

**Please read this notice carefully – it applies to all persons who view this webpage.**

ELECTRONIC VERSIONS OF THE MATERIALS YOU ARE SEEKING TO ACCESS ARE BEING MADE AVAILABLE ON THIS WEBPAGE BY METRO BANK PLC (THE “**COMPANY**”) AND FOR INFORMATION PURPOSES ONLY.

THE MATERIALS CONTAINED ON THIS WEBPAGE ARE RESTRICTED AND ARE NOT DIRECTED TO OR TO BE ACCESSED BY, OR DISTRIBUTED OR DISSEMINATED TO, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, PERSONS RESIDENT OR PHYSICALLY LOCATED IN THE UNITED STATES OF AMERICA (INCLUDING ITS TERRITORIES AND POSSESSIONS), ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA (THE “**UNITED STATES**”) (EXCEPT “ACCREDITED INVESTORS”, AS SUCH TERM IS DEFINED IN RULE 501(A) OF REGULATION D (“**REGULATION D**”) UNDER THE US SECURITIES ACT OF 1933 (THE “**US SECURITIES ACT**”)), CANADA, JAPAN, AUSTRALIA OR IN ANY JURISDICTION WHERE THE RELEVANT ACTION WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS AND REGULATIONS OF SUCH JURISDICTION OR WOULD RESULT IN A REQUIREMENT TO COMPLY WITH ANY GOVERNMENTAL OR OTHER CONSENT OR ANY REGISTRATION, FILING OR OTHER FORMALITY WHICH THE COMPANY REGARDS AS UNDULY ONEROUS (“**RESTRICTED JURISDICTION**”).

**ALL INFORMATION ON THE FOLLOWING WEB PAGES IS MADE AVAILABLE IN GOOD FAITH AND FOR INFORMATION PURPOSES ONLY.**

**PLEASE READ THIS DISCLAIMER CAREFULLY – IT APPLIES TO ALL PERSONS WHO VIEW THIS WEBSITE.**

**There is no offer, and there is no solicitation of an offer, to buy securities**

The materials contained on this webpage do not constitute an offer to sell or otherwise dispose of, or a solicitation of any offer to purchase or subscribe for, any securities of the Company (the “**Securities**”) in any jurisdiction where such offer or solicitation is unlawful.

Please note that this notice may be altered or updated from time to time. You should read it carefully in full each time you access this webpage.

The information contained on this webpage speaks only at the specified date of the relevant document or announcement reproduced on this webpage, and neither the Company nor any of its affiliated companies has, or accepts, any responsibility or duty to update or revise any such information, document or announcement (other than to the extent such duty arises as a matter of law or regulation) and reserves the right to add to, remove or amend any information reproduced on this webpage at any time in whole or in part at its sole discretion.

By accessing the following web pages, you represent and warrant to Company that you are doing so for information purposes only.

**Access to the website may be unlawful in certain jurisdictions**

Viewing this information may be unlawful if you are resided or located in a Restricted Jurisdiction. In certain jurisdictions, including Restricted Jurisdictions, only certain categories of persons may be allowed to view such materials. All persons resident or physically located outside the United Kingdom who wish to view these materials must first satisfy themselves that they are not subject to any local requirements that prohibit or restrict them from doing so and should inform themselves of, and observe, any applicable legal or regulatory requirements applicable in their jurisdiction.

It is your responsibility to satisfy yourself as to the full observance of any relevant laws and regulatory requirements.

**Access to electronic versions of these materials is being made by the Company in good faith and for information purposes only. Any person seeking access to this webpage represents and warrants to the Company that they are doing so for information purposes only. Making press announcements and other documents available in electronic format does not constitute an offer to sell or the solicitation of an offer to buy Securities. Further, it does not constitute a recommendation by the Company or any other party to sell or buy Securities.**

Copies of the contents of the following pages (including documents posted thereon) are not being, and must not be, directly or indirectly, released, mailed, transmitted or otherwise forwarded, distributed or sent, in whole or in part, in or into a Restricted Jurisdiction, and persons receiving such documents (including, without limitation, custodians, nominees and trustees) should observe these restrictions and must not, directly or indirectly, mail, transmit or otherwise forward, distribute or send any such documents in, into or from any such jurisdiction. The Company and its advisers do not assume any responsibility for any violation by any person of any of these restrictions.

This notice shall be governed by, and interpreted in accordance with, English law.

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

**24 July 2018**

## **Metro Bank PLC**

### **Placing of New Ordinary Shares**

Metro Bank PLC ("Metro Bank" or the "Company") today announces its intention to conduct a non-pre-emptive cash placing (the "Placing") of up to approximately 8.85 million new ordinary shares of 0.0001 pence per share in the capital of the Company (the "Placing Shares"), representing approximately 10 per cent. of the Company's issued share capital, at the price of 3422 pence per Placing Share, being the closing market price on 24 July 2018 (the "Placing Price").

The Placing will be conducted through an accelerated book-build process which will be launched immediately following this announcement, in accordance with the terms and conditions set out in the Appendix to this announcement. RBC Capital Markets, Jefferies International Limited and Keefe, Bruyette & Woods (acting through Stifel Nicolaus Europe Limited) are acting as joint bookrunners in connection with the Placing (the "Bookrunners").

In addition, Metro Bank is today announcing its interim results covering the six months to 30 June 2018 (see separate announcement).

### **Background to the Placing and use of proceeds**

As demonstrated in the interim results released today, Metro Bank continues to deliver strong organic lending growth which has been supplemented by its previously announced acquisition of a portfolio of UK mortgages from CERH RSMC Sub B.V. and Capital Home Loans Limited for £523 million completed on 1 March 2018 (the "Acquisition"). In order to support this momentum and the Company's future growth ambitions, it has brought forward its plans to raise equity capital.

