

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this document or as to the action you should take, you are recommended immediately to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) or, if you are in a country outside the United Kingdom, another appropriately authorised independent financial adviser.

If you were a Shareholder and have sold or otherwise transferred all your Shares, please send this document (but not any accompanying personalised Tender Form) as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. However, neither this document nor any accompanying document(s) should be forwarded or transmitted to or in any Restricted Jurisdiction or any other jurisdiction outside the United Kingdom where to do so may violate any legal or regulatory requirement. If you are an existing holder of Shares and you have sold or transferred part only of your registered holding of Shares, please contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located. Persons who are not resident in the United Kingdom should read paragraph 7 (“**Overseas Shareholders**”) in Part 3 of this document and should inform themselves about, and observe, any applicable legal or regulatory requirements.

This document does not constitute or form part of any offer to purchase, or invitation to sell, Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not being made, directly or indirectly, in or into, or by use of the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission or telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange, of a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality, facility or otherwise from within a Restricted Jurisdiction.

XLMEDIA PLC

(incorporated in Jersey as a public limited liability company under the Companies (Jersey) Law 1991 (as amended) with company number 114467)

TENDER OFFER FOR UP TO 19,675,000 SHARES

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

The Directors and the Company accept responsibility, both collectively and individually, for the information contained in this document and compliance with the AIM Rules. To the best of the knowledge and belief of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Joh. Berenberg, Gossler & Co. KG, London Branch (“**Berenberg**”), which is authorised and regulated in Germany by the German Federal Financial Supervisory Authority (BaFin) and subject to limited regulation by the FCA, is acting solely in its capacity as joint broker to XLMedia PLC and for no one else, including any recipient of this document, in connection with the Tender Offer and other matters referred to in this document and will not be responsible to anyone other than XLMedia PLC for providing the protections afforded to clients of Berenberg or for affording advice in relation to the Tender Offer or any other matter referred to in this document.

The Tender Offer will open at 8.00 a.m. on 17 July 2019 and will close at 1.00 p.m. on 14 August 2019 and will only be available to Shareholders on the Register at the close of business on 14 August 2019 (being the Record Date for the purposes of this document). Shareholders wishing to tender Shares held in certificated form for purchase in the Tender Offer should ensure that their completed Tender Forms, together with their share certificate(s) and/or other documents of title in respect of the Shares tendered, are returned by post or by hand (during normal business hours) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received by not later than 1.00 p.m. on 14 August 2019. Shareholders wishing to tender Shares held in uncertificated form (i.e. in CREST) for purchase in the Tender Offer should arrange for the Shares tendered to be transferred into escrow by not later than 1.00 p.m. on 14 August 2019 as described in paragraph 4.3.1 of Part 3 of this document.

If you do not wish to tender any of your Shares do not complete or return a Tender Form or transfer any Shares to escrow.

Notice convening the General Meeting of the Company, to be held at 10.00 a.m. at the Company's registered office, 12 Castle Street, St Helier, Jersey JE2 3RT on 16 August 2019, is set out at Part 7 of this document. The accompanying Form of Proxy for use in connection with the General Meeting should be completed by Shareholders and returned, in accordance with the instructions printed thereon, as soon as possible, but in any event, so as to be received by post or, during normal business hours only, by hand at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 10.00 a.m. on 14 August 2019 (or, in the case of an adjournment of the General Meeting, not later than 48 hours (excluding non-working days) before the time fixed for the holding of the adjourned meeting).

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "plans", "estimates", "anticipates", "expects", "intends", "may", "will", or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Directors' current intentions, beliefs or expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the Group's markets. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Actual results and developments could differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this document are based on certain factors and assumptions, including the Directors' current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations, growth strategy and liquidity. Whilst the Directors consider these assumptions to be reasonable based upon information currently available, they may prove to be incorrect. Save as required by law or by the AIM Rules, none of the Company, its nominated adviser, Berenberg nor their respective directors, partners, officers or employees undertakes any obligation to publicly release the results of any revisions to any forward-looking statements in this document that may occur due to any change in the Directors' expectations or to reflect events or circumstances after the date of this document.

The distribution of this document and/or any accompanying documents in certain jurisdictions may be restricted by law and therefore persons into whose possession these documents comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

NOTICE FOR US SHAREHOLDERS

The Tender Offer relates to securities of a non-US company that is incorporated in Jersey and is subject to the disclosure requirements, rules and practices applicable to companies listed in the United Kingdom, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with English law, Jersey law and the AIM Rules for Companies of the London Stock Exchange and US Shareholders should read this entire document, including Part 4 of this document. The financial information relating to the Company included in this document has not been prepared in accordance with generally accepted accounting principles in the United States and thus may not be comparable to financial information relating to US companies. The Tender Offer is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act. The Tender Offer will be made in the United States in accordance with the requirements of Regulation 14E under the US Exchange Act to the extent applicable. Certain provisions of Regulation 14E under the US Exchange Act are not applicable to the Tender Offer by virtue of Rule 14d-1(d) under the US Exchange Act. US Shareholders should note that the Shares are not listed on a US securities exchange and the Company is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC thereunder.

It may be difficult for US Shareholders to enforce certain rights and claims arising in connection with the Tender Offer under US federal securities laws since the Company is located outside the United States and most of its officers and directors may reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

To the extent permitted by applicable law and in accordance with normal UK practice, the Company, Berenberg or any of their respective affiliates, may make certain purchases of, or arrangements to purchase,

Shares outside the United States during the period in which the Tender Offer remains open for acceptance, including sales and purchases of Shares effected by Berenberg acting as market maker in the Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the US Exchange Act by virtue of Rule 14e-5(b)(12) thereunder, such purchases, or arrangements to purchase, must comply with applicable English law and regulation, including the AIM Rules for Companies of the London Stock Exchange, and the relevant provisions of the US Exchange Act. Any information about such purchases will be disclosed as required in the UK and the United States and, if required, will be reported via the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com>.

The receipt of cash pursuant to the Tender Offer by a Shareholder who is a US Shareholder (as defined in Section C of Part 4 of this document) will be a taxable transaction for US federal income tax purposes. In addition, as described in Section C of Part 4 of this document, holders may be subject to US backup withholding and information reporting on payments with respect to the Tender Offer made (or deemed made) within the United States. Section C of Part 4 of this document further sets forth certain US federal income tax consequences of the Tender Offer under current US law. However, each Shareholder should consult and seek individual advice from an appropriate professional adviser.

The Tender Offer has not been approved by the SEC or by the securities regulatory authority of any state or of any other United States jurisdiction, nor has the SEC or any such securities regulatory authority passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States. This document does not constitute an offer to purchase, or solicitation of an offer to sell, Shares in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws.

