8x as at 31 December 2022.

Both Piedmont and the Potential Acquisition represent compelling opportunities to deliver shareholder value and are closely aligned to Dechra's stated strategic ambitions.

### **Overview of Piedmont**

Piedmont specialises in developing novel and differentiated companion animal products (“**CAP**”) with significant growth potential. Originally founded in 2001 in Greensboro, North Carolina, it has a long and successful track record of product development including major brands launched by multi-national animal health companies. Piedmont employs a development team of 19 people, increasing Dechra's scientific and regulatory capabilities.

Piedmont has eight novel products in various stages of development serving both the cat and dog markets. The products are all within Dechra's key therapeutic areas of competence. The two lead development products are expected to launch in financial years 2024 and 2025 with an expected peak sales potential of at least \$40 million, in aggregate. Each of the products in the remainder of the portfolio are significant and are expected (if approved) to be well within Dechra's top twenty products by sales (being greater than \$10 million) with one having a significantly higher potential.

Strategic rationale for the acquisition of Piedmont:

- Accelerates the provision of innovative solutions to veterinarians and pet owners in areas of unmet or under serviced medical needs;
- Novel pipeline is complementary to Dechra's existing CAP portfolio, providing the opportunity to significantly strengthen Dechra's presence in key therapeutic areas of dermatology, pain management and anti-infectives;
- While initial product registrations will be focused on the key North American and European markets, there is the opportunity over time to register products in international markets; and
- Adds strength and expertise to the Company's existing product development resource.

### **Potential acquisitions**

The Company has an acquisition pipeline which it is actively assessing across multiple geographies. Dechra is in exclusive discussions to acquire one of these opportunities, the Potential Acquisition, which is a platform business of scale offering an excellent strategic fit at a price similar to Piedmont. The Potential Acquisition is profitable and cash generative, with similar EBITDA margins to Dechra and offers material first year synergies with the potential for further growth synergies over time.

The Potential Acquisition is subject to ongoing due diligence and there can be no guarantee or certainty that it will complete.

### **Financial effects**

Piedmont is a research and development business with an active product pipeline and is expected to have minimal revenues in the first full year of ownership. Dechra expects to increase, with immediate effect, its Group R&D spend to accommodate the Piedmont development activities alongside its existing product development pipeline, raising R&D expenditure as a proportion of sales from the range of five to six per cent. to seven to eight per cent. in each of the next three years which would be in line with the average for its animal pharmaceutical peer group.

With the expected product launch profile of the two lead products in financial years 2024 and 2025, and taking into account the Capital Raise, Dechra expects the acquisition of Piedmont to be accretive to earnings per share for the financial year 2026 and materially accretive thereafter. Underlying return on capital employed is expected to exceed Dechra's cost of capital for the financial year 2026.

In addition to Piedmont, including the Potential Acquisition (should it complete), the expected synergies from the Potential Acquisition and taking into account the Capital Raise, Dechra expects the impact on earnings per share to be modestly dilutive in the financial years 2023 and 2024; accretive in financial year 2025; and materially accretive in financial year 2026 and thereafter. Underlying return on capital employed is expected to exceed Dechra's cost of capital for the financial year 2026.

### **Current trading and refinancing**

On 11 July 2022, Dechra released a trading update for the financial year ended 30 June 2022 in which the Company stated it was pleased to report that the Group's strong trading performance had continued through the year and remains in line with expectations. There has been no change to outlook since this time.

On 14 July 2022, the Company announced a refinancing of the Group's debt facilities through a debt private placement, issuing €50 million seven year and €100 million ten year new senior unsecured notes. The private placement was undertaken to achieve the Group's aim of ensuring diversified sources of funding and to extend the Group's debt maturity profile. All proceeds from the placement have been used to repay existing debt on the Group's revolving credit facility.

### **Details of the Placing**

The Placing is subject to the terms and conditions set out in Appendix 1 of this Announcement.

Investec will commence the Bookbuild and the book will open immediately following the release of this Announcement. The Retail Offer is not made subject to the Terms and Conditions set out in the Appendix to this Announcement and instead will be made on terms outlined in the separate announcement to be made shortly regarding the Retail Offer and its terms.

Members of the public are not entitled to participate in the Placing. The timing of the closing of the book and allocations are at the absolute discretion of Investec and the Company. The results of the Capital Raise will be announced as soon as practicable after the close of the Bookbuild.

The Placing Shares and Retail Offer Shares, if issued, will be fully paid and will rank *pari passu* in all respects with the existing issued ordinary shares of the Company, including, without limitation, the right to receive all dividends and other distributions declared, made or paid in respect of the ordinary shares after Admission (as defined below). As at the date of this Announcement, the Company has 108,399,155 Ordinary Shares in issue.

Applications will be made for the Placing Shares and the Retail Offer 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 London Stock Exchange plc (the "**London Stock Exchange**") (together, "**Admission**"). Settlement for the Placing Shares and the Retail Offer Shares, and Admission, is expected to take place on or before 8.00 a.m. (London time) on 25 July 2022 (or such later time and/or date as Investec may agree with the Company), and dealings in the Placing Shares and the Retail Offer Shares will commence at that time. The Placing is conditional upon, among other things, Admission becoming effective and the placing agreement between the Company and Investec (the "**Placing Agreement**") not being terminated in accordance with its terms.

**Appendix 1 to this Announcement (which forms part of this Announcement) sets out further information relating to the Bookbuild and the terms and conditions of the Placing, but not, for the avoidance of doubt, of the Retail Offer.**

**Unless otherwise stated, capitalised terms in this Announcement have the meanings ascribed to them in Appendix 2 (which forms part of this Announcement).**

**This Announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notice" section of this Announcement. Investors who have chosen to participate in the Placing, by making an oral or written offer to acquire Placing Shares, will be deemed to have read and understood this Announcement in its entirety (including the Appendices) and to be making such offer on the terms and subject to the conditions herein, and to be providing the representations, warranties, agreements, acknowledgements and undertakings contained in Appendix 1.**

*This Announcement is released by Dechra Pharmaceuticals PLC and contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 (MAR) and the UK version of MAR which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (UK MAR), and is disclosed in accordance with the Company's obligations under Article 17 of MAR and UK MAR.*

*For the purposes of MAR and UK MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, the person responsible for arranging for the release of this Announcement on behalf of the Company is Insert Name, Chief Financial Officer.*

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**About Dechra**

Dechra is a global veterinary pharmaceuticals and related products business. Our expertise is in the development, manufacture and sales and marketing of high quality products exclusively for veterinarians worldwide.

For more information please visit: [www.dechra.com](http://www.dechra.com)  
Stock Code: Full Listing (Pharmaceuticals): DPH

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## IMPORTANT NOTICES

No action has been taken by the Company, Investec, any of their respective Affiliates or any person acting on its or their behalf that 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. Persons into whose possession this Announcement comes are required by the Company and Investec to inform themselves about, and to 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 Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or the UK version of Regulation (EU) 2017/1129, which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**")) to be published. Persons needing advice should consult a qualified independent legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

THIS ANNOUNCEMENT, INCLUDING THE APPENDICES AND THE INFORMATION CONTAINED IN THEM, IS RESTRICTED AND IS NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OR THE DISTRICT OF COLUMBIA (COLLECTIVELY, THE "**UNITED STATES**"), AUSTRALIA, CANADA, THE REPUBLIC OF SOUTH AFRICA OR JAPAN OR ANY OTHER JURISDICTION IN WHICH SUCH PUBLICATION, RELEASE 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 HAS NOT BEEN APPROVED BY THE LONDON STOCK EXCHANGE, NOR IS IT INTENDED THAT IT WILL BE SO APPROVED.

This Announcement or any part of it does not constitute or form part of any offer to issue or sell, or the solicitation of an offer to acquire, purchase or subscribe for, any securities in the United States, Canada, Australia, the Republic of South Africa, Japan or any other jurisdiction in which the same would be unlawful. No public offering of the Placing Shares is being made in any such jurisdiction.