The proceeds of the Placing will be used to support Metro Bank's growth and replace liquidity used in connection with the Acquisition. The proceeds will replenish and improve Metro Bank's regulatory tier 1 capital position, support its high-growth business model, allow it the flexibility to further access debt markets at the appropriate time and position the Company well for existing and potential future regulatory capital requirements.

On a pro forma basis, were the proceeds of the Placing to have been raised at 30 June 2018, the Company's CET1 ratio would have been 17.0 per cent.<sup>(1)</sup> and its leverage ratio 6.1 per cent<sup>(1)</sup>. As a result of the Placing, the Company is updating its 2020 ROE target to c.11.5% <sup>(1)</sup>. All other 2020 and 2023 targets remain unchanged.

Metro Bank, in considering its capital structure, has determined that the Placing provides the Company with the most efficient source of capital to support its progress, current growth expectations and capital requirements. Ahead of the Placing, Metro Bank has consulted with and received support from a number of its leading shareholders regarding the rationale of the Placing and its non-pre-emptive nature. The Board believes that the Placing is in the best interest of shareholders.

Vernon W. Hill, II, Chairman of Metro Bank, has indicated an intention to subscribe in aggregate up to £10 million in the Placing.

### **Details of the Placing**

The Placing is subject to the terms and conditions set out in the Appendix (which forms part of this announcement, such announcement and the Appendix together being the "Announcement"). The Bookrunners will today commence a bookbuilding process in respect of the Placing (the "Bookbuild"). The book will open with immediate effect following this Announcement. The timing of the closing of the book, pricing and allocations are at the discretion of Metro Bank and the Bookrunners. Final details of the Placing and the number of Placing Shares will be announced as soon as practicable after the close of the Bookbuild.

The Placing Shares, when issued, will be fully paid and will rank *pari passu* in all respects with the existing ordinary shares of the Company, including the right to receive all dividends and other distributions declared, made or paid after the date of issue. If all the Placing Shares are placed, it would represent an increase of approximately 10 per cent. of the current issued ordinary share capital of the Company. The issue of the Placing Shares is pursuant to the authorities granted at the Company's Annual General Meeting held on 24 April 2018.

### **Conditions to the Placing**

The Placing is conditional, among other things, upon Admission becoming effective and the placing agreement between the Company and the Bookrunners (the "Placing Agreement") not being terminated in accordance with its terms. The Appendix sets out further information relating to the Bookbuild and the terms and conditions of the Placing. 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.

This Announcement contains inside information. The person responsible for arranging release of this Announcement on behalf of Metro Bank is David Arden.

(1) Assuming approximately 8.85m Placing Shares are issued at the Placing Price

For further information on the Announcement, please contact:

#### **Metro Bank plc**

David Arden, Chief Financial Officer	+44 (0) 20 3402 8900
Jo Roberts, Investor Relations	+44 (0) 20 3402 8900
Tina Coates, Media Relations	+44 (0) 20 3870 6109 / +44 (0) 7811 246 016

#### **Global Coordinator and Bookrunner**

RBC Capital Markets

Oliver Hearsey / Marcus Jackson / Max Avison	+44 (0) 20 7653 4000
--	----------------------

#### **Bookrunners**

Jefferies International Limited

Paul Nicholls / Graham Davidson / Max Jones	+44 (0) 20 7029 8000
---	----------------------

Keefe, Bruyette & Woods, a Stifel company

Tom Michaud / Robin Mann / Stewart Wallace +44 (0) 20 7710 7600

### **Tulchan Communications**

Martin Pengelley / Latika Shah / Jessica Reid +44 (0)20 7353 4200

### **About Metro Bank**

Metro Bank is the revolution in British banking. It is celebrated for its exceptional customer experience and its trusted products, and was awarded 'Most Trusted Financial Provider' at the Moneywise Customer Service Awards 2017, as well as 'Best Financial Provider' at the Evening Standard Business Awards 2017 and 'Bank of the Year' at the CityAM Awards 2016.

Offering retail, business, commercial and private banking services, it prides itself on using technology to give customers the choice to bank however, whenever and wherever they choose. Whether that's through its growing network of stores open seven days a week, from early in the morning to late at night, 362 days a year; on the phone through its UK-based 24/7 contact centres, manned by people not machines; or online through its internet banking or award-winning mobile app.

Metro Bank employs over 3,000 colleagues and is headquartered in Holborn, London.

Metro Bank PLC. Registered in England and Wales. Company number: 6419578. Registered office: One Southampton Row, London WC1B 5HA. 'Metrobank' is the registered trade mark of Metro Bank PLC.

It is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Most relevant deposits are protected by the Financial Services Compensation Scheme. For further information about the Scheme refer to the FSCS website [www.fscs.org.uk](http://www.fscs.org.uk).

All Metro Bank products are subject to status and approval.

Metro Bank PLC is an independent UK bank - it is not affiliated with any other bank or organisation (including the METRO newspaper or its publishers) anywhere in the world. Please refer to Metro Bank using the full name.

### **Important Notice**

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

No prospectus will be made available in connection with the matters contained in this Announcement and no such prospectus is required (in accordance with the Prospectus Directive) to be published. Persons needing advice should consult an independent financial adviser.

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO UNDERWRITE, BUY, SUBSCRIBE, SELL OR ISSUE OR THE SOLICITATION OF AN OFFER TO BUY, SELL, ACQUIRE, DISPOSE OR SUBSCRIBE FOR THE PLACING SHARES OR ANY OTHER SECURITY IN THE UNITED STATES (INCLUDING ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA, COLLECTIVELY THE "UNITED STATES"), AUSTRALIA, JAPAN, SOUTH AFRICA OR IN ANY JURISDICTION IN WHICH, OR TO ANY PERSONS TO WHOM, SUCH OFFERING, SOLICITATION OR SALE WOULD BE UNLAWFUL.