The delivery of this document shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof, or that there has been no change in the information set forth herein or in the affairs of the Company since the date hereof. No dealer, salesperson or other person is authorised to give any information or to make any representations with respect to the Tender Offer other than such information or representations contained herein and, if given or made, such information or representations must not be relied upon as having been authorised by the Company.

This document is dated 16 July 2019.

CONTENTS

EXPECTED TIMETABLE	5
PART 1 LETTER FROM THE CHAIRMAN	6
PART 2 LETTER FROM BERENBERG	11
PART 3 TERMS AND CONDITIONS OF THE TENDER OFFER	14
PART 4 TAXATION	26
PART 5 ADDITIONAL INFORMATION	32
PART 6 DEFINITIONS	33
PART 7 NOTICE OF GENERAL MEETING	36

EXPECTED TIMETABLE

Publication of this document	16 July 2019
Tender Offer opens	8.00 a.m. on 17 July 2019
Latest time and date for receipt of proxy forms and CREST proxy instructions	10.00 a.m. on 14 August 2019
Latest time and date for receipt of Tender Forms and TTE Instructions in CREST for Tender Offer	1.00 p.m. on 14 August 2019
Record Date for Tender Offer	close of business on 14 August 2019
Result of Tender Offer announced	15 August 2019
General Meeting	10.00 a.m. on 16 August 2019
Payments through CREST made in respect of Shares held in uncertificated form successfully tendered	23 August 2019
CREST accounts settled in respect of unsold tendered Shares held in uncertificated form	23 August 2019
Cheques despatched in respect of Shares held in certificated form successfully tendered	23 August 2019
Balancing certificates despatched in respect of unsold tendered Shares held in certificated form	by 29 August 2019

Notes:

- 1 Each of the times and dates referred to in the expected timetable above and elsewhere in this document may be extended or brought forward at the discretion of the Company. If any of the above times and/or dates change, the revised time(s) and/or date(s) will be notified to Shareholders by an announcement through a Regulatory Information Service.
- 2 All times referred to in this document are, unless otherwise stated, references to London time.

PART 1

LETTER FROM THE CHAIRMAN

XLMedia PLC

*(incorporated in Jersey as a public limited liability company under the Companies (Jersey) Law 1991 (as amended)
with company number 114467)*

Directors:

Christopher Bell, Independent Non-Executive Chairman
Ory Weihs, Chief Executive Officer and Director
Yehuda Dahan, Chief Financial Officer and Director
Richard Rosenberg, Independent Non-Executive Director
Amit Ben Yehuda, Non-Executive Director
Jonas Mårtensson, Independent Non-Executive Director

Registered Office:

12 Castle Street
St Helier
Jersey
JE2 3RT

16 July 2019

To Shareholders

Dear Shareholder

TENDER OFFER TO PURCHASE UP TO 19,675,000 SHARES AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Introduction

The Company has announced today the Tender Offer to be made by Berenberg to Shareholders of the Company to purchase up to 19,675,000 Shares, representing approximately 9.51 per cent. of the Company's issued share capital (excluding any Shares held in treasury) at the close of business on 15 July 2019, the latest practicable day before the printing of this document, at a fixed price of 80 pence per Share (the "Tender Price") in accordance with the terms and conditions set out in Part 3 of this document. This letter sets out the background to, and reasons for, the implementation of the Tender Offer and the Board's recommendation to Shareholders to vote in favour of the Tender Offer Resolution at the General Meeting.

Information on the Company and update on current trading

XLMedia is a performance marketing company operating a large portfolio of informational and content rich websites globally. Its websites act as a conduit to channel users to its clients, the majority of which address two key products – gambling and personal finance. The Group also uses in-house media buying capabilities which it deploys to support its core publishing division.

The Group's publishing activities comprise of numerous informational websites and mobile sites which attract millions of users across numerous countries in their local language. These sites attract paying users and direct them to online businesses in return for performance-based payments, which are predominantly based on revenue share and cost per acquisition.

The Company is currently focused on further building its publishing business within the established gambling sector, as well as growing its presence in the personal finance space, where the Directors believe that there exists a significant market opportunity in North America. In order to establish its footprint, XLMedia has undertaken a number of acquisitions in this space, most notably [greedyrates.ca](#) and [moneyunder30.com](#), and the Directors remain focused on broadening the Group's exposure to this growing sector.

In addition, the Company is closely monitoring the US gambling market, which continues to benefit from the potential introduction of legislation and regulation across various States. XLMedia is now actively investing in building and developing a more comprehensive portfolio of publishing assets to support its entry into this market alongside investigating potential strategic acquisitions. As previously announced, in order to capitalise on this potential market opportunity, the Company has committed to spend \$7 million over the next three years on targeting the US gambling market in particular.

The Company is therefore focused on the following key growth initiatives:

- A strengthened focus on publishing activities as a core profit driver with an emphasis on gambling and personal finance;
- Further expanding the Company's footprint in the nascent US gambling sector, which offers significant growth potential; and
- Ongoing investment in technology whilst continuing to evaluate selective earnings accretive acquisitions.

On 16 July 2019, the Company provided the following update on trading for the year to 31 December 2019:

During the first half of 2019, the Group's business has remained stable and overall performance has been in line with the Board's expectations.

Pleasingly, the Company has seen a strong performance from its personal finance publishing assets in North America and Canada, which continue to gain momentum.

As anticipated, new gambling legislation in Sweden has had an impact on revenues for many gambling operators; however, the Group believes this to be a short-term issue with XLMedia's publishing assets continuing to rank well in the region. Elsewhere, the Company continues to invest in creating new publishing assets, including in North America.

The Company has a material positive cash balance and generates strong cash flows from operations. The Company's current cash balance will support the proposed Tender Offer, ongoing organic investment initiatives and current working capital commitments. XLMedia remains a highly cash generative business and as such will continue to maintain a progressive dividend policy, distributing at least 50 per cent. of retained earnings.

The Company will publish its half year results for the six months ended 30 June 2019 in September 2019.

Background to and reasons for the Tender Offer

On 18 December 2018, the Board announced a \$10 million share buyback programme for the Company's Shares. As part of its broader strategy to deliver shareholder value, coupled with the recent weakness in the Company's share price, the Board concluded that it was an opportune moment to undertake such an initiative, alongside maintaining its progressive dividend policy. At the Company's Annual General Meeting ("AGM") on 29 May 2019, authority to continue the share buyback programme was given, and on 4 June 2019, the Company announced it would be commencing a further \$10 million programme. Through these programmes, to date the Company has acquired 13,548,743 Shares at an aggregate cost of approximately \$10.8 million. These Shares have been acquired and held in treasury. On the date of this document the existing buyback programme shall cease and no additional purchases shall be made pursuant to it.