This Announcement is for information purposes only and is 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) if in a member state of the European Economic Area (the "**EEA**") (each a "**Relevant State**"), qualified investors within the meaning of article 2(e) of the EU Prospectus Regulation ("**Qualified Investors**"); or (b) if in the United Kingdom, qualified investors within the meaning of article 2(e) of the UK Prospectus Regulation who are also (i) persons who fall within the definition of "investment professional" in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) persons who fall within article 49(2)(a) to (d) of the Order, or (c) persons to whom it may otherwise be lawfully communicated (all such persons referred to in (i), (ii) and (iii) above together being referred to as "**Relevant Persons**").

Any investment or investment activity to which this Announcement relates is available in Relevant States only to Qualified Investors and in the United Kingdom only to Relevant Persons, and will be engaged in only with Qualified Investors in Relevant States and Relevant Persons in the United Kingdom. This Announcement must not be acted on or relied on by persons in a Relevant State who are not Qualified Investors, or persons in the United Kingdom who are not Relevant Persons.

The securities referred to herein have not been and will not be registered under the United States 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 or sold, directly or indirectly, in or into the United States absent registration under the Securities Act or 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. The Placing Shares are being offered and sold by the Company (a) outside the United States in offshore transactions as defined in, and pursuant to, Regulation S under the Securities Act ("**Regulation S**") or (b) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A of the

Securities Act) (“**QIBs**”) in transactions not involving any “public offering” within the meaning of Section 4(a)(2) of the Securities Act pursuant to a transaction exempt from, or in a transaction not subject to, the registration requirements of the Securities Act. A potential Placee and the prospective beneficial owner of the Placing Shares is, and at the time the Placing Shares are subscribed for will be, (i) outside the United States and subscribing for the Placing Shares in an “offshore transaction” as defined in, and in accordance with, Regulation S; or (ii) (a) a QIB and (b) subscribing for the Placing Shares pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act. No public offering of securities is being made in the United States.

A prospectus has not been and will not be filed with any securities regulator in Canada in connection with the sale of the Placing Shares and the Placing Shares may not be offered or sold within Canada except pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of Canadian securities laws.

No prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; the relevant clearances have not been, and will not be, obtained for the South Africa Reserve Bank or any other applicable body in the Republic of South Africa in relation to the Placing Shares and the Placing Shares have not been, nor will they be, registered under or offering in compliance with the securities laws of any state, province or territory of Australia, the 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 Australia, the Republic of South Africa, or Japan or any other jurisdiction in which such activities would be unlawful.

By participating in the Bookbuild and the Placing, each Placee by making an oral or written and legally binding offer to subscribe for Placing Shares will be deemed (i) to have read and understood this Announcement (including the appendices) in its entirety, (ii) to be participating, making an offer and acquiring Placing Shares on the terms and conditions contained in Appendix 1 to this Announcement and (iii) to be providing the representations, warranties, indemnities, acknowledgements and undertakings contained in Appendix 1 to this Announcement.

Certain statements contained in this Announcement constitute “forward-looking statements” with respect to the financial condition, performance, strategic initiatives, objectives, results of operations and business of the Company. All statements other than statements of historical facts included in this Announcement are, or may be deemed to be, forward-looking statements. Without limitation, any statements preceded or followed by or that include the words “targets”, “plans”, “believes”, “expects”, “aims”, “intends”, “anticipates”, “estimates”, “projects”, “will”, “may”, “would,” “could” or “should”, or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of the Company’s operations; and (iii) the Potential Acquisition completing and/or the future performance of the Group resulting from the Potential Acquisition. Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results, performance or achievements to differ materially from those projected or implied in any forward-looking statements. The important factors that could cause the Company’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, a new strain of or a worsening of the Covid-19 pandemic, economic and business cycles, the terms and conditions of the Company’s financing arrangements, foreign currency rate fluctuations, inflation and/or a significant increase in interest rates, competition in the Company’s principal markets, acquisitions or disposals of businesses or assets and trends in the Company’s principal industries. The Potential Acquisition is subject to ongoing due diligence and there can be no certainty that it will complete and, therefore, the proceeds of the Capital Raise may not be required to fund the Potential Acquisition. Due to such uncertainties and risks, you are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Announcement may not occur. The forward-looking statements contained in this Announcement speak only as of the date of this Announcement. The Company, its Directors, Investec and their respective Affiliates and any person acting on its or their behalf each expressly disclaim any obligation or undertaking to update or revise publicly any forward-

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This Announcement does not constitute a recommendation concerning any investor's investment decision with respect to the Placing. The price of shares and any income expected from them may go down as well as up and investors may not get back the full amount invested upon disposal of the shares. Past performance is no guide to future performance. The contents of this Announcement are not to be construed as legal, business, financial or tax advice. Each investor or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Any indication in this Announcement of the price at which Ordinary 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 intended as a profit forecast or estimate for any period and no statement in this Announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Company, as appropriate, for the current or future years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Company.

In connection with the Placing, Investec, its Affiliates and any person acting on its or their behalf may take up a portion of the shares of the Company in the Placing in a principal position and in that capacity may retain, purchase or sell for its own account such shares and other securities of the Company or related investments and may offer or sell such shares, securities or other investments otherwise than in connection with the Placing. Accordingly, references in this Announcement to Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to Investec, any of its Affiliates or any person acting on its or their behalf as, acting in such capacity. In addition, Investec, any of its Affiliates or any person acting on its or their behalf may enter into financing arrangements (including swaps, warrants or contracts for difference) with investors in connection with which Investec, any of its Affiliates or any person acting on its or their behalf may from time to time acquire, hold or dispose of such securities of the Company, including the Placing Shares. Neither Investec, any of its Affiliates nor any person acting on its or their behalf intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Investec and its Affiliates may have engaged in transactions with, and provided various commercial banking, investment banking, financial advisory transactions and services in the ordinary course of their business to the Company and/or its Affiliates for which it would have received customary fees and commissions. Investec and its Affiliates may provide such services to the Company and/or its Affiliates in the future.

The Placing Shares to be issued or sold pursuant to the Placing and the Retail Offer Shares to be issued or sold pursuant to the Retail Offer will not be admitted to trading on any stock exchange other than the main market for listed securities of the London Stock Exchange.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into or forms part of this Announcement.

This Announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom.

### **UK Product Governance Requirements**

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Rules**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares are: (i) compatible with an end target market of (a) retail clients, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA, (b) investors who meet the criteria of professional clients as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA and (c) eligible counterparties as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"); and (ii) eligible for distribution through all distribution channels as are permitted by Directive 2014/65/EU (the "**UK Target Market Assessment**"). Notwithstanding the UK 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 UK 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 UK Target Market Assessment, Investec will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS; 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.

### **EU Product Governance Requirements**

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 clients 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 "**EU Target Market Assessment**"). Notwithstanding the EU 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 EU 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 EU Target Market Assessment, Investec will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the EU 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 1 - Terms and Conditions of the Placing for invited Placees only**

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING.

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS 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) IF IN A MEMBER STATE OF THE EUROPEAN ECONOMIC AREA (THE "**EEA**") (EACH A "**RELEVANT STATE**"), QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE EU PROSPECTUS REGULATION ("**QUALIFIED INVESTORS**"); OR (B) IF IN THE UNITED KINGDOM, QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE UK PROSPECTUS REGULATION WHO ARE ALSO (I) PERSONS WHO FALL WITHIN THE DEFINITION OF "INVESTMENT PROFESSIONAL" IN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**"), OR (II) PERSONS WHO FALL WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, OR (C) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS REFERRED TO IN (I), (II) AND (III) ABOVE TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**").

ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE IN RELEVANT STATES ONLY TO QUALIFIED INVESTORS AND, IN THE UNITED KINGDOM, ONLY TO RELEVANT PERSONS, AND WILL BE ENGAGED IN ONLY WITH QUALIFIED INVESTORS IN RELEVANT STATES AND RELEVANT PERSONS IN THE UNITED KINGDOM. THIS ANNOUNCEMENT MUST NOT BE ACTED ON OR RELIED ON BY PERSONS IN RELEVANT STATES WHO ARE NOT QUALIFIED INVESTORS BY PERSONS IN THE UNITED KINGDOM WHO ARE NOT RELEVANT PERSONS.

THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF, OR THE SOLICITATION OF AN OFFER TO ACQUIRE OR SUBSCRIBE FOR, ANY SECURITIES IN THE COMPANY.

PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN INVESTMENT IN THE PLACING SHARES.

THE PLACING SHARES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR UNDER THE SECURITIES LAWS OF, OR WITH ANY SECURITIES REGULATORY AUTHORITY 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 ABSENT REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE 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. THE PLACING IS BEING MADE (A) OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS AS DEFINED IN, AND PURSUANT TO, REGULATION S UNDER THE SECURITIES ACT AND (B) IN THE UNITED STATES ONLY TO PERSONS REASONABLY BELIEVED TO BE "QUALIFIED INSTITUTIONAL BUYERS" IN TRANSACTIONS NOT INVOLVING ANY "PUBLIC OFFERING" WITHIN THE MEANING OF SECTION 4(A)(2) OF THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION

NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. NO PUBLIC OFFERING OF THE SHARES REFERRED TO IN THIS ANNOUNCEMENT IS BEING MADE IN THE UNITED KINGDOM, THE UNITED STATES, ANY OTHER RESTRICTED TERRITORY (AS DEFINED BELOW) OR ELSEWHERE.

This Announcement is for information only and does not itself constitute or form part of an offer to sell or issue or the solicitation of an offer to buy or subscribe for securities referred to herein in any jurisdiction including, without limitation, the United States or any other Restricted Territory (as defined below) or in any jurisdiction where such offer or solicitation is unlawful.

This Announcement, and the information contained herein, is not for release, publication or distribution, directly or indirectly, to persons in the United States, Australia, Canada, the Republic of South Africa or Japan or in any jurisdiction in which such publication or distribution is unlawful (each a "**Restricted Territory**"). 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, Investec, any of their respective Affiliates or any person acting on its or their behalf 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.

Persons distributing any part of this Announcement must satisfy themselves that it is lawful to do so. 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 such action. Persons into whose possession this Announcement comes are required by the Company and Investec to inform themselves about, and to observe, any such restrictions.

All offers of the Placing Shares will be made pursuant to an exemption under the EU Prospectus Regulation and the UK Prospectus Regulation from the requirement to produce a prospectus. This Announcement is being distributed and communicated to persons in the UK only in circumstances to which section 21(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**") does not apply.

The Placing has not been approved and will not be approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission or any 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 unlawful.

Subject to certain exceptions, the securities referred to in this Announcement may not be offered or sold in the United States or in any other Restricted Territory or to, or for the account or benefit of, a citizen or resident, or a corporation, partnership or other entity created or organised in or under the laws of any other Restricted Territory.

This Announcement has been 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 Investec, any of its Affiliates or any person acting on its or their behalf as to or in relation to, the accuracy or completeness of this Announcement or any other written or oral information made available to or publicly available to any party or its advisers, and any liability therefore is expressly disclaimed.

Investec is acting exclusively for the Company and no-one else in connection with the Placing and is not, and will not be, responsible to anyone (including the Placees) other than the Company for providing the protections afforded to its clients nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement.

Neither the Company, Investec, any of their Affiliates nor any person acting on its or their behalf makes any representation or warranty, express or implied to any Placees regarding any investment in the securities referred to in this Announcement under the laws applicable to such Placees. Each Placee should consult its own advisers as to the legal, tax, business, financial and related aspects of an investment in the Placing Shares.

By participating in the Placing, Placees (including individuals, funds or otherwise) by whom or on whose behalf a commitment to subscribe for Placing Shares has been given will (i) be deemed to have read and understood this Announcement, in its entirety; and (ii) be making such offer on the terms and conditions contained in this Appendix, including being deemed 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 set out herein.

In particular each such Placee represents, warrants and acknowledges that:

- (a) if it is in the United Kingdom, it is a Relevant Person and, if it is in a Relevant State, it is a Qualified Investor, and undertakes that it will subscribe for, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- (b) it is and, at the time the Placing Shares are subscribed for, will be, (i) outside the United States and acquiring the Placing Shares in an "offshore transaction" as defined in, and in accordance with Regulation S or (ii) (a) a QIB that has executed and delivered, or will execute and deliver, a US Investor Letter and (b) subscribing for the Placing Shares pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act; acknowledging 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; if acquiring the Placing Shares for the account of one or more other persons, it has full power and authority to make the representations, warranties, agreements and acknowledgements herein on behalf of each such account;
- (c) it is acquiring the Placing Shares for its own account or is acquiring the Placing Shares for an account with respect to which it exercises sole investment discretion and has the authority to make and does make the representations, warranties, indemnities, agreements and acknowledgements, contained in these terms and conditions; and
- (d) if it is a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation and the UK Prospectus Regulation, that it understands the resale and transfer restrictions set out in this Appendix and that any Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for 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 the United Kingdom to Relevant Persons, or in circumstances in which the prior consent of Investec has been given to each such proposed offer or resale.

#### **IMPORTANT INFORMATION FOR PLACEES ONLY REGARDING THE PLACING**

Defined terms used in this Appendix are set out in Appendix 2.

#### **Bookbuild**

Following this Announcement, Investec will commence the Bookbuild to determine demand for participation in the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares. The book will open with immediate effect. Members of the public are not entitled to participate in the Placing. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing.

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

Investec is acting as sole bookrunner in connection with the Placing. Investec has today entered into an agreement with the Company (the "**Placing Agreement**") under which, subject to the terms and conditions set out therein, Investec as agent for and on behalf of the Company, has agreed to use its reasonable endeavours to procure Placees for the Placing Shares at the Placing Price. The Placing is not being underwritten. Investec is not acting for the Company with respect to the Retail Offer.

The final number of Placing Shares will be decided at the close of the Bookbuild following the execution of an agreement between the Company and Investec recording the final details of the Placing (the "**Terms of Placing**"). The timing of the closing of the book and allocations are at the discretion of the Company and Investec. Details of the final number of Placing Shares will be announced as soon as practicable after the close of the Bookbuild.

The total number of shares to be issued pursuant to the Placing and the Retail Offer together shall not exceed 10,821,600 Ordinary Shares, representing approximately 9.98% of the Company's existing issued Ordinary Share capital.

The Placing Shares have been duly authorised and will, when issued, be credited as fully paid and will rank, *pari passu*, in all respects with the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Ordinary Shares after the date of issue. The Placing Shares will be issued free of any encumbrances, liens or other security interests.

### **Application for admission to trading**

The Company will apply to the FCA for admission of the Placing Shares to listing on the premium listing segment of the Official List of the FCA (the "**Official List**") and to London Stock Exchange plc (the "**London Stock Exchange**") 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 8.00 a.m. on 25 July 2022 (or such later date as may be agreed between the Company and Investec) and that dealings in the Placing Shares will commence at that time.