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 any state or other jurisdiction of the United States, and may not be offered, sold or transferred, directly or indirectly, in or into or from the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There is no public offering of the Placing Shares in the United States, the United Kingdom or elsewhere. No representation is being made as to the availability of any exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares.

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

No prospectus has been, and no prospectus will be, filed to qualify the distribution of the Placing Shares with any securities regulatory authority in any province or territory of Canada; no prospectus has been lodged with, or registered by, the Australian Securities and Investments Commission or the Japanese Ministry of Finance; no approval has been sought from the South African Reserve Bank in relation to restrictions applicable to residents and non-residents as to the remittance of funds from South Africa to a foreign country; and the Placing Shares have not been, and nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Japan or South Africa. Accordingly, the Placing Shares may not (unless an exemption from the registration, prospectus delivery or other similar requirement under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into Canada, Australia, Japan, South Africa or any other jurisdiction outside the United Kingdom or to, or for the account or benefit of any national, resident or citizen of Australia, Japan, South Africa or to any investor located or resident in Canada.

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 Product Governance Requirements) 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 investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not

need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

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

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

RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the Prudential Regulation Authority (“PRA”) and regulated in the United Kingdom by the FCA and the PRA, and Jefferies International Limited and Stifel Nicolaus Europe Limited (trading as Keefe, Bruyette & Woods) which are authorised and regulated in the United Kingdom by the FCA, are acting exclusively for the Company and no one else in connection with the Placing and will not regard any other person as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement.

This Announcement is being issued by and is the sole responsibility of the Company. No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Bookrunners nor any of their respective affiliates or agents (or any of their respective directors, officers, employees or advisers) for the contents of this Announcement, or any other written or oral information made available to or publicly available to any interested party or its advisers, or any other statement made or purported to be made by or on behalf of any of the Bookrunners or any of their respective affiliates in connection with the Company, the Placing Shares or the Placing and any responsibility therefor is expressly disclaimed. The Bookrunners and each of their respective affiliates accordingly disclaim all and any liability, whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement and no representation or warranty, express or implied, is made by any of the Bookrunners or any of their respective affiliates as to the accuracy, completeness or sufficiency of the information contained in this Announcement.

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

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company’s current expectations and projections about future performance, anticipated events or trends and other matters that are not historical facts. These forward-looking statements, which sometimes use words such as “aim”, “anticipate”, “believe”, “intend”, “plan” “estimate”, “expect” and words of similar meaning, include all matters that are not historical facts and reflect the directors’ beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. These statements are subject to unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information

contained in this Announcement is subject to change without notice and, except as required by applicable law, neither the Company nor the Bookrunners assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained herein. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Announcement. Any indication in this Announcement of the price at which Placing Shares have been bought or sold in the past cannot be relied upon as a guide to future performance. No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares. Past performance is no guide for future performance and persons reading this Announcement should consult an independent financial adviser.

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

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the London Stock Exchange.

The most recent Annual and Interim Reports and other information are available on the Metro Bank website at [www.metrobankonline.co.uk/investor-relations](http://www.metrobankonline.co.uk/investor-relations). Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

This Announcement does not constitute a recommendation concerning the Placing.



## **APPENDIX: TERMS AND CONDITIONS OF THE PLACING**

THIS ANNOUNCEMENT, INCLUDING THE APPENDIX (TOGETHER, THIS “ANNOUNCEMENT”), AND THE INFORMATION CONTAINED HEREIN ARE RESTRICTED AND ARE NOT FOR PUBLICATION, RELEASE OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES, AUSTRALIA, JAPAN, SOUTH AFRICA OR ANY JURISDICTION IN WHICH THE SAME WOULD BE UNLAWFUL.

### **IMPORTANT INFORMATION ON THE PLACING FOR INVITED PLACEEES ONLY.**

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING. THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN ARE FOR INFORMATION PURPOSES ONLY AND ARE ADDRESSED TO AND DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (“EEA”) WHO ARE “QUALIFIED INVESTORS” WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE EU PROSPECTUS DIRECTIVE (DIRECTIVE 2003/71/EC AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE) (THE “PROSPECTUS DIRECTIVE”) (“QUALIFIED INVESTORS”); (B) PERSONS IN THE UNITED KINGDOM WHO ARE QUALIFIED INVESTORS AND WHO ARE (I) INVESTMENT PROFESSIONALS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 AS AMENDED (THE “ORDER”), OR (II) PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) (“HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC”) OF THE ORDER; OR (C) PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS IN (A), (B) AND (C) TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THIS ANNOUNCEMENT MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS ANNOUNCEMENT DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN METRO BANK PLC (THE “COMPANY”).

THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE US 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 OR FROM THE UNITED STATES EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE SECURITIES LAWS OF ANY STATE OR ANY OTHER JURISDICTION OF THE UNITED STATES.

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

Persons who are invited to and who choose to participate in the Placing, by making an oral or written offer to acquire Placing Shares, including any individuals, funds or others on whose behalf a commitment to acquire Placing Shares is given (the “Placees”), will be deemed to have read and understood this Announcement in its entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, acknowledgements, agreements and undertakings, contained in this Appendix. In particular, each such Placee represents, warrants and acknowledges that:

- 1) it is a Relevant Person (as defined above) and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;  
or

- 2) either: (i) it has received from (a) the Company or (b) RBC Capital Markets, Jefferies International Limited and/or Keefe, Bruyette & Woods (together, the “Bookrunners”) or their respective affiliates, and will return a duly executed copy of, an investor letter (the “US Investor Letter”) certifying that: (x) in the case of the letter received from the Company, it is an “accredited investor” within the meaning of Rule 501(a) under the Securities Act; or (y) in the case of the letter received from the Bookrunners, it is a “qualified institutional buyer” (“Qualified Institutional Buyer” or “QIB”) as defined in Rule 144A under the Securities Act; or (ii) it is acquiring the Placing Shares for its own account or for an account with respect to which it exercises sole investment discretion, and it (and any such account) is outside the United States and is acquiring the Placing Shares in an “offshore transaction” in accordance with Regulation S under the Securities Act; and
- 3) if it is a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, that any Placing Shares acquired by it in the Placing will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale in a member state of the EEA which has implemented the Prospectus Directive to Qualified Investors, or in circumstances in which the prior consent of the Bookrunners has been given to each such proposed offer or resale.