On 26 February 2019, the Company announced its intention to reduce activity in non-core, low margin media activities, with a view to focusing on the higher margin publishing activity, leading to an expected \$30 million reduction in revenues in 2019. The reduction alongside investment in development of new publishing assets have led to an adjusted EBITDA reduction of between \$6-7 million. This decision was made proactively by the Board with a view to delivering higher profit margins and better quality of earnings for Shareholders.

Despite some recent share price momentum, the Directors believe that the full potential of the Company, as highlighted above, is not reflected in the price of 72.75 pence per Share (as at close of business on 15 July 2019), and that the Shares continue to trade at a significant discount to quoted peers.

The Company has been built on the success of its publishing assets and the Directors firmly believe in the growth potential for the business by focusing on such assets in both the gambling and personal finance verticals going forward.

In light of these considerations, the Board has concluded that, in the interests of both effective capital management and utilising the Company's strong net cash position alongside ongoing working capital expenditure and the Company's future investment plans, a tender offer offers the most efficient use of the Company's excess cash at this point in time. A tender offer is therefore being proposed to Shareholders on the Company's Register on the Record Date (14 August 2019).

The Board intends to continue its commitment to maintaining a dividend policy of paying out at least 50 per cent. of net profit and will continue to evaluate selective publishing acquisition opportunities, which the Board considers could accelerate earnings growth.

The purpose of this document is to provide you with the terms and conditions relating to the Tender Offer and explain how you may tender some or all of your Shares in the Tender Offer, should you wish to do so.

While the Board believes that implementation of the Tender Offer is in the best interests of the Company and the Shareholders as a whole, this letter is not a recommendation for Shareholders to tender their Shares pursuant to the Tender Offer. Whether or not Shareholders tender their Shares may depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.

The Tender Offer

The key points of the Tender Offer are as follows:

- the Tender Offer will be restricted to 19,675,000 Shares, representing approximately 9.51 per cent. of the Shares in issue (excluding any Shares held in treasury) at the close of business on 15 July 2019, the latest practicable day before the printing of this document;
- each Shareholder (other than Restricted Shareholders) will be able to tender up to 9.51 per cent. of his or her holding (rounded down to the nearest whole number of Shares), with such tenders being satisfied in full ("**Basic Entitlement**");
- each Shareholder will also be able to tender Shares in excess of his or her Basic Entitlement, but such excess tenders will only be satisfied on a *pro rata* basis to the extent that other Shareholders tender less than (or none of) their Basic Entitlement; and
- the Tender Price will be fixed at 80 pence per Share which represents a premium of approximately 10 per cent. to the mid-market price of a Share at the close of business on 15 July 2019, the latest practicable day before the printing of this document.

The Tender Offer will be implemented by means of on-market purchases by Berenberg, which will, as principal, purchase the Shares tendered (subject to the overall limit of the Tender Offer) at the Tender Price and, on the completion of those purchases and in accordance with the Repurchase Agreement, sell them on to the Company at the Tender Price by way of an on-market transaction. The Shares that the Company purchases from Berenberg will be held in treasury and the number of Shares in issue carrying voting rights reduced accordingly. The Company will fund the purchase from its existing cash resources.

The Tender Offer is conditional on the Tender Offer Resolution being passed at the General Meeting. It is also subject to certain further conditions, which are set out in paragraph 3.1 of Part 3 of this document. In addition, the Tender Offer may be terminated in certain circumstances as set out in paragraph 3.2 of Part 3 of this document.

Your attention is drawn to the letter from Berenberg in Part 2 of this document and to Part 3 of this document, which constitute the terms and conditions of the Tender Offer.

Overseas Shareholders

The making of the Tender Offer to persons outside the United Kingdom may be prohibited or affected by the relevant laws of the overseas jurisdiction. Shareholders with registered or mailing addresses outside the United Kingdom or who are citizens or nationals of, or resident in, a jurisdiction other than the United Kingdom should read paragraph 7 of Part 3 of this document. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the observance of any legal requirements in their jurisdiction, including, without limitation, any relevant requirements in relation to the ability of such persons to complete and return a Tender Form.

Taxation

The attention of Shareholders is drawn to Part 4 of this document, which sets out a general guide to certain aspects of current UK, Jersey and US taxation law and practice. Shareholders who are in any doubt as to their tax position or who are subject to tax in a jurisdiction other than those referenced in this document should consult an appropriate independent professional adviser.

General Meeting

The implementation of the Tender Offer is conditional upon the passing of the Tender Offer Resolution at the General Meeting. A notice convening the General Meeting is set out in Part 7 of this document.

The Tender Offer Resolution will be proposed at the General Meeting as a special resolution to seek Shareholder approval for the Company to make an on-market purchase of up to a maximum of 19,675,000 Shares from Berenberg in connection with the Tender Offer. Shareholders' tendered shares will be purchased at the Tender Price pursuant to the Tender Offer. The authority sought by way of the Tender Offer Resolution will expire on the earlier of: (1) the completion of the Tender Offer or (2) the date falling 18 months from the date of the passing of the Tender Offer Resolution.

Action to be Taken

In respect of the General Meeting

A Form of Proxy for use at the General Meeting accompanies this document. The Form of Proxy together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be received by post or (during normal business hours only) by hand at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in each case no later than 10.00 a.m. on 14 August 2019 (or, if the meeting is adjourned, not less than 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

If you hold your Shares in uncertificated form in CREST, you may vote using the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST Manual using CREST ID: RA10. The latest time by which an instruction must be validly entered through the CREST electronic proxy appointment service is 10.00 a.m. on 14 August 2019 (or, if the meeting is adjourned, not less than 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

The completion and return of a Form of Proxy or the appointment of a proxy using the CREST electronic proxy appointment service will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

In respect of the Tender Offer

Shareholders are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.

If you hold your Shares in certificated form you will also find accompanying this document a personalised Tender Form for use in connection with the Tender Offer. If you wish to tender some or all of the Shares registered in your name at the Record Date you should complete the Tender Form in accordance with the instructions printed on it and in paragraph 4.2 of Part 3 of this document. The completed Tender Form together with the relevant share certificate(s) and/or other document(s) of title should be sent to the Receiving Agent by post or (during normal business hours only) delivered by hand to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received by not later than 1.00 p.m. on 14 August 2019. A prepaid envelope is enclosed for this purpose (for use within the UK only).

If you hold your Shares in uncertificated form (i.e. in CREST) and you wish to take advantage of the Tender Offer, you should comply with the procedures set out in paragraph 4.3.1 in Part 3 of this document in respect of transferring uncertificated Shares to escrow through CREST. To do so you should ensure that your CREST nominee, custodian, broker or financial adviser has been advised to send the TTE Instruction through CREST so as to settle by not later than 1.00 p.m. on 14 August 2019.

Full details of the procedure for tendering Shares are set out in paragraph 4 of Part 3 of this document and, in respect of Shares held in certificated form, in the Tender Form.

Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

General

If you have any questions relating to this document, and the completion and return of the Tender Form, please telephone Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or

tax advice and calls may be recorded and monitored for security and training purposes. If you require such advice, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA immediately or, if you are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser.

Recommendation

The Directors believe that the implementation of the Tender Offer is in the best interests of the Company and the Shareholders as a whole. Therefore, the Directors unanimously recommend that you vote in favour of the Tender Offer Resolution as they intend to do so in respect of their own interests in 6,181,222 Shares in aggregate, representing approximately 2.98 per cent. of the Shares currently in issue. Each of the Directors who holds Shares has stated that he will not tender any Shares.

The Board makes no recommendation to Shareholders as to whether or not to tender their Shares pursuant to the Tender Offer. Whether or not Shareholders decide to tender their Shares will depend on, among other things, their view of the Company's prospects and their own individual circumstances, including their tax position, on which they should seek their own independent advice.

Yours faithfully

Christopher Bell
Chairman

PART 2

LETTER FROM BERENBERG

16 July 2019

To Shareholders

Dear Sir or Madam

CONDITIONAL TENDER OFFER

Introduction

As explained in the letter from your chairman in Part 1 of this document, Shareholders (other than Restricted Shareholders) are being given the opportunity to tender some or all of their Shares for purchase pursuant to the Tender Offer, subject to the scaling back of tenders in excess of the entitlement of each Shareholder to tender up to 9.51 per cent. of the Shares registered in such Shareholder's name at the Record Date rounded down to the nearest whole number of Shares, on the basis set out below and in Part 3 of this document. The purpose of this letter is to summarise the principal terms and conditions of the Tender Offer.

The Tender Offer

Shareholders (other than Restricted Shareholders) on the Register at the Record Date are hereby invited to tender all or any number of the Shares held by them for purchase by Berenberg, for cash at the Tender Price. All Shares purchased under the Tender Offer will be repurchased by the Company under the Repurchase Agreement (which has been entered into between the Company and Berenberg) and held in treasury.

Each Shareholder (other than Restricted Shareholders) will be entitled to have accepted pursuant to the Tender Offer valid tenders in respect of up to 9.51 per cent. of the Shares registered in their name on the Register at the close of business on the Record Date, rounded down to the nearest whole number of Shares. In addition, Shareholders (other than Restricted Shareholders) may tender Shares in excess of their Basic Entitlement but any such excess tenders will only be satisfied on a *pro rata* basis to the extent that other Shareholders have not validly tendered all of their Basic Entitlement, with *pro rata* entitlements being rounded down to the nearest whole number of Shares. The number of Shares to be purchased pursuant to the Tender Offer will not in any event exceed 19,675,000 Shares.

The Tender Offer is conditional on the Tender Offer Resolution being passed at the General Meeting and is being made on the terms and subject to the conditions set out in Part 3 of this document and also, in the case of Shareholders holding their Shares in certificated form, in the Tender Form, the terms of which are deemed to be incorporated in this document and form part of the Tender Offer.

Berenberg is acting for the Company in connection with the Tender Offer and no-one else and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Berenberg nor for providing advice in relation to the Tender Offer.

Procedure for Tendering Shares

Shareholders are not obliged to tender any Shares. Participation in the Tender Offer is a matter for each Shareholder to decide, and will be influenced by their own individual financial and tax circumstances, their investment objective and their view of the Company's prospects. Shareholders who do not wish to participate in the Tender Offer need take no action. The rights of Shareholders who choose not to tender any of their Shares will be unaffected by the Tender Offer.

The Tender Offer will open at 8.00 a.m. on 17 July 2019. Shareholders (other than Restricted Shareholders) who hold their Shares in certificated form and who wish to tender Shares should complete the Tender Form in accordance with the instructions set out in it and in paragraph 4.2 of Part 3 of this document and return the completed Tender Form by post or (during normal business hours) by hand to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU so as to be received as soon as possible and, in any event, by not later than 1.00 p.m. on 14 August 2019. Such Shareholders should also return with their Tender Form the share certificate(s) and/or other documents of title in respect of their Shares tendered which are in certificated form.

Shareholders (other than Restricted Shareholders) who hold their Shares in uncertificated form (i.e. in CREST) and who wish to tender Shares should not complete a Tender Form but should instead arrange for their Shares to be transferred to escrow by sending a TTE Instruction in respect of such Shares, as described in paragraph 4.3.1 of Part 3 of this document, as soon as possible and in any event so as to settle by not later than 1.00 p.m. on 14 August 2019.

Full details of the procedure for tendering Shares are set out in paragraph 4 of Part 3 of this document and, in respect of Shares held in certificated form, in the Tender Form. A Shareholder who tenders Shares in the Tender Offer will be deemed to have appointed Link Asset Services as their agent in respect of the sale of Shares pursuant to the Tender Offer. Accordingly, Berenberg will issue a single, global contract note to Link Asset Services on behalf of all Shareholders for the sale of Shares pursuant to the Tender Offer prior to selling the Shares purchased in the Tender Offer to the Company under the Repurchase Agreement, following which they will be held in treasury.

Shareholders should note that, once tendered, Shares may not be sold, transferred, charged or otherwise disposed of other than in accordance with the Tender Offer.

If you are in any doubt as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA immediately or, if you are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser.

Validity of Tenders

The Tender Offer will close on 14 August 2019. Tender Forms and TTE Instructions which are received by the Receiving Agent after 1.00 p.m. on 14 August 2019 or which at that time are incorrectly completed or not accompanied by all relevant documents or instructions may be rejected and returned to the relevant Shareholders or their appointed agents, together with any accompanying share certificate(s) and/or other document(s) of title, at Berenberg's absolute discretion.

Berenberg reserves the right to treat as valid Tender Forms and TTE Instructions which are not entirely in order and (in the case of Shares held in certificated form) which are not accompanied by the relevant share certificate(s) and/or other document(s) of title or a satisfactory indemnity in lieu thereof.

Settlement

Subject to the Tender Offer becoming unconditional, payment of the consideration to which Shareholders are entitled pursuant to valid tenders will be made in pounds sterling:

- in the case of Shares held in uncertificated form, will be settled through CREST on 23 August 2019 or as soon as practicable thereafter; or
- in the case of Shares held in certificated form, by cheques despatched on 23 August 2019 or as soon as practicable thereafter,

as described in paragraph 6 of Part 3 of this document.

Overseas Shareholders

The availability of the Tender Offer to Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located and this document does not constitute or form part of any offer to purchase, or invitation to sell, Shares in any jurisdiction in which such offer or invitation is unlawful. Without prejudice to the foregoing generality, the Tender Offer is not available to Shareholders with registered or mailing addresses in Restricted Jurisdictions or who are citizens or nationals of, or resident in, a Restricted Jurisdiction.