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

1. Investec is acting as sole bookrunner on the Placing as agent of the Company. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by Investec. Investec, any of its Affiliates or any person acting on its or their behalf are entitled to enter bids as principal in the Bookbuild.
2. The number of Placing Shares will be announced on a Regulatory Information Service following the completion of the Bookbuild.
3. To participate in the Bookbuild, Placees should communicate their bid by telephone or in writing to their usual sales contact at Investec. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for at the Placing Price. Bids may be scaled down by Investec and the Company on the basis referred to in paragraph 6 below. Investec reserves the right not to accept bids or to accept bids in part rather than in whole.
4. The Bookbuild is expected to close no later than 7:00 a.m. (London time) on 21 July 2022 but may be closed earlier or later, at the discretion of Investec and the Company. Investec may, in agreement with the Company, accept bids that are received after the Bookbuild has closed.
5. Each Placee's allocation will be agreed between Investec and the Company and will be confirmed to Placees orally or in writing by Investec, acting as agent of the Company, following the close of the Bookbuild, and a contract note will be dispatched as soon as possible thereafter. Subject to paragraph 8 below, Investec's oral or written confirmation to such Placee will constitute an irrevocable legally binding commitment upon such person (who will at that point become a Placee) in favour of Investec and the Company, under which such Placee agrees to subscribe for the number of Placing Shares allocated to it and to pay the Placing Price for each such Placing Share on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association and each Placee will be deemed to have read and understood this Announcement (including the appendices) in its entirety.
6. Subject to paragraphs 2 and 3 above, Investec will, in effecting the Placing, agree with the Company the identity of the Placees and the basis of allocation of the Placing Shares and may scale down any bids for this purpose on such basis as it may determine. Investec may also, notwithstanding paragraphs 3 and 4 above and subject to the prior consent of 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 Bookbuild has closed to any person submitting a bid after that time. The acceptance of offers shall be at the absolute discretion of Investec, subject to agreement

with the Company. The Company reserves the right (upon agreement with Investec) to reduce or seek to increase the amount to be raised pursuant to the Placing (subject to the maximum number of new Ordinary Shares to be issued pursuant to the Capital Raise representing no more than 9.98 per cent. of the Company's existing issued share capital). If within a reasonable time after a request for verification of identity, Investec has not received such satisfactory evidence, Investec may at its absolute discretion, terminate the Placee's Placing participation in which event all funds delivered by the Placee to Investec will be returned without interest to the account of the drawee bank or CREST account from which they were originally debited.

7. The Placing Shares are being offered and sold by the Company (a) outside the United States in offshore transactions as defined in, and pursuant to, Regulation S under the Securities Act, and (b) in the United States only to persons reasonably believed to be QIBs in transactions not involving any "public offering" within the meaning of Section 4(a)(2) of the Securities Act, pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. A potential Placee and the prospective beneficial owner of the Placing Shares is, and at the time the Placing Shares are subscribed for will be, either (i) outside the United States and subscribing for the Placing Shares in an "offshore transaction" as defined in, and pursuant to, Regulation S under the Securities Act; or (ii) (a) a QIB that has executed and delivered, or will execute and deliver, a US Investor Letter, and (b) subscribing for the Placing Shares pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act, acknowledging 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. With respect to (ii) above, it is subscribing for the Placing Shares for its own account or for one or more accounts as to each of which it exercises sole investment discretion and each of which is a QIB, for investment purposes only and not with a view to any distribution or for resale in connection with the distribution thereof, in whole or in part, in the United States, and it has full power to make the representations, warranties, indemnities, acknowledgements, agreements and undertakings in this Announcement on behalf of each such account.
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 Investec'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 Investec, 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 been allocated to it and it has agreed to subscribe for. Each Placee's obligations will be owed to Investec. The Company shall, conditional on Admission, allot such Placing Shares to each Placee following each Placee's payment to Investec of such amount.
9. Except as required by law or regulation, no press release or other announcement will be made by Investec 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(s) pursuant to the Placing is/are confirmed, settlement for all Placing Shares to be subscribed for 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 "Termination of 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 Investec.
13. To the fullest extent permissible by law, neither the Company nor Investec, nor any of their respective Affiliates nor any person acting on its or their behalf shall have any responsibility or liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise). In particular, neither Investec, the Company nor any of their respective Affiliates nor any person acting on its or their behalf shall have any responsibility or liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of the conduct of the Bookbuild or of such alternative method of effecting the Placing as Investec and the Company may 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. Investec's obligations under the Placing Agreement are conditional on certain conditions, including (but not limited to):

1. the Terms of Placing having been executed by the Company and Investec;
2. the release by the Company of the Placing Results Announcement;
3. the Company having allotted the Placing Shares to the Placees, subject only to Admission, and the Placing Agreement not having been terminated prior to Admission;
4. the delivery to Investec of customary documentation in connection with the Placing;
5. none of the warranties on the part of the Company in the Placing Agreement being untrue, inaccurate or misleading (i) as at the date of the Placing Agreement; (ii) as at the time the Terms of Placing is executed; and (iii) immediately prior to Admission, in each case by reference to the facts and circumstances then subsisting;
6. the Company having performed all of its obligations under the Placing Agreement to be performed prior to Admission and not being in breach of the Placing Agreement;
7. no condition of the Piedmont Acquisition as set out in the Piedmont Acquisition Agreement having become incapable of satisfaction and the Piedmont Acquisition Agreement continuing to have full force and effect and not having lapsed, been rescinded, terminated (in whole or in part) or ceasing to be capable of completion in accordance with its terms (in each case) prior to Admission;
8. the Potential Acquisition Exclusivity Agreement continuing to have full force and effect and not having lapsed, been rescinded or terminated (in whole or in part), prior to Admission;
9. there not having occurred a material adverse change in relation to the Company, the Group or Piedmont at any time prior to Admission; and
10. Admission of the Placing Shares occurring at or before 8:00 a.m. (London time) on 25 July 2022, or such later time and/or date (being not later than 8:00 a.m. on 1 August 2022) as the Company and Investec may agree in writing.

If: (i) any of the conditions contained in the Placing Agreement, including those described above, are not fulfilled or (where applicable) waived by Investec by the relevant time or date specified (or such later time or date as the Company and Investec may agree); or (ii) the Placing Agreement is terminated in the circumstances specified below, 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.

Investec may, at its discretion and upon such terms as it thinks fit, extend the time for the satisfaction of any condition or waive compliance by the Company with the whole or any part of any of the Company's obligations in relation to the conditions in the Placing Agreement (other than those conditions described in points 1 to 3 (inclusive) and 10 above, which may not be waived). Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither Investec, its Affiliates nor any person acting on its or their behalf shall have any liability or responsibility 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 it 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 Investec.

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

## **Termination of the Placing Agreement**

Investec is entitled, at any time before Admission, to terminate the Placing Agreement in accordance with its terms in certain circumstances, including, *inter alia*, if: (i) there has been a breach by the Company of any of the warranties or any failure by the Company to perform any of its obligations contained in the Placing Agreement; (ii) there has been a material adverse change in relation to the Company, the Group or Piedmont; (iii) the application for Admission is withdrawn or refused by the FCA or the London Stock Exchange; or (iv) upon the occurrence of certain *force majeure events*.

If circumstances arise that would allow Investec to terminate the Placing Agreement, it may nevertheless determine to allow Admission to proceed.

By participating in the Placing, each Placee agrees that its rights and obligations terminate only in the circumstances described above and under 'Conditions of the Placing' above and will not be capable of rescission or termination by it after oral or written confirmation by Investec following the close of the Bookbuild.

By participating in the Placing, Placees agree that the exercise or non-exercise by Investec of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of Investec or for agreement between the Company and Investec (as the case may be) and that neither the Company nor Investec need make any reference to, or consultation with, Placees and that neither they nor any of their respective Affiliates nor any person acting on its or their behalf shall have any liability to Placees whatsoever in connection with any such exercise or failure to so exercise.

## **No prospectus**

No offering document or prospectus has been or will be prepared or submitted to be approved by the FCA (or any other authority) in relation to the Placing, and Placees' commitments will be made solely on the basis of publicly available information taken together with the information contained in this Announcement, and any Exchange Information (as defined below) previously published by or on behalf of the Company simultaneously with or prior to the date of this Announcement and subject to the further terms set forth in the contract note to be provided to individual prospective Placees.

Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement and the publicly available information released by or on behalf of the Company is exclusively the responsibility of the Company and confirms to Investec and the Company that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company (other than publicly available information), Investec, any of their respective Affiliates or any person acting on their respective behalf and no such 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). By participating in the Placing, 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 or limit the liability of any person for fraud or fraudulent misrepresentation by that person.

## **Restriction on further issue of securities**

The Company has undertaken to Investec that, between the date of the Placing Agreement and 180 calendar days after (but including) Admission, it will not, without the prior written consent of Investec, directly or indirectly issue or allot Ordinary Shares, subject to customary exceptions and waiver by Investec.

By participating in the Placing, Placees agree that the exercise by Investec of any power to grant consent to waive the aforementioned undertaking by the Company shall be within the absolute discretion of Investec and that it need not make any reference to, or consultation with, Placees and that it shall not have any liability whatsoever to Placees in connection with any such exercise of the power to grant consent.

## Registration and settlement

Settlement of transactions in the Placing Shares (ISIN: GB0009633180) following Admission will take place within the relevant system administered by Euroclear ("**CREST**"), using the delivery versus payment mechanism, subject to certain exceptions. Subject to certain exceptions, Investec 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 possible or practicable in CREST within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

Following the close of the Bookbuild for the Placing, each Placee allocated Placing Shares in the Placing will be sent a contract note stating the number of Placing Shares to be allocated to it at the Placing Price, the aggregate amount owed by such Placee to Investec and settlement instructions. Placees should settle against CREST ID: 331. It is expected that such contract note will be despatched on or around 21 July 2022 and that this will also be the trade date.

Each Placee agrees that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions that it has in place with Investec. 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 Investec may agree that the Placing Shares should be issued in certificated form.

The Company will deliver the Placing Shares to a CREST account operated by Investec as agent for the Company and Investec will enter its delivery (DEL) instruction into the CREST system. Investec will hold any Placing Shares delivered to this account as nominee for the Placees. The input to CREST by a Placee of a matching or acceptance instruction will then allow delivery of the relevant Placing Shares to that Placee against payment.

It is expected that settlement will be on 25 July 2022 on a T+2 basis in accordance with the instructions given to Investec.

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 as determined by Investec.

Each Placee agrees that, if it does not comply with these obligations, Investec 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 Company's 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 shall be required to bear any stamp duty, stamp duty reserve tax or other stamp, securities, transfer, registration, execution, documentary or other similar impost, duty or tax (together with any interest, fines or penalties) imposed in any jurisdiction 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 Investec all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Investec lawfully takes in pursuance of such sale.

If Placing Shares are to be delivered to a custodian or settlement agent, Placees should ensure that the contract note 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 to as provided below, be so registered free from any liability to UK stamp duty or UK stamp duty reserve tax. If there are any circumstances in which any other stamp duty or stamp duty reserve tax or other similar taxes (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 Investec nor the Company shall be responsible for the payment of such amounts.



## Representations and warranties

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 Investec (in its capacity as sole bookrunner and as placing agent of the Company in respect of the Placing) and the Company, in each case as a fundamental term of its application for Placing Shares, the following:

1. it has read and understood this Announcement, in its entirety and that its participation in the Bookbuild and the Placing and 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 and that it has not relied on, and will not rely on, any information given or any representations, warranties or statements made at any time by any person in connection with Admission, the Bookbuild, the Placing, the Company, the Placing Shares or otherwise;
2. that no offering document, prospectus or offering memorandum has been or will be prepared in connection with the Placing or is required under the EU Prospectus Regulation or UK Prospectus Regulation and it has not received and will not receive a prospectus, offering memorandum or other offering document in connection with the Bookbuild, the Placing, the Company, Admission or the Placing Shares;
3. that the Ordinary Shares are listed on the Official List of the FCA and are admitted to trading on the main market of the London Stock Exchange and that the Company is therefore required to publish certain business and financial information in accordance with MAR, UK 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 nature of the Company's business and the Company's most recent balance sheet and profit and loss account, and similar statements for preceding financial years and that it has reviewed such Exchange Information and that it is able to obtain or access such Exchange Information;
4. that none of Investec, the Company nor any of their respective Affiliates nor any person acting on its or their behalf has provided, and none of them will provide it with, any material or information regarding the Placing Shares, the Bookbuild, the Placing or the Company or any other person other than this Announcement, such information being all that it deems necessary to make any investment decision in respect of the Placing Shares, nor has it requested Investec, the Company, any of their respective Affiliates or any person acting on its or their behalf to provide it with any such material or information;
5. unless otherwise specifically agreed with Investec, that it 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 a Restricted Territory or any other jurisdiction in which it would be unlawful to make or accept an offer to subscribe for the Placing Shares; and further acknowledges that the Placing Shares have not been and will not be registered or otherwise qualified, for offer and sale nor will an offering document, prospectus or admission document be cleared or approved in respect of any of the Placing Shares under the securities legislation of the United States or any other Restricted Territory and, subject to certain exceptions, may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in or into those jurisdictions or in any country or jurisdiction where any such action for that purpose is required;
6. that the content of this Announcement is exclusively the responsibility of the Company and that none of Investec, its Affiliates and any person acting on its or their behalf has or shall have any responsibility or liability for any information, representation or statement contained in this Announcement or any information previously or subsequently published by or on behalf of the Company, including, without limitation, any Exchange Information, and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this Announcement or any information previously published by or on behalf of the Company or otherwise;
7. that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the Placing Shares is contained in this Announcement and any Exchange Information, that it received and reviewed all information that it believes is necessary or appropriate to make an investment decision in respect of the Placing Shares, and that it has neither received nor relied on any other information given or investigations, representations, warranties or

statements made by Investec or the Company and neither Investec, the Company, nor any of their respective Affiliates nor any person acting on its or their behalf 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. Each Placee further acknowledges and agrees that it has relied solely on its own investigation, examination and due diligence of the business, financial or other position of the Company in deciding to participate in the Placing and that none of Investec, its Affiliates and any person acting on its or their behalf have made any representations to it, express or implied, with respect to the Company, the Bookbuild, the Placing and the Placing Shares or the accuracy, completeness or adequacy of the Exchange Information, and each of them expressly disclaims any liability in respect thereof;

8. that it has not relied on any information relating to the Company contained in any research reports prepared by Investec, any of its Affiliates or any person acting on its or their behalf and understands that (i) none of Investec, its Affiliates and any person acting on its or their behalf has or shall have any liability for public information or any representation; (ii) none of Investec, its Affiliates and any person acting on its or their behalf has or shall have any liability for any additional information that has otherwise been made available to such Placee, whether at the date of publication, the date of this document or otherwise; and that (iii) none of Investec, its Affiliates and any person acting on its or their behalf makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such information, whether at the date of publication, the date of this Announcement or otherwise;
9. that the allocation, allotment, issue and delivery to it, or the person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any of sections 67, 70, 93 or 96 of the Finance Act 1986 (depository receipts and clearance services) and that it is not participating in the Placing as nominee or agent for any person to whom the allocation, allotment, issue or delivery of the Placing Shares would give rise to such a liability and that the Placing Shares are not being subscribed for in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance service;
10. it acknowledges that no action has been or will be taken by the Company, Investec, their respective Affiliates or any person acting on its or their behalf that would, or is intended to, permit a public offer of the Placing Shares in the United States or in any country or jurisdiction where any such action for that purpose is required;
11. that it and any person acting on its behalf is entitled to subscribe for 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 Investec, the Company, any of their respective Affiliates or any person acting on its or their behalf acting in breach of the legal or regulatory requirements of any jurisdiction in connection with the Placing;
12. 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 its 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 Announcement) and will honour such obligations;
13. that it has complied with its obligations under the Criminal Justice Act 1993, MAR, UK MAR 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;
14. that it is acting as principal only in respect of the Placing or, if it is acting for any other person: (i) it is duly authorised to do so and has full power to make, and does make, the acknowledgments, representations and agreements herein on behalf of each such person; and (ii) it is and will remain liable to Investec and the Company 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);