This Announcement does not constitute investment advice or an offer to underwrite, sell or issue or the solicitation of an offer to buy, subscribe for, or otherwise acquire or dispose of, ordinary shares in the capital of the Company in the United States, Australia, Japan, South Africa or in any jurisdiction in which such offer or solicitation is unlawful. No public offer of securities of the Company is being made in the United Kingdom, the United States or elsewhere.

The Company has not been and will not be registered as an investment company under the Investment Company Act of 1940.

The Placing Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States, and have not been approved or disapproved by the US Securities and Exchange Commission, any State securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the Placing or the accuracy or adequacy of this Announcement. Any representation to the contrary is a criminal offence in the United States. The Placing Shares are being offered and sold outside the United States in accordance with Regulation S under the Securities Act. Any offering to be made in the United States will be made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The relevant clearances have not been, and nor will they be, obtained from the securities commission of any province or territory of Canada; no prospectus has been lodged with or registered by the Australian Securities and Investments Commission or the Japanese Ministry of Finance; no approval has been sought from the South African Reserve Bank in relation to restrictions applicable to residents and non-residents as to the remittance of funds from South Africa to a foreign country; and the Placing Shares have not been, and nor will they be, registered under or offered in compliance with the securities laws of any state, province or territory of Australia, Japan or South Africa. Accordingly, the Placing Shares may not (unless an exemption from the registration, prospectus delivery or other similar requirement under the relevant securities laws is applicable) be offered, sold, resold or delivered, directly or indirectly, in or into the United States, Australia, Canada, Japan, South Africa or any other jurisdiction outside the United Kingdom or to, or for the account or benefit of any national, resident or citizen of Australia, Japan or South Africa or to any investor located or resident in Canada.

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

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

The Bookrunners have entered into a placing agreement (the “Placing Agreement”) with the Company under which they have agreed as agents for the Company to use their respective best endeavours to procure Placees for the Placing Shares, on the terms and subject to the conditions set out therein.

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

Application will be made to the FCA for admission of the Placing Shares to listing on the Official List of the UK Listing Authority (“UKLA”) and to London Stock Exchange plc for admission to trading of the Placing Shares on its main market for listed securities (“Admission”). It is expected that Admission of the Placing Shares will become effective at or around 8.00 a.m. on 27 July 2018 and that dealings in the Placing Shares will commence at that time.

### **Bookbuild**

The Bookrunners will today commence the bookbuilding process in respect of the Placing (the “Bookbuild”) to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing. No commissions will be paid to Placees or by Placees in respect of any Placing Shares.

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

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

- 1) The Bookrunners are arranging the Placing severally (and not jointly or jointly and severally) as joint bookrunners and agents of the Company. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by any of the Bookrunners or the Company. Each of the Bookrunners and their respective affiliates are entitled to enter bids as principal in the Bookbuild.
- 2) The Bookbuild, if successful, will establish a single price payable in respect of each Placing Share (the “Placing Price”) to the Bookrunners (or in the case of certain persons, the Company) by all Placees whose bids are successful. The Placing Price and the aggregate proceeds to be raised through the Placing will be agreed between the Company and the Bookrunners following completion of the Bookbuild, and any discount to the market price of the ordinary shares will be determined in accordance with the Listing Rules of the FCA. The Placing Price and the number of Placing Shares to be issued will be announced via a Regulatory Information Service following the completion of the Bookbuild (the “Placing Results Announcement”).
- 3) To bid in the Bookbuild, prospective Placees should communicate their bid by telephone to their usual sales contact at one of the Bookrunners. Each bid should state the number of Placing Shares which the prospective Placee wishes to acquire either at the Placing Price ultimately established by the Company and the Bookrunners or at prices up to a price limit specified in its bid. Bids may be scaled down by the Bookrunners on the basis referred to in paragraph 6 below.
- 4) The Bookbuild is expected to close no later than 10 p.m. (London time) on 24 July 2018 but may be closed earlier or later at the discretion of the Bookrunners. The Bookrunners may, in agreement with the Company, accept bids that are received after the Bookbuild has closed.
- 5) Each Placee’s allocation will be confirmed to Placees orally by the Company and/or the relevant Bookrunner following the close of the Bookbuild, and a trade confirmation will be

dispatched as soon as possible thereafter. The Company's and/or the relevant Bookrunner's oral 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 such Bookrunner and the Company, under which such Placee agrees to acquire the number of Placing Shares allocated to it and to pay the relevant Placing Price on the terms and conditions set out in this Appendix and in accordance with the Company's articles of association.