Shareholders with registered or mailing addresses outside the United Kingdom and the Restricted Jurisdictions who wish to accept the Tender Offer should also read paragraph 7 of Part 3 of this document and should satisfy themselves that they have fully observed any applicable legal requirements under the laws of the relevant jurisdiction.

Conditions of the Tender Offer

The Tender Offer is conditional, *inter alia*, on the passing of the Tender Offer Resolution at the General Meeting and on the matters specified in paragraph 3.1 of Part 3 of this document.

Termination of the Tender Offer

The Tender Offer may be terminated in the circumstances described in paragraph 3.2 of Part 3 of this document. In particular, the Board has reserved the right to require that Berenberg does not proceed with the Tender Offer if it concludes, at any time prior to the announcement of the result of the Tender Offer, that the implementation of the Tender Offer or the subsequent repurchase by the Company of the Shares purchased by Berenberg pursuant to the Tender Offer is no longer in the best interests of the Company and Shareholders as a whole.

Further Information

Your attention is drawn to the information contained in the rest of this document, including, in particular, the terms and conditions of the Tender Offer in Part 3 of this document and the information regarding taxation in Part 4 of this document.

General

This letter is not a recommendation to Shareholders to sell or not sell Shares in the Tender Offer.

Yours faithfully

JOH. BERENBERG, GOSSLER & CO. KG, LONDON BRANCH

PART 3

TERMS AND CONDITIONS OF THE TENDER OFFER

1. Introduction

- 1.1 All Shareholders (other than Restricted Shareholders) on the Register at the Record Date may tender Shares for purchase on the terms and subject to the conditions set out in this document and, in the case of Shares held in certificated form, in the Tender Form. Shareholders are not obliged to tender any Shares and Shareholders who do not wish to participate in the Tender Offer need take no action.
- 1.2 Shares purchased pursuant to the Tender Offer will be purchased by Berenberg as principal and such purchases will be on-market purchases. Immediately following completion of the Tender Offer, Berenberg shall sell such Shares to the Company, at a price per Share equal to the Tender Price, pursuant to the Repurchase Agreement. Purchases of Shares by the Company pursuant to the Repurchase Agreement will also be on-market purchases. All of the Shares purchased by the Company pursuant to the Repurchase Agreement in connection with the Tender Offer will be held in treasury.

2. Terms of the Tender Offer

- 2.1 Pursuant to the Tender Offer and subject to the terms and conditions set out in this Part 3 of this document and, in the case of Shares held in certificated form, the Tender Form, upon the Tender Offer becoming unconditional and unless the Tender Offer has been and remains suspended or has lapsed or has been terminated in accordance with paragraph 3.2 of this Part 3, each Shareholder (other than Restricted Shareholders) on the Register at the Record Date:
 - 2.1.1 will be entitled to sell up to 9.51 per cent. of the number of Shares registered in such Shareholder's name on the Register at the Record Date (such entitlement being rounded down to the nearest whole number of Shares) at the Tender Price; and
 - 2.1.2 will be entitled to tender any whole number of Shares registered in its name on the Register at the Record Date in excess of its Basic Entitlement at the Tender Price;provided that the maximum number of Shares purchased pursuant to the Tender Offer will not exceed 19,675,000 Shares.
- 2.2 If a Shareholder validly tenders a number of Shares less than or equal to their Basic Entitlement, such tender will be satisfied in full (subject to the Tender Offer not having lapsed or been terminated in accordance with paragraph 3 of this Part 3) (a "**Satisfied Tender**"). If any Shareholder validly tenders a number of Shares in excess of its Basic Entitlement (an "**Excess Tender**") such Excess Tender will be (subject to the Tender Offer not having lapsed or been terminated in accordance with paragraph 3 of this Part 3):
 - 2.2.1 satisfied in full if (a) the aggregate number of Shares which are the subject of all Excess Tenders is less than or equal to (b) the maximum number of Shares to be purchased pursuant to the Tender Offer after deducting the aggregate number of Shares which are the subject of all Satisfied Tenders; or
 - 2.2.2 scaled back by the ratio of (a) the maximum number of Shares to be purchased pursuant to the Tender Offer after deducting the aggregate number of Shares which are the subject of all Satisfied Tenders to (b) the aggregate number of Shares which are the subject of all Excess Tenders, with such ratio being calculated to 4 decimal places and the number of Shares resulting from such scaling back being rounded down to the nearest whole number.
- 2.3 The Tender Offer will open at 8.00 a.m. on 17 July 2019. The Tender Offer will close at 1.00 p.m. on 14 August 2019 and no tenders received after that time will be accepted unless otherwise approved by Berenberg (with the consent of the Company). The results of the Tender Offer and, if applicable, the extent to which Excess Tenders will be scaled back, are expected to be announced through a Regulatory Information Service on or around 15 August 2019.
- 2.4 All tenders of Shares held in certificated form must be made on the personalised Tender Form, duly completed in accordance with the instructions set out in paragraph 4.2 of this Part 3 and in the Tender Form (which together constitute part of the terms of the Tender Offer) and such tenders will be valid only when the procedures contained in this document and in the Tender Form are complied with. All tenders of Shares held in uncertificated form must be made by the input and settlement of an appropriate TTE Instruction in CREST in accordance with the instructions set out in paragraph 4.3.1

of this Part 3 and the relevant procedures in the CREST Manual (which together constitute part of the terms of the Tender Offer) and such tenders will be valid only when the procedures contained in this document and in the relevant parts of the CREST Manual are complied with. Tender Forms once duly completed (for Shares held in certificated form) and submitted to the Receiving Agent and TFE Instructions which have settled (for Shares held in uncertificated form) will become irrevocable and cannot be withdrawn.