15. if it is in the United Kingdom, it is a Relevant Person and if it is in a Relevant State it is a Qualified Investor and undertakes that it will subscribe for, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business only;
16. it understands that any investment or investment activity to which this Announcement relates is available only to, in the United Kingdom, Relevant Persons, in any Relevant State, Qualified Investors, and will be engaged in only with such persons, and further understands that this Announcement must not be acted on or relied on by persons who are not, in the United Kingdom, Relevant Persons and, in any Relevant State, Qualified Investors;
17. that it will not distribute, forward, transfer or otherwise transmit this Announcement or any part of it, or any other presentational or other materials concerning the Placing in or into the United States (including electronic copies thereof) to any person, and it has not distributed, forwarded, transferred or otherwise transmitted any such materials to any person;
18. where it is acquiring the Placing Shares for one or more managed accounts, it represents, warrants and undertakes that it is authorised in writing by each managed account to subscribe for 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;
19. that if it is a pension fund or investment company, it represents, warrants and undertakes that its acquisition of Placing Shares is in full compliance with applicable laws and regulations;
20. if it is acting as a financial intermediary, as that term is used in Article 5(1) of the EU Prospectus Regulation and the UK Prospectus Regulation, that the Placing Shares subscribed for by it in the Placing will not be subscribed for on a non-discretionary basis on behalf of, nor will they be subscribed for with a view to their offer or resale to, persons in a member state of the EEA other than Qualified Investors or persons in the United Kingdom other than Relevant Persons, or in circumstances in which the prior consent of Investec has been given to the proposed offer or resale;
21. 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 FSMA;
22. that any offer of Placing Shares may only be directed at persons in Relevant States who are Qualified Investors and represents, warrants and undertakes that it has not offered or sold and will not offer or sell any Placing Shares to persons in Relevant States 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 Relevant State within the meaning of EU the Prospectus Regulation;
23. that any offer of Placing Shares may only be directed at persons in the United Kingdom who are Relevant Persons and represents, warrants and undertakes that it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom prior to Admission except to Relevant Persons or otherwise in circumstances which have not resulted in and which will not result in an offer to the public in the United Kingdom within the meaning of the UK Prospectus Regulation and 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 and agrees that this Announcement has not been approved by Investec in its capacity as an authorised person under section 21 of FSMA and it may not therefore be subject to the controls which would apply if it was made or approved as financial promotion by an authorised person;
24. that it has complied and will comply with all applicable laws (including all relevant provisions of the FSMA in the UK) with respect to anything done by it in relation to the Placing Shares;
25. if it has received any inside information (as defined under MAR and UK MAR) about the Company in advance of the Placing, it has not: (i) dealt in the securities of the Company; (ii) encouraged or required another person to deal in the securities of the Company; or (iii) disclosed such information to any person except as permitted by MAR and UK MAR, prior to the information being made publicly available;

26. that (i) it (and any person acting on its behalf) has the funds available to pay for, and has capacity and authority and is otherwise entitled to purchase the Placing Shares under the laws of all relevant jurisdictions which apply to it; (ii) it has paid any issue, transfer or other taxes due in connection with its participation in any territory; (iii) it has not taken any action which will or may result in the Company, Investec, any of their respective Affiliates or any person acting on its or their behalf being in breach of the legal and/or regulatory requirements and/or any anti-money laundering requirements of any territory in connection with the Placing; and (iv) that the subscription for and purchase of the Placing Shares by it or any person acting on its behalf will be in compliance with applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;
27. that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with the terms and conditions of this Announcement on the due time and date set out herein against delivery of such Placing Shares to it, failing which the relevant Placing Shares may be placed with other Placees or sold as Investec may in its absolute discretion determine and without liability to such Placee. It will, however, remain liable for any shortfall below the net proceeds of such sale and the placing proceeds of such Placing Shares and may be required to bear any stamp duty or stamp duty reserve tax or other similar taxes (together with any interest, fines or penalties) due pursuant to the terms set out or referred to in this Announcement which may arise upon the sale of such Placee's Placing Shares on its behalf;
28. that its allocation (if any) of Placing Shares will represent a maximum number of Placing Shares to which it will be entitled, and required, to subscribe for, and that Investec or the Company may call upon it to subscribe for a lower number of Placing Shares (if any), but in no event in aggregate more than the aforementioned maximum;
29. that none of Investec, its Affiliates and any person acting on its or their behalf, is making any recommendations to it, or advising it regarding the suitability or merits of any transactions it may enter into in connection with the Placing and that participation in the Placing is on the basis that it is not and will not be a client of Investec and that Investec does not have any duties or responsibilities to it for providing the protections afforded to its respective clients or customers or for providing advice in relation to the Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement nor for the exercise or performance of any of the Investec's rights and obligations thereunder including any rights to waive or vary any conditions or exercise any termination right;
30. that the person whom it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither Investec, the Company nor any of their respective Affiliates nor any person acting on its or their behalf will be responsible for any liability to stamp duty or stamp duty reserve tax or other similar duties or taxes (together with any interest, fines or penalties) resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to indemnify each of Investec, the Company, any of their respective Affiliates and any person acting on its or their behalf in respect of the same on an after-tax basis on the basis that the Placing Shares will be allotted to the CREST stock account of Investec who will hold them as nominee on behalf of such Placee until settlement in accordance with its standing settlement instructions with payment for the Placing Shares being made simultaneously upon receipt of the Placing Shares in the Placee's stock account on a delivery versus payment basis;
31. that these Terms and Conditions and any agreements entered into by it pursuant to these Terms and Conditions, and any non-contractual obligations arising out of or in connection with such agreements, shall be governed by and construed in accordance with the laws of England and Wales and it subjects (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, 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 Investec or the Company in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
32. that each of Investec, the Company, their respective Affiliates and any person acting on its or their behalf will rely upon the truth and accuracy of the representations, warranties, agreements, undertakings and acknowledgements contained in this Announcement and which are given to Investec on its own behalf and on behalf of the Company and are irrevocable and it irrevocably authorises Investec and the Company to produce this Announcement, pursuant to, in connection with, or as may be required by any applicable law or regulation, administrative or legal proceeding or official inquiry with respect to the matters set contained in this Announcement;