- 6) Subject to paragraphs 3 and 4 above, each of the Company and the Bookrunners may, in agreement with each other, choose to accept bids, either in whole or in part, and may scale down any bids on such basis as they may determine. The Company and the Bookrunners may also, notwithstanding paragraphs 3 and 4 above, and subject to prior agreement with each other: (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 Company reserves the right to reduce or seek to increase the amount to be raised pursuant to the Placing.
- 7) Subject to paragraphs 3 and 4 above, the Bookrunners will, in effecting the Placing, agree with the Company the identity of the Placees and the basis of allocation of the Placing Shares.
- 8) A bid in the Bookbuild will be made on the terms and subject to the conditions set out in this Appendix and will be legally binding on the Placee on behalf of which it is made and, except with the relevant Bookrunner's consent, will not be capable of variation or revocation after the time at which it is submitted. Each Placee procured by the Bookrunners will also have an immediate, separate, irrevocable and binding obligation, owed to the relevant Bookrunner, to pay it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares that such Placee has agreed to acquire. Each Placee's obligations will be owed to the relevant Bookrunner and the Company.
- 9) Except as required by law or regulation, no press release or other announcement will be made by the Bookrunners or the Company using the name of any Placee (or its agent), in its capacity as Placee (or agent), other than with such Placee's prior written consent.
- 10) Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and Settlement".
- 11) All obligations under the Bookbuild and Placing will be subject to fulfilment or (where applicable) waiver of the conditions referred to below under "Conditions of the Placing" and to the Placing not being terminated on the basis referred to below under "Right to terminate under the Placing Agreement".
- 12) By participating in the Bookbuild, each Placee agrees that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of rescission or termination by the Placee after confirmation (oral or otherwise) by the Company and/or a Bookrunner.
- 13) To the fullest extent permissible by law, none of the Bookrunners, the Company nor any of their respective directors, officers, employees, agents or affiliates shall have any responsibility or liability (whether in contract, tort or otherwise) to Placees (or to any other person whether acting on behalf of a Placee or otherwise). In particular, none of the Bookrunners, the Company nor any of their respective directors, officers, employees, agents or affiliates, shall have any responsibility or liability (whether in contract, tort or otherwise and including to the extent permissible by law or any fiduciary duties) in respect of the Bookrunners' conduct of the Bookbuild or of such alternative method of effecting the Placing as the Bookrunners, their respective affiliates 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. The Bookrunners' obligations under the Placing Agreement are conditional on customary terms and conditions, including among others:

- 1) the representations and warranties of the Company contained in the Placing Agreement being true, accurate and not misleading as of the date of the Placing Agreement and the Closing Date (as defined below);
- 2) the Company allotting and issuing, subject only to Admission, the Placing Shares;
- 3) Admission occurring not later than 8:00 a.m. London time on 27 July 2018 (the "Closing Date") (or such later time or date as the Bookrunners may agree with the Company);
- 4) the execution and delivery of the Terms of Subscription by the Company and the Bookrunners; and
- 5) the publication by the Company of the Placing Results Announcement on a Regulatory Information Service immediately following the execution of the Terms of Subscription.

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

The Bookrunners may, in their discretion, waive compliance by the Company with the whole or any part of the Company's obligations in relation to the conditions contained in the Placing Agreement save that condition (2) above may not be waived. Any such waiver will not affect Placees' commitments as set out in this Announcement.

None of the Bookrunners, nor any of their respective directors, officers, employees, agents or affiliates, shall have any liability (whether in contract, tort or otherwise) to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it may make as to whether or not to waive 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 the Bookrunners.

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

The Bookrunners are entitled, by notice to the Company given at any time on or prior to the Closing Date, to terminate the Placing Agreement in accordance with the terms of the Placing Agreement in certain circumstances, including among others:

- 1) where there has been a breach by the Company of any of the representations, warranties and undertakings of the Company contained in the Placing Agreement or any other material provision of the Placing Agreement; or
- 2) upon the occurrence of certain material adverse changes in the condition (financial or otherwise) or prospects of the Company or the Group or in the relevant financial markets or in the event of a force majeure event.

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

By participating in the Placing, Placees agree that the exercise by any Bookrunner of any right of termination or other discretion under the Placing Agreement shall be within the absolute discretion of such Bookrunner and that it need not make any reference to Placees and that it shall have no liability to Placees whatsoever in connection with any such exercise and neither the Company nor the Bookrunners nor any of their respective directors, officers, employees, agents or affiliates shall have any liability to Placees whatsoever in connection with any such exercise or failure to exercise or otherwise.

### **Lock-up**

The Company has undertaken to the Bookrunners that, from the date of the Placing Agreement until the date which is 180 calendar days after the Closing Date (inclusive), other than in respect of, amongst other things, grants or exercises of options or share issues pursuant to terms of existing convertible instruments or options, employee share schemes or the Company's scrip dividend scheme, it will not, without the prior written consent of the Bookrunners (such consent not to be unreasonably withheld), directly or indirectly: (i) issue, offer, lend, mortgage, assign, charge, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of any ordinary shares or any interest in ordinary shares or any securities convertible into or exercisable or exchangeable for, or substantially similar to, ordinary shares or any interest in ordinary shares or file any registration statement under the Securities Act or file or publish any prospectus with respect to any of the foregoing; or (ii) enter into any swap or other agreement or transaction that transfers, in whole or in part, the economic consequences of ownership of the ordinary shares, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of the ordinary shares or other securities, in cash or otherwise. The foregoing shall not apply to: (a) the issue and offer by or on behalf of the Company of the Placing Shares; and (b) the issue of any ordinary shares pursuant to any convertible instruments, options, warrants or other rights existing at the date of the Placing Agreement and previously disclosed in the Company's accounts for the year ended 31 December 2017 (the "Accounts") or otherwise publicly disclosed by the Company since such date via a Regulated Information Service; and (c) the issue of any ordinary shares or options to acquire ordinary shares pursuant to any employee, director or executive share schemes existing at the date of Placing Agreement and disclosed in the Accounts or any other publicly available information or press announcements.

### **No Prospectus**

No offering document or prospectus has been or will be published or submitted for approval by the UKLA or any other regulatory authority or stock exchange in relation to the Placing.