- 2.5 All Shares successfully tendered pursuant to the Tender Offer will be purchased:
- 2.5.1 at the Tender Price;
 - 2.5.2 free of all commissions and dealing charges;
 - 2.5.3 with full title guarantee;
 - 2.5.4 free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature; and
 - 2.5.5 together with all rights attaching thereto, on or after 1.00 p.m. on 14 August 2019, including the right to receive all dividends and other distributions declared, paid or made after that date.
- The consideration for each tendered Share accepted for purchase pursuant to the Tender Offer will be paid in pounds sterling in accordance with the settlement procedures set out in paragraph 6 of this Part 3.
- 2.6 If only part of a holding of Shares is sold pursuant to the Tender Offer (whether pursuant to scaling back tenders in excess of the Basic Entitlement or otherwise), the relevant Shareholder will be entitled to receive the following:
- 2.6.1 where the Shares are held in certificated form, a certificate in respect of the balance of the unsold Shares; and
 - 2.6.2 where the Shares are held in uncertificated form, the transfer by the Receiving Agent by TFE Instruction to the original available balance of those unsold Shares.
- 2.7 If any tendered Shares are not purchased because of an invalid tender, the lapse or termination of the Tender Offer or otherwise:
- 2.7.1 where the Shares are held in certificated form, the relevant Tender Form and share certificate(s) and/or document(s) of title will be returned by post to the person or agent whose name and address (outside the Restricted Jurisdictions) is set out in Box 1 or Box 4 in the Tender Form or, if none is set out, to the tendering Shareholder; and
 - 2.7.2 where the Shares are held in uncertificated form, the Receiving Agent will provide instructions to Euroclear to transfer all Shares held in escrow by TFE Instruction to the original available balance to which those Shares relate,
- within 10 Business Days of the tender having been determined to be invalid or the Tender Offer lapsing or having been terminated.
- 2.8 All documents and remittances sent by or to Shareholders and all instructions made by or on behalf of Shareholders in CREST relating to the Tender Offer will be sent or made (as the case may be) at the risk of the relevant Shareholder. In particular, the failure of any person to receive a copy of this document or, where applicable, the Tender Form shall not invalidate any aspect of the Tender Offer.
- 2.9 All questions as to the number of Shares tendered and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Shares pursuant to the Tender Offer will be determined by Berenberg, in its sole discretion, which determination shall be final and binding on all parties except as otherwise required under applicable law. Berenberg reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance or payment for which may, in the opinion of Berenberg, be unlawful. Berenberg also reserves the absolute right to waive any of the terms or conditions of the Tender Offer (other than the conditions referred to in paragraph 3.1 of this Part 3) and any defect or irregularity in the tender of any particular Shares or any particular holder thereof. Unless Berenberg determines otherwise, no tender of Shares will be deemed to be validly made until all defects or irregularities have been cured or waived. In the event of a waiver, the consideration pursuant to the Tender Offer will not be despatched (in respect of Shares held in certificated form) or made by way of CREST payment (in respect of Shares held in

uncertificated form) to the relevant Shareholder until after (in the case of Shares held in certificated form) the Tender Form is complete in all respects and the share certificate(s) and/or other document(s) of title satisfactory to Berenberg have been received or (in the case of Shares in uncertificated form) the relevant TTE Instruction has settled. None of the Receiving Agent, Berenberg, the Company or any other person is or will be obliged to give notice of any defects or irregularities in any tender and none of them will incur any liability for failure to give any such notice.

- 2.10 The terms of the Tender Offer (including the times and dates referred to in this document) shall have effect subject to such non-material modifications as the Company and Berenberg may from time to time agree. Any such modification will be announced as soon as practicable through a Regulatory Information Service.
- 2.11 For the avoidance of doubt, entitlements pursuant to the Tender Offer will apply to each registered Shareholder and, accordingly, a registered Shareholder who holds Shares for multiple beneficial owners may decide the allocation of such entitlements between such beneficiaries at its own discretion, and neither the Company nor Berenberg shall be concerned as to the terms of any such allocation.

3. Conditions and Termination of the Tender Offer

- 3.1 The Tender Offer is conditional on the following (together, the “**Conditions**”):

3.1.1 the passing of the Tender Offer Resolution at the General Meeting;

3.1.2 Berenberg being satisfied that the Directors authorizing the repurchase of Shares pursuant to the Tender Offer have made a solvency statement in the form specified by Articles 55 and 57 of the Companies (Jersey) Law 1991 (as amended);

3.1.3 the Repurchase Agreement having become unconditional in all respects (save in respect of any condition relating to the Tender Offer becoming unconditional);

3.1.4 Berenberg being satisfied that, at all times up to immediately prior to the announcement of the result of the Tender Offer, the Company has complied with its obligations, and is not in breach of any of the representations and warranties given by it, pursuant to the Repurchase Agreement; and

3.1.5 the Tender Offer not having been terminated in accordance with paragraph 3.2 of this Part 3 prior to the fulfilment of the conditions referred to in paragraphs 3.1.1 to 3.1.4 (inclusive) above.

Berenberg will not purchase (or enter into any commitment or contract to purchase) any Shares pursuant to the Tender Offer unless all of the Conditions have been satisfied. The purchase by Berenberg of Shares pursuant to the Tender Offer will only occur once all of the Conditions have been satisfied. The Conditions may not be waived by Berenberg or the Company. If any of the Conditions is not satisfied by 7.00 a.m. on 23 August 2019 (or such later time and date as the Company and Berenberg may agree, not being later than 7.00 a.m. on 29 August 2019), the Tender Offer will lapse.

- 3.2 The Board reserves the right to compel Berenberg to terminate the Tender Offer at any time prior to announcement of the results of the Tender Offer if it concludes that the implementation of the Tender Offer or the subsequent purchase by the Company of the Shares to be purchased pursuant to the Tender Offer is no longer in the best interests of the Company and Shareholders as a whole or if the purchase of Shares by Berenberg pursuant to the Tender Offer or the subsequent purchase by the Company of such Shares may have adverse fiscal or other consequences (whether by reason of any change in legislation, practice, circumstances or otherwise) for the Company or Shareholders as a whole which were previously unexpected. If the Tender Offer is terminated, the Company will make an announcement through a Regulatory Information Service that such is the case.

4. Procedure for Tendering Shares

4.1 Overview

There are different procedures for tendering Shares depending on whether the Shares are held in certificated or uncertificated form (i.e. in CREST).

Shareholders who wish to tender Shares held in certificated form must complete and return the personalised Tender Form in accordance with the instructions in paragraph 4.2 of this Part 3 and in the Tender Form. A Shareholder who wishes to tender Shares held in certificated form but under

different designations must complete and return a separate Tender Form for each designation (further copies of the Tender Form may be obtained on request from Link Asset Services, or by telephone from the Shareholder Helpline referred to below). The relevant share certificate(s) and/or other documents of title should also be returned with the relevant Tender Form.

Shareholders who wish to tender Shares held in uncertificated form must send a TTE Instruction in accordance with the procedure set out in paragraph 4.3.1 of this Part 3. A Shareholder who wishes to tender Shares held in uncertificated form but under different member account IDs must send a separate TTE Instruction for Shares under each member account ID.

A tender will only be valid when the procedures contained in this paragraph 4 and, where the tendered Shares are held in certificated form, in the Tender Form are complied with.

If you have any questions relating to this document, and the completion and return of the Tender Form, please telephone Link Asset Services on 0371 664 0321. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Link Asset Services cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. If Shareholders require such advice, they should consult their stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA immediately or, if they are in a jurisdiction outside the United Kingdom, another appropriately authorised independent financial adviser. Shareholders who are CREST sponsored members should consult their CREST sponsor before taking any action.

4.2 *Shares Held in Certificated Form (i.e. not in CREST)*

To participate in the Tender Offer, a Shareholder holding Shares in certificated form must complete and return the Tender Form in accordance with the instructions in this paragraph 4.2 and in the Tender Form.