33. that it will indemnify on an after-tax basis and hold each of Investec, the Company, their respective Affiliates and any person acting on its or their behalf harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of, directly or indirectly, or in connection with any breach by it of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix and further agrees that the provisions of this Appendix shall survive after completion of the Placing;
34. it acknowledges that it irrevocably appoints any director or authorised signatories of Investec as its agent for the purposes of executing and delivering to the Company and/or its registrars any documents on its behalf necessary to enable it to be registered as the holder of any of the Placing Shares agreed to be taken up by it under the Placing;
35. that it acknowledges that its commitment to subscribe for Placing Shares on the terms set out herein and in the contract note 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 Investec's conduct of the Placing;
36. that in making any decision to subscribe for the Placing Shares (i) it has sufficient knowledge, sophistication and experience in financial, business and international investment matters as is required to evaluate the merits and risks of subscribing for or purchasing the Placing Shares, (ii) it is experienced in investing in securities of this nature in this sector and is aware that it may be required to bear, and is able to bear, the economic risk of participating in, and is able to sustain a complete loss in connection with, the Placing, (iii) it has relied on its own examination, due diligence and analysis of the Company and its Affiliates taken as a whole, including the markets in which the Group operates, and the terms of the Placing, including the merits and risks involved and not upon any view expressed or information provided by or on behalf of Investec, (iv) it has had sufficient time and access to information to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and has so conducted its own investigation to the extent it deems necessary to enable it to make an informed and intelligent decision with respect to making an investment in the Placing Shares, (v) it is aware and understands that an investment in the Placing Shares involves a considerable degree of risk, (vi) it accepts and acknowledges that the Potential Acquisition is subject to ongoing due diligence and that there can be no certainty that it will complete and, therefore, any statement relating to the future performance of the Group resulting from the Potential Acquisition may not occur and the proceeds of the Capital Raise may not be required to fund the Potential Acquisition and (vii) it will not look to Investec, any of its Affiliates nor any person acting on its or their behalf for all or part of any such loss or losses it or they may suffer;
37. it acknowledges and agrees that neither Investec nor the Company, their respective Affiliates nor any person acting on its or their behalf, owe any fiduciary or other duties to it or any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement;
38. understands and agrees that it may not rely on any investigation that Investec, its Affiliates or any person acting on its or their behalf may or may not have conducted with respect to the Company and its Affiliates or the Placing and Investec has not made any representation or warranty to it, express or implied, with respect to the merits of the Placing, the subscription for or purchase of the Placing Shares, or as to the condition, financial or otherwise, of the Company and its Affiliates, or as to any other matter relating thereto, and nothing herein shall be construed as any investment or other recommendation to it to subscribe for the Placing Shares. It acknowledges and agrees that no information has been prepared by, or is the responsibility of, Investec, its Affiliates or any person acting on its or their behalf for the purposes of this Placing;
39. it acknowledges and agrees that it will not hold Investec, any of its Affiliates nor any person acting on its or 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) relating to the Group and that no such person 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;
40. that in connection with the Placing, Investec, its Affiliates and any person acting on its or their behalf may take up a portion of the Placing Shares as a principal position and in that capacity may retain, purchase or sell for its own account such shares in the Company and any other securities of the Company or related investments and may offer or sell such shares, securities or other investments

otherwise than in connection with the Placing. Accordingly, references in this Announcement to Placing Shares being issued, offered or placed should be read as including any issue, offering or placement of such shares in the Company to Investec, its Affiliates or any person acting on its or their behalf, in each case, acting in such capacity. In addition Investec, its Affiliates and any person acting on its or their behalf may enter into financing arrangements (including swaps, warrants or contracts for difference) with investors in connection with which such person(s) may from time to time subscribe for, hold or dispose of such securities of the Company, including the Placing Shares. None of Investec, its Affiliates nor any person acting on its or their behalf intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so;

41. that a communication that the transaction or the book is "covered" (i.e. indicated demand from investors in the book equals or exceeds the amount of the securities being offered) is not any indication or assurance that the book will remain covered or that the transaction and securities will be fully distributed by Investec. Investec reserves the right to take up a portion of the securities in the Placing as a principal position at any stage at its sole discretion and will, *inter alia*, take account of the Company's objectives, UK MiFIR and MiFID II requirements and/or its allocation policies;
42. it acknowledges that the Placing Shares have not been registered or otherwise qualified, and will not be registered or otherwise qualified, for offer and sale nor will a prospectus be prepared in respect of any of the Placing Shares under the securities laws of the United States, or any state or other jurisdiction of the United States, nor approved or disapproved by the United States 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. The Placing Shares have not been registered or otherwise qualified for offer and sale nor will a prospectus be cleared or approved in respect of the Placing Shares under the securities laws of Australia, South Africa or Japan and, subject to certain exceptions, may not be offered, sold, taken up, renounced or delivered or transferred, directly or indirectly, within the United States, Australia, South Africa or Japan or in any country or jurisdiction where any action for that purpose is required;
43. it understands and acknowledges that the Placing Shares are being offered and sold by the Company (a) outside the United States in offshore transactions as defined in, and pursuant to, Regulation S; and (b) in the United States only to persons reasonably believed to be QIBs in transactions not involving any "public offering" within the meaning of Section 4(a)(2) of the Securities Act pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. It and the prospective beneficial owner of the Placing Shares is, and at the time the Placing Shares are subscribed for will be, either: (i) outside the United States and subscribing for the Placing Shares in an "offshore transaction" as defined in, and pursuant to, Regulation S; or (ii) (a) a QIB that has executed and delivered, or will execute or deliver, and agrees to be bound to the terms of, the US Investor Letter, and (b) subscribing for the Placing Shares pursuant to an exemption from, or in a transaction not subject to, the registration requirements under the Securities Act, acknowledging 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. With respect to (ii) above, a potential Placee is subscribing for the Placing Shares for its own account or for one or more accounts as to each of which it exercises sole investment discretion and each of which is a QIB, for investment purposes only and not with a view to any distribution or for resale in connection with the distribution thereof in whole or in part, in the United States, and it has full power to make the representations, warranties, indemnities, acknowledgements, agreements and undertakings herein on behalf of each such account;
44. that the Placing Shares offered and sold in the United States are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, and for so long as the Placing Shares are "restricted securities", it will not deposit such shares in any unrestricted depository facility established or maintained by any depository bank and it agrees to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Placing Shares of the foregoing restrictions on transfer;
45. it will not directly or indirectly offer, reoffer, resell, transfer, assign, pledge or otherwise dispose of any Placing Shares except: (a) outside the United States in "offshore transactions" defined in, and in accordance with, Regulation S; (b) in the United States to a person that it and any person acting on its behalf reasonably believes is a QIB who is purchasing for its own account or for the account of another person who is a QIB pursuant to Rule 144A under the Securities Act (it being understood that all offers or solicitations in connection with such a transfer are limited to QIBs and do not involve any means of general solicitation or general advertising); (c) pursuant to Rule 144 under the

Securities Act (if available); or (d) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and, if the Company shall so require, subject to delivery to the Company of an opinion of counsel (and such other evidence as the Company may reasonably require) that such transfer or sale is in compliance with the Securities Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States; and that that it will notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Placing Shares of the foregoing restrictions on transfer; and

46. that no representation has been made as to the availability of the exemption provided by Rule 144 or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares.

The foregoing acknowledgements, agreements, undertakings, representations, warranties and confirmations are given for the benefit of the Company as well as Investec (for their own benefit and, where relevant, the benefit of their Affiliates and any person acting on its or their behalf) and are irrevocable. Each Placee, and any person acting on behalf of a Placee, acknowledges that neither the Company nor Investec owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Placing Agreement or these Terms and Conditions.

Please also note that the agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as nominee or agent) free of UK stamp duty and UK stamp duty reserve tax relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the Placing Shares in question. None of the Company, Investec, their respective Affiliates or any person acting on its or their behalf will be responsible for any UK stamp duty or UK stamp duty reserve tax (including any interest, fines and penalties relating thereto) arising in relation to the Placing Shares in any other circumstances.

Such agreement is subject to the representations, warranties and further terms above and also assumes, and is based on a warranty and representation from each Placee, that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to issue or transfer the Placing Shares into a clearance service. Neither Investec, the Company, their respective Affiliates nor any person acting on its or their behalf will be liable to bear any stamp duty or stamp duty reserve tax or any other similar duties or taxes (including, without limitation, other stamp, issue, securities, transfer, registration, capital, or documentary duties or taxes or any interest) ("**transfer taxes**") that arise (i) if there are any such arrangements (or if any such arrangements arise subsequent to the acquisition by Placees of Placing Shares) or (ii) on a sale of Placing Shares, or (iii) otherwise than under the laws of the United Kingdom. Each Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such transfer taxes undertakes to pay such transfer taxes (including any interest, fines and penalties relating thereto) forthwith, and agrees to indemnify on an after-tax basis and hold Investec and/or the Company (as the case may be) and their respective Affiliates and any person acting on its or their behalf harmless from any such transfer taxes, and all interest, fines or penalties in relation to such transfer taxes. Each Placee should, therefore, take its own advice as to whether any such transfer tax liability arises.