Placees' commitments will be made solely on the basis of the information contained in this Announcement. Each Placee, by accepting a participation in the Placing, agrees that the content of this Announcement and all other publicly available information previously or simultaneously published by the Company by notification to a Regulatory Information Service or otherwise filed by the Company is exclusively the responsibility of the Company and confirms that it has neither received nor relied on any other information, representation, warranty, or statement made by or on behalf of the Company or the Bookrunners or any other person and none of the Bookrunners or the Company nor any other person will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement which the Placees may have obtained or received. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

### **Registration and Settlement**

Settlement of transactions in the Placing Shares (ISIN: GB00BZ6STL67) following Admission will take place within the CREST system. Subject to certain exceptions, the Bookrunners and the Company reserve the right to require settlement for and delivery of the Placing Shares to Placees by such other means that they

deem necessary if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Announcement or would not be consistent with the regulatory requirements in the Placee's jurisdiction.

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

It is expected that settlement will be on 27 July 2018 in accordance with the instructions set out in the trade confirmation.

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

Each Placee is deemed to agree that, if it does not comply with these obligations, the Bookrunners may sell any or all of the Placing Shares allocated to that Placee on such Placee's behalf and retain from the proceeds, for the Bookrunners' account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear and indemnify the Bookrunners and their affiliates, directors, officers and employees on an after-tax basis against any stamp duty or stamp duty reserve tax or other similar taxes imposed in any jurisdiction (together with any interest or penalties) which may arise upon the sale of such Placing Shares on such Placee's behalf.

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

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. If there are any circumstances in which any stamp duty or stamp duty reserve tax (together with interest and penalties) is payable in respect of the issue of the Placing Shares, neither the Bookrunners nor the Company, nor their respective affiliates, directors, officers or employees shall be responsible for the payment thereof.

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

By communicating a bid for Placing Shares each Placee (and any person acting on such Placee's behalf):

- 1) represents and warrants that it has read and understood this Announcement, including the Appendix, in its entirety and that its subscription for the Placing Shares is subject to and based upon all the terms, conditions, warranties, acknowledgements, agreements and undertakings and other information contained herein and undertakes not to redistribute or duplicate this Announcement;
- 2) represents and warrants that it has such knowledge, sophistication and experience in financial, business and international investment matters as is required to evaluate the merits and risks of an investment in the Placing Shares. The Placee 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, and is able to sustain a complete loss in connection with, an investment in the Placing Shares and has no need for liquidity with respect to its investment in the Placing Shares. The Placee has relied on its own

examination and due diligence of the Company and its subsidiaries taken as a whole (the "Group") relating to the Placing, and the terms of the Placing, including the merits and risks involved;

- 3) acknowledges and agrees that it has: (i) made its own assessment and satisfied itself concerning legal, regulatory, tax, business and financial considerations in connection with the Placing to the extent it deems necessary; (ii) had access to review publicly available information concerning the Group that it considers necessary or appropriate and sufficient in making an investment decision; (iii) reviewed such information as it believes is necessary or appropriate in connection with its acquisition of the Placing Shares; and (iv) made its investment decision based upon its own judgement, due diligence and analysis and not upon any view expressed or information provided by or on behalf of the Bookrunners;
- 4) understands and acknowledges that no offering document, listing particulars or prospectus has been or will be prepared or published in connection with the Placing and represents and warrants that it has not received an offering document, listing particulars or prospectus in connection therewith;
- 5) understands and agrees that it may not rely on any investigation that the Bookrunners, their respective affiliates or any person acting on their behalf may or may not have conducted with respect to the Company, the Group or the Placing and the Bookrunners have not made any representation to it, express or implied, with respect to the accuracy or adequacy of publicly available information concerning the Company, the merits of the Placing, the acquisition of the Placing Shares, or as to the condition, financial or otherwise, of the Company, the Group, or as to any other matter relating thereto, and nothing herein shall be construed as a recommendation to it to purchase the Placing Shares;
- 6) acknowledges and understands that this Announcement and any other announcement or presentation provided to it (if any) have been prepared by, and are the sole responsibility of, the Company and no such announcement or presentation (if any) nor any other information has been prepared by, or is the responsibility of, the Bookrunners, their respective affiliates or any person acting on their behalf, for the purposes of the Placing;
- 7) acknowledges and understands that none of the Bookrunners, their respective affiliates or any person acting on behalf of any of them has or shall have any liability for any publicly available or filed information or any information, representation, warranty or statement relating to the Company, the Group or its business contained therein or otherwise, provided that nothing in this paragraph excludes liability of any person for fraudulent misrepresentation made by that person;
- 8) acknowledges and agrees that it will not hold the Bookrunners, their respective affiliates or any person acting on their behalf responsible or liable for any information, representation or statement contained in, or any misstatements in or omissions from, this Announcement, any publicly available information relating to the Group or any information made available (whether in written or oral form) in presentations with investors relating to the Group (the "Information") and that none of the Bookrunners, their respective affiliates or any person acting on behalf of them, makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of such Information or accepts any responsibility for any of such Information and will not be liable for any Placee's decision to participate in the Placing based on any such Information;
- 9) acknowledges and agrees that none of the Bookrunners (nor any of their respective affiliates, agents, directors, officers and employees) accepts any responsibility for any acts or omissions of the Company or any of the directors of the Company or any person (other than the relevant Bookrunner) in connection with the Placing;
- 10) acknowledges that the Placing Shares have not been and will not be registered or qualified for offer and sale nor will a prospectus be cleared in respect of any of the Placing Shares under the securities laws or legislation of the United States, Australia, Canada, Japan or