Completed Tender Forms, together with the relevant share certificate(s) and/or other document(s) of title, should be either sent by post in the accompanying reply-paid envelope (for use in the UK only) or (during normal business hours only) delivered by hand at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, as soon as possible and, in any event, so as to be received by not later than 1.00 p.m. on 14 August 2019. Tenders received after that time will be accepted only at the sole discretion of Berenberg (with the consent of the Company).

A reply-paid envelope for use in the UK only is enclosed with this document. Any Tender Form received in an envelope postmarked from any of the Restricted Jurisdictions or otherwise appearing to the Receiving Agent to have been sent from any of the Restricted Jurisdictions will be rejected as an invalid tender. Further provisions relating to Overseas Shareholders are contained in paragraph 7 of this Part 3.

Duly completed Tender Forms sent by any of the means set out above and received signed and complete in all respects by the prescribed time will be treated as tenders of Shares in accordance with the terms and conditions of the Tender Offer. No acknowledgement of receipt of documents will be given.

The completed Tender Form should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If the share certificate(s) and/or other document(s) of title are not readily available (for example, if they are with a stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed and returned in accordance with the instructions above by post or (during normal business hours only) by hand at Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received by the Receiving Agent by not later than 1.00 p.m. on 14 August 2019 together with any share certificate(s) and/or other document(s) of title that may be available, accompanied by a note stating that the (remaining) share certificate(s) and/or other document(s) of title will be forwarded as soon as possible thereafter and, in any event, so as to be received by not later than 1.00 p.m. on 14 August 2019.

Shareholders who have lost their share certificate(s) and/or other document(s) of title should complete a letter of indemnity, which can be obtained by writing to the Company's registrar, Link Asset Services, or contacting the Shareholder Helpline, and return it with the Tender Form in accordance with the instructions above by post or by hand to Link Asset Services, Corporate Actions, The

Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, so as to be received by the Receiving Agent by not later than 1.00 p.m. on 14 August 2019. A fee may be payable by the Shareholder in respect of each letter of indemnity.

Where a letter of indemnity in respect of any unavailable share certificate(s) and/or other document(s) of title and such certificate(s) and/or other document(s) are subsequently found or obtained, such certificate(s) and/or other document(s) should be sent by post to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, or (during normal business hours only) delivered by hand to the address above, immediately.

4.3 *Shares Held in Uncertificated Form (i.e. in CREST)*

4.3.1 *Completion of TTE Instruction*

To participate in the Tender Offer, a Shareholder holding Shares in uncertificated form must take (or procure to be taken) the action set out below to transfer (by means of a TTE Instruction) the number of Shares they wish to tender pursuant to the Tender Offer to the escrow account, specifying Link Asset Services (in its capacity as a CREST receiving agent under its participant ID and member account ID referred to below) as the escrow agent, as soon as possible and in any event so that the transfer to escrow settles by not later than 1.00 p.m. on 14 August 2019.

A Shareholder who is a CREST sponsored member should refer to their CREST sponsor before taking any action. Their CREST sponsor will be able to confirm details of such Shareholder's participant ID and the member account ID under which their Shares are held. In addition, only such Shareholder's CREST sponsor will be able to send the TTE Instruction to Euroclear in relation to the Shares which they wish to tender.

To tender Shares held in uncertificated form, a Shareholder must send (or, if they are a CREST sponsored member, procure that their CREST sponsor sends) a TTE Instruction to Euroclear in relation to such Shares, which must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain, in addition to other information that is required for the TTE Instruction to settle in CREST, the following details:

- (a) the ISIN number of the Shares (this is JE00BH6XDL31);
- (b) the number of Shares to be transferred to an escrow balance;
- (c) the Shareholder's participant ID;
- (d) the Shareholder's member account ID;
- (e) the participant ID of the escrow agent, in its capacity as a CREST receiving agent (this is RA10);
- (f) the member account ID of the escrow agent (this is XLM20265);
- (g) the corporate action number for the Tender Offer (this is allocated by CREST and can be found by viewing the relevant corporate action details in CREST);
- (h) the intended settlement date for the transfer to escrow (this should be as soon as possible and in any event not later than 1.00 p.m. on 14 August 2019);
- (i) input with standard delivery instruction of priority 80; and
- (j) a contact name and telephone number in the event of queries (this should be inserted in the shared note field).

After settlement of the TTE Instruction, a Shareholder will not be able to access the Shares concerned in CREST for any transaction or for charging purposes, notwithstanding that they will be held by the Receiving Agent as the Shareholder's escrow agent until completion, lapse or termination of the Tender Offer. If the Tender Offer becomes unconditional by 7.00 a.m. on 23 August 2019 (or such later time and date as the Company and Berenberg may agree, not being later than 7.00 a.m. on 29 August 2019), the Receiving Agent will transfer the Shares which are accepted for purchase by Berenberg pursuant to the Tender Offer to itself as the agent of Berenberg, returning any Shares not successfully tendered to the Shareholders concerned.

Shareholders are recommended to refer to the CREST Manual for further information on the CREST procedures outlined in this paragraph 4.3.1.

Shareholders should note that Euroclear does not make available special procedures in CREST for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement (in particular, settlement cannot take place on weekends, bank holidays or other times at which the CREST system is non-operational and TTE Instructions should be input accordingly). Shareholders should therefore ensure that all necessary action is taken by them (or by their CREST sponsor) to enable a TTE Instruction relating to their Shares to settle prior to 1.00 p.m. on 14 August 2019. In this connection, Shareholders are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

An announcement through a Regulatory Information System will be made if any of the details contained in this paragraph 4.3.1 are altered.

The input and settlement of a TTE Instruction in accordance with this paragraph 4.3.1 shall constitute an irrevocable offer to Berenberg to sell to it the number of Shares transferred to the escrow account referred to above.

4.3.2 Deposits of Shares into, and Withdrawals of Shares from, CREST

Normal CREST procedures (including timings) apply in relation to any Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Shares or otherwise). Shareholders who are proposing to convert any such Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of the share certificates and/or other documents of title or transfers to an escrow balance as described in paragraphs 4.2 and 4.3.1 respectively of this Part 3) prior to 1.00 p.m. on 14 August 2019.

4.4 Validity of Tenders

4.4.1 Shares Held in Certificated Form

Berenberg reserves the right to treat as valid only Tender Forms which are received entirely in order by 1.00 p.m. on 14 August 2019 and which are accompanied by the relevant share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Berenberg in lieu thereof, in respect of the entire number of Shares tendered.

4.4.2 Shares Held in Uncertificated Form

A Tender Form which is received in respect of Shares held in uncertificated form will not constitute a valid tender and will be disregarded. Shareholders holding Shares in uncertificated form who wish to tender such Shares should note that a TTE Instruction will be a valid tender as at 14 August 2019 only if it has settled on or before 1.00 p.m. on that date.