### **Miscellaneous**

Each Placee and any person acting on behalf of each Placee acknowledges and agrees that Investec or any of its Affiliates may, at their absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares. Each Placee acknowledges and is aware that Investec is receiving a fee in connection with its role in respect of the Placing as detailed in the Placing Agreement.

When a Placee or person acting on behalf of the Placee is dealing with Investec, any money held in an account with Investec 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 the Investec's money in accordance with the client money rules and will be used by Investec in the course of its own business; and the Placee will rank only as a general creditor of Investec.

All times and dates in this Announcement may be subject to amendment by Investec and the Company (in their absolute discretion). Investec shall notify the Placees and any person acting on behalf of the Placees of any changes.

Past performance is no guide to future performance and persons needing advice should consult an independent financial adviser.

Certain statements contained in this Announcement constitute "forward-looking statements" with respect to the financial condition, performance, strategic initiatives, objectives, results of operations and business of the Company (including, but not limited to, the Potential Acquisition). Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results, performance or achievements to differ materially from those projected or implied in any forward-looking statements. The forward-looking statements contained in this Announcement speak only as of the date of this Announcement. The Company, its Directors, Investec and their respective Affiliates and any person acting on its or their behalf each expressly disclaim any obligation or undertaking to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, unless required to do so by applicable law or regulation, the Listing Rules, MAR, UK MAR the DTRs, the rules of the London Stock Exchange or the FCA

The rights and remedies of Investec 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.

Time is of the essence as regards each Placee's obligations under this Appendix.

Any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to Investec.

This Appendix and all documents into which this Appendix is incorporated by reference or otherwise validly forms a part will be governed by and construed in accordance with English law. All agreements to subscribe for shares pursuant to the Bookbuild and/or the Placing will be governed by English law and the English courts shall have exclusive jurisdiction in relation thereto except that proceedings may be taken by the Company or Investec in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange.

Each Placee may be asked to disclose in writing or orally to Investec:

1. if he or she is an individual, his or her nationality; or
2. if it is a discretionary fund manager, the jurisdiction in which the funds are managed or owned.

## **Appendix 2 - Definitions**

The following definitions apply throughout this Announcement unless the context otherwise requires:

"£", "GBP", "pounds", "pound sterling" or "sterling", "p", "penny" or "pence" are to the lawful currency of the UK;

"US\$", "\$" or "dollars" are to the lawful currency of the United States of America;

"**Admission**" means admission of the Placing Shares and the Retail Offer Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities;

"**Affiliate**" in respect of Investec or the Company means any other person that, directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such person and specifically includes subsidiaries, branches, associated companies and holding companies and the subsidiaries of such holding companies, branches, associated companies and subsidiaries; and for these purposes "controlling person" means any person who controls any other person; "control" (including the terms "controlling", "controlled by" and "under common control with") means the



possession, direct or indirect, of the power to direct or cause the direction of the management, policies or activities of a person whether through the ownership of securities, by contract or agency or otherwise; and the term "person" is deemed to include a partnership, and this definition also includes the respective directors, officers, employees, agents or advisers of all such persons;

"**Announcement**" means this announcement and its appendices;

"**Bookbuild**" means the bookbuilding process to be commenced by Investec to use reasonable endeavours to procure Placees for the Placing Shares at the Placing Price, as described in this Announcement and subject to the terms and conditions set out in this Announcement and the Placing Agreement;

"**Company**" means Dechra Pharmaceuticals PLC;

"**CREST**" means the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)) in respect of which Euroclear is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form;

"**DTRs**" means the Disclosure Guidance and Transparency Rules made by the FCA pursuant to Part VI of FSMA;

"**EU MAR**" means the Market Abuse Regulation (EU) 596/2014;

"**EU Prospectus Regulation**" means Prospectus Regulation (EU) 2017/1129;

"**Euroclear**" means Euroclear UK & International Limited, a company incorporated under the laws of England and Wales;

"**EUWA**" means the European Union (Withdrawal) Act 2018

"**FCA**" or "**Financial Conduct Authority**" means the UK Financial Conduct Authority;

"**FSMA**" means the Financial Services and Markets Act 2000 (as amended);

"**Group**" means the Company and its subsidiary undertakings from time to time;

"**Investec**" means Investec Europe Limited (trading as Investec Europe) and Investec Bank plc;

"**Listing Rules**" means the rules and regulations made by the FCA under FSMA;

"**LSE**" or "**London Stock Exchange**" means London Stock Exchange plc;

"**MAR**" or "**Market Abuse Regulation**" means the Market Abuse Regulation (EU) No.596/2014;

"**MiFID II**" means EU Directive 2014/65/EU on markets in financial instruments

"**MiFIR**" means the Market in Financial Instruments Regulation (EU) 600/2014 as it forms part of UK domestic law by virtue of the EUWA;

"**Ordinary Share**" means an ordinary share of £0.01 each in the capital of the Company;

"**Piedmont**" means Piedmont Animal Health, Inc;

"**Piedmont Acquisition**" means the acquisition by the Company, directly or indirectly, of all of the issued and outstanding equity interests in and to Piedmont pursuant to the Piedmont Acquisition Agreement;

"**Piedmont Acquisition Agreement**" means the agreement and plan of merger dated 20 July 2022, entered into between the Company and Piedmont, under which the Company has agreed to acquire, directly or indirectly, all of the issued and outstanding equity interests in and to Piedmont;

"**Placee**" means a person procured by Investec to subscribe for Placing Shares;

"**Placing**" has the meaning given in paragraph 1 of this Announcement;

"**Placing Agreement**" has the meaning given to it in Appendix 1 to this Announcement;

"**Placing Price**" means the price per Ordinary Share at which the Placing Shares are placed, being 3430 pence per share;

**"Placing Results Announcement"** means the announcement to be published by the Company confirming the results of the Placing on a Regulatory Information Service immediately following the execution of the Terms of Placing;

**"Placing Shares"** has the meaning given in paragraph 1 of this Announcement;

**"Potential Acquisition"** means the potential acquisition of a platform business for an acquisition price similar to that of Piedmont, which is in exclusive discussions;

**"Potential Acquisition Exclusivity Agreement"** means the exclusivity agreement entered into between the Company and the vendors of the target of the Potential Acquisition;

**"PRA or Prudential Regulation Authority"** means the UK Prudential Regulation Authority;

**"QIBs"** means "qualified institutional buyers" as defined in Rule 144A of the Securities Act;

**"Qualified Investor"** has the meaning given to it in Appendix 1 to this Announcement;

**"Regulation S"** means Regulation S promulgated under the Securities Act;

**"Regulatory Information Service"** means any of the services set out in Appendix 3 of the Listing Rules;

**"Relevant Person"** has the meaning given to it in Appendix 1 to this Announcement;

**"Restricted Territory"** has the meaning given to it in Appendix 1 to this Announcement;

**"Retail Offer"** means the offer to be made by the Company on the PrimaryBid platform of new Ordinary Shares at the Placing Price, the terms of which will be detailed in a separate announcement by the Company published shortly after this announcement;

**"Retail Offer Shares"** means the new Ordinary Shares issued pursuant to the Retail Offer;

**"Securities Act"** means the US Securities Act of 1933, as amended;

**"subsidiary"** or **"subsidiary undertaking"** each have the meaning given to such term in the Companies Act 2006;

**"Terms and Conditions"** means the terms and conditions of the Placing set out in Appendix 1 to this Announcement;

**"Terms of Placing"** has the meaning given to it in Appendix 1 to this Announcement;

**"UK MAR"** means the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the EUWA;

**"UK Prospectus Regulation"** means Prospectus Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA;

**"uncertificated"** or **"in uncertificated form"** means in respect of a share or other security, where that share or other security is recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which may be transferred by means of CREST;

**"United Kingdom"** or **"UK"** means the United Kingdom of Great Britain and Northern Ireland;

**"United States"** or **"US"** means the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof; and

**"US Investor Letter"** means the investor representation letter in the form provided by Investec to QIBs in the United States.