- South Africa or any other jurisdictions and, subject to certain exceptions, may not be offered, sold, or delivered or transferred, directly or indirectly, within those jurisdictions;
- 11) represents and warrants that it is not, and at the time the Placing Shares are acquired will not be, a resident of Australia, Japan or South Africa;
  - 12) with respect to any Placing Shares offered to or acquired by it in the United States or for and on behalf of persons in the United States, it understands and agrees: (i) that it is either an “accredited investor” within the meaning of Rule 501(a) under the Securities Act or a Qualified Institutional Buyer within the meaning of Rule 144A under the Securities Act, acquiring such Placing Shares for its own account or for the account of one or more QIBs with respect to whom it has full power and authority to make, and does make, the representations, warranties and agreements set forth herein; (ii) that the Placing Shares are being offered and sold to it in accordance with an exemption from registration under the Securities Act for transactions by an issuer not involving a public offering of securities in the United States and that the Placing Shares have not been, and will not be, registered under the Securities Act or with any State or other jurisdiction of the United States; (iii) that the Placing Shares may not be reoffered, resold, pledged or otherwise transferred by it except: (a) outside the United States in an offshore transaction pursuant to Rule 903 or Rule 904 of Regulation S under the Securities Act (“Regulation S”); (b) in the United States to a person whom the seller reasonably believes is a qualified institutional buyer (“QIB”) to whom notice is given that the offer, sale or transfer is being made in reliance on Rule 144A under the Securities Act; (c) pursuant to Rule 144 under the Securities Act (if available); (d) to the Company; (e) pursuant to an effective registration statement under the Securities Act; or (f) pursuant to another available exemption, if any, from registration under the Securities Act, in each case in compliance with all applicable laws; (iv) that the Placing Shares are “restricted securities” as defined in Rule 144(a)(3) under the Securities Act; (v) to notify any transferee to whom it subsequently reoffers, resells, pledges or otherwise transfers the Placing Shares of the foregoing restrictions on transfer; (vi) for so long as the Placing Shares are “restricted securities” (within the meaning of Rule 144(a)(3) under the Securities Act), it will segregate such Placing Shares from any other shares that it holds that are not restricted securities, shall not deposit such Placing Shares in any depository facility established or maintained by a depository bank and will only transfer such Placing Shares in accordance with this paragraph; (vii) if it is acquiring the Placing Shares as a fiduciary or agent for one or more investor accounts, each such account is a QIB, it has sole investment discretion with respect to each such account and it has full power and authority to make the acknowledgements, representations, warranties and agreements herein on behalf of each such account; (viii) it is acquiring such Placing Shares for its own account (or the account of a QIB as to which it has sole investment discretion) for investment purposes and (subject to the disposition of its property being at all times within its control) not with a view to any distribution of the Placing Shares; (ix) that no representation has been made as to the availability of the exemption provided by Rule 144, Rule 144A or any other exemption under the Securities Act for the reoffer, resale, pledge or transfer of the Placing Shares; and (x) for so long as the Placing Shares are restricted securities, it undertakes and agrees that such shares may be offered, resold, pledged or otherwise transferred only outside the United States in accordance with Regulation S under the Securities Act;
  - 13) with respect to any Placing Shares offered to or acquired by it in Canada or for or on behalf of persons in Canada, it understands and agrees that: (i) it is a Canadian resident; (ii) it is basing its investment decision solely on this Announcement and not on any other information (including, but not limited to, advertisements in any printed media of general and regular paid circulation, radio, television or telecommunications, including electronic display, or any other form of advertising in Canada) concerning the Company or the Placing; (iii) it is entitled under applicable Canadian securities law to purchase the Placing

Shares without the benefit of a prospectus qualified under such securities laws and, without limiting the generality of the foregoing, is an “accredited investor” as defined in section 1.1 of National Instrument 45-106 Prospectus Exemptions and subsection 73.3(1) of the Securities Act (Ontario), and a “permitted client” as defined in section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations; (iv) it is either purchasing the Placing Shares as principal for its own account, or is deemed to be purchasing Placing Shares as principal by applicable law; (v) it acknowledges that the Placing Shares are being distributed in Canada on a private placement basis only and agrees to resell the Placing Shares only in accordance with the requirements of applicable securities laws, including in particular, that any resale of the Placing Shares must be made in accordance with, or pursuant to an exemption from, or in a transaction not subject to, the prospectus requirements of applicable provincial securities laws, which resale restrictions may in some circumstances apply to resales made outside of Canada, and the Placee is further advised to seek Canadian legal advice prior to any resale of the Placing Shares, both within and outside of Canada; and (vi) the Company is not a member of the Canada Deposit Insurance Corporation, the Placing Shares are not guaranteed by Canada Deposit Insurance Corporation and the Company is not regulated as a financial institution in Canada;

- 14) if it is a person in a member state of the EEA it is a “qualified investor” (as defined in the Prospectus Directive in a member state of the European Economic Area (each, a “Relevant Member State”) that has implemented the Prospectus Directive) and, to the extent applicable, any funds on behalf of which it is acquiring the Placing Shares that are located in a Relevant Member State are each such a qualified investor. For these purposes, the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive), and includes any relevant implementing measure in the Relevant Member State and the expression “2010 PD Amending Directive” means Directive 2010/73/EU;
- 15) represents and warrants that it is not acquiring any of the Placing Shares as a result of any form of general solicitation or general advertising (within the meaning of Rule 502(c) of Regulation D under the Securities Act);
- 16) understands that no action has been or will be taken by any of the Company, the Bookrunners, their respective affiliates or any person acting on their behalf that would, or is intended to, permit a public offer of the Placing Shares in any country or jurisdiction where any such action for that purpose is required;
- 17) represents and warrants that it is entitled to purchase the Placing Shares under the laws of all relevant jurisdictions which apply to it. Its purchase of the Placing Shares will be in compliance with all applicable laws and regulations in the jurisdiction of its residence, the residence of the Company, or otherwise;
- 18) will acquire any Placing Shares purchased by it for its own account or for one or more accounts as to each of which it exercises sole investment discretion and it has full power to make the foregoing acknowledgements, representations, warranties and agreements on behalf of each such account and is authorised in writing by each managed account to acquire the Placing Shares for each managed account;
- 19) understands and acknowledges that the Company, the Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the representations, warranties, agreements, undertakings and acknowledgements set forth herein and in this Announcement which are given to each of the Bookrunners and the Company and are irrevocable;
- 20) acknowledges and agrees that the exercise by the Bookrunners of any power to grant consent to the Company to undertake a transaction which would otherwise be subject to the lock-up under the Placing Agreement shall be within the absolute discretion of the Bookrunners (subject to the Bookrunners having agreed with the Company not to withhold

or delay its consent unreasonably) and that the Bookrunners need not make any reference to, or consult with, it and that the Bookrunners shall have no liability to it in connection with any such exercise of the power to grant such consent;

- 21) acknowledges and agrees that the good faith exercise or non-exercise by the Bookrunners of any right of termination under the Placing Agreement shall be at the absolute discretion of the Bookrunners, with no requirement to reference or consult with it and the Bookrunners shall have no liability to it in connection with the good faith exercise or non-exercise of such termination right;
- 22) acknowledges that any agreements entered into by it pursuant to these terms and conditions, and all non-contractual or other obligations arising out of or in connection with them, shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract (including any dispute regarding the existence, validity or termination of such contract or relating to any non-contractual or other obligation arising out of or in connection with such contract), except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by either the Company or any Bookrunner 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;
- 23) represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006, the Money Laundering Regulations 2007 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;
- 24) represents and warrants 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;
- 25) represents and warrants that it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving, the United Kingdom;
- 26) represents and warrants that it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to this participation in the Placing and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this Appendix) and will honour such obligations;
- 27) undertakes that it (and any person acting on its behalf) will make payment for the Placing Shares allocated to it in accordance with this Appendix on the due time and date set out herein, failing which the relevant Placing Shares may be placed with other Placees or sold as the Bookrunners and the Company may in their sole discretion determine and without liability to such Placee, who will remain liable for any amount by which the net proceeds of such sale falls short of the product of the Placing Price and the number of Placing Shares allocated to it and may be required to bear and indemnify the Bookrunners and their affiliates, directors, officers and employees on an after-tax basis against any stamp duty, stamp duty reserve tax or other similar taxes (together with any interest 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) acknowledges that none of the Bookrunners, nor any of their respective affiliates, nor any person acting on their behalf, is making any recommendations to it, advising it regarding the suitability 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 any of the Bookrunners and that none of the Bookrunners has any duty or responsibility to it for providing the protections afforded to their 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 their respective rights and obligations thereunder, including any rights to waive or vary any conditions or exercise any termination right;
- 29) represents and warrants that it has neither received nor relied on any confidential price sensitive information concerning the Company in accepting this invitation to participate in the Placing nor encouraged or required another person to deal in the securities of the Company nor disclosed such information prior to the information being made generally available; and
- 30) acknowledges that the Placing Shares will be issued to Placees subject to the terms and conditions set out in this Appendix.

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

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

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

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

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

Each Placee undertakes that the person whom it specifies for registration as holder of the Placing Shares will be: (i) itself; or (ii) its nominee, as the case may be. None of the Bookrunners or the Company will be responsible for any liability to stamp duty, stamp duty reserve tax or other similar taxes resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee, agrees

to indemnify the Company, the Bookrunners, their respective affiliates and their respective directors, officers and employees on an after-tax basis in respect of the same. Each Placee agrees to indemnify on an after-tax basis and hold the Company, the Bookrunners and their respective directors, officers, employees, agents and affiliates harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgements, agreements and undertakings in this Appendix or the performance of the Placee's obligations hereunder or otherwise in connection with the Placing and further agrees that the provisions of this Appendix shall survive after completion of the Placing. No claim shall be made against the Company, the Bookrunners and their respective directors, officers, employees, agents and affiliates or any other person acting on behalf of such persons by a Placee to recover any damage, cost, charge or expense which it may suffer or incur by reason of or arising from the carrying out by it of the work to be done by it pursuant hereto or the performance of its obligations hereunder or otherwise in connection with the Placing.

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

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

RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, and Jefferies International Limited and Stifel Nicolaus Europe Limited (trading as Keefe, Bruyette & Woods) which are authorised and regulated in the United Kingdom by the FCA, are acting exclusively for the Company and no one else in connection with the Placing and will not regard any other person as a client in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement.

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

### **Statutory Right of Action - Ontario Placees**

Under Ontario securities legislation, certain Placees who purchase Placing Shares offered by the Company during the period of distribution will have a statutory right of action for damages, or while still the owner of the Placing Shares, for rescission against the Company if this Announcement contains a misrepresentation without regard to whether the Placees relied on the misrepresentation. The right of action for damages is exercisable not later than the earlier of 180 days from the date the Placee first had knowledge of the facts giving rise to the cause of action and three years from the date on which payment is made for the Placing Shares. The right of action for rescission is exercisable not later than 180 days from the date on which payment is made for the Placing Shares. If a Placee elects to exercise the right of action for rescission, the Placee will have no right of action for damages against the Company. In no case will the amount recoverable in any action exceed the price at which the Placing Shares were offered to the Placee and if the Placee is shown to have purchased the Placing Shares with knowledge of the misrepresentation, the Company will have no liability. In the case of an action for damages, the Company will not be liable for all or any portion of the damages that are proven to not represent the depreciation in value of the Placing Shares as a result of the misrepresentation relied upon. These rights are in addition to, and without derogation from, any other rights or remedies available at law to an Ontario Placee. The foregoing is a

summary of the rights available to an Ontario Placee. Not all defences upon which the Company may rely are described herein. Ontario Placees should refer to the complete text of the relevant statutory provisions.