The decision of Berenberg as to which Shares have been validly tendered shall be conclusive and binding on Shareholders who participate in the Tender Offer.

4.5 General

4.5.1 Notwithstanding the receipt of a valid Tender Form or settlement of a TTE Instruction, as applicable, the Tender Offer may lapse or be terminated in accordance with paragraph 3 of this Part 3.

4.5.2 The decision of Berenberg as to which Shares have been validly tendered shall be conclusive and binding on all Shareholders.

4.5.3 Once tendered, Shares may not be sold, transferred, charged or otherwise disposed of.

5. Tender Representations and Warranties

5.1 Shareholders Tendering Shares Held in Certificated Form

Each Shareholder by whom, or on whose behalf, a Tender Form is completed and returned (including a Tender Form which is treated by Berenberg as valid) irrevocably undertakes, represents, warrants and agrees to and with Berenberg (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

- 5.1.1 the execution of the Tender Form shall constitute an offer to sell such number of Shares as is inserted, or deemed to be inserted, in either Box 2A (being the Basic Entitlement) or Box 2B in the Tender Form (or deemed to be tendered in accordance with paragraph 5.1.2 or 5.1.3 below), in each case on and subject to the terms and conditions set out or referred to in this document and the Tender Form;
- 5.1.2 if neither Box 2A nor Box 2B in the Tender Form has been completed, or if Berenberg determines (in its absolute discretion) that Box 2 in the Tender Form has not been validly completed (for example, if both Box 2A and Box 2B have been completed) and provided that the Tender Form is otherwise in order, such Shareholder will be deemed to have tendered all of the Shares that are evidenced by the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Berenberg in lieu thereof, accompanying the Tender Form or, if less, the number of Shares registered in their name in the Register at the Record Date;
- 5.1.3 if the Receiving Agent has not received the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Berenberg in lieu thereof, in respect of the tendered Shares by 1.00 p.m. on 14 August 2019, Berenberg may deem (in its absolute discretion) that such Shareholder has only tendered the number of Shares in respect of which share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Berenberg in lieu thereof, have been received;
- 5.1.4 the completion and return of the Tender Form shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of Berenberg as such Shareholder's attorney and/or agent (the "**Attorney**"), and an irrevocable instruction and authority to the Attorney to:
- (a) complete and execute any and all instrument(s) of transfer and/or other document(s) and take any and all actions which, in the Attorney's absolute discretion, are necessary or expedient in relation to the Shares referred to in paragraph 5.1.1 above in favour of Berenberg or such other person or persons as Berenberg may direct; and
 - (b) deliver such instrument(s) and/or other document(s) at the discretion of the Attorney, together with the share certificate(s) and/or other document(s) of title relating to such Shares, for registration within six months of the Tender Offer becoming unconditional and to take any and all other actions which, in the Attorney's opinion, are necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Berenberg, its nominee(s) or such other person(s) as Berenberg may direct such of the Shares as are successfully tendered;
- 5.1.5 if the appointment of attorney and/or agent provision under paragraph 5.1.4 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Berenberg the benefit or authority expressed to be given therein, such Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Berenberg to secure the full benefits of paragraph 5.1.4 above;
- 5.1.6 such Shareholder will deliver to the Receiving Agent their share certificate(s) and/or other document(s) of title in respect of the Shares referred to in paragraph 5.1.1 above, or an indemnity acceptable to Berenberg in lieu thereof or will procure the delivery of such certificate (s), other document(s) and/or indemnity to the Receiving Agent as soon as possible thereafter and, in any event, by not later than 1.00 p.m. on 14 August 2019;
- 5.1.7 without prejudice to the generality of paragraph 5.3.6 of this Part 3:
- (a) such Shareholder has not received or sent copies or originals of this document, the Tender Form or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange of a Restricted Jurisdiction;
 - (b) neither this document nor the Tender Form has been mailed or otherwise sent in, into or from a Restricted Jurisdiction;
 - (c) such Shareholder is accepting the Tender Offer from outside any Restricted Jurisdiction;

- (d) the despatch of a cheque to such Shareholder in accordance with paragraph 6.1.1 of this Part 3 will discharge fully the obligation to pay such Shareholder the consideration to which they are entitled under the Tender Offer;
- (e) the Tender Form takes effect as a deed on execution;
- (f) the instructions, terms and other provisions in the Tender Form shall be deemed to be incorporated into this Part 3 and, accordingly, form part of the terms and conditions of the Tender Offer; and
- (g) the Tender Offer will be governed by and construed in accordance with English law and the execution of the Tender Form constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form.

A reference in this paragraph 5.1 to a "Shareholder" includes a reference to the person or persons executing the Tender Form and, in the event of more than one person executing a Tender Form, the provisions of this paragraph 5.1 will apply to them jointly and to each of them.

5.2 *Shareholders Tendering Shares Held in Uncertificated Form*

Each Shareholder by whom, or on whose behalf, a TTE Instruction which is treated by Berenberg as valid, irrevocably undertakes, represents, warrants and agrees to and with Berenberg (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

5.2.1 the input of the TTE Instruction shall constitute an offer to sell to Berenberg such number of Shares as are specified in the TTE Instruction or deemed to be tendered, in each case on and subject to the terms and conditions set out or referred to in this document and the TTE Instruction;

5.2.2 the input of the TTE Instruction, shall, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of Link Asset Services as such Shareholder's escrow agent, and an irrevocable instruction and authority to the Agent to:

- (a) complete and execute any and all instrument(s) of transfer and/or other document(s) and take any and all actions (including inputting instructions into Euroclear) which, in the Agent's absolute discretion, are necessary or expedient in relation to the Shares referred to in paragraph 5.2.1 above in favour of Berenberg or such other person or persons as Berenberg may direct; and
- (b) deliver such instrument(s) and/or other document(s) at the discretion of the Agent or input any instructions into Euroclear relating to such Shares for registration within six months of the Tender Offer becoming unconditional and to take any and all other actions which, in the Agent's opinion, are necessary or expedient for the purpose of, or in connection with, the Tender Offer and to vest in Berenberg, its nominee(s) or such other person(s) as Berenberg may direct such of the Shares as are successfully tendered;

5.2.3 if the appointment of agent provision under paragraph 5.2.2 above shall be unenforceable or invalid or shall not operate so as to afford any director or officer of Berenberg the benefit or authority expressed to be given therein, such Shareholder shall with all practicable speed do all such acts and things and execute all such documents that may be required to enable Berenberg to secure the full benefits of paragraph 5.2.2 above;

5.2.4 if, for any reason, any Shares in respect of which a TTE Instruction has been made are prior to 1.00 p.m. on 14 August 2019, converted into certificated form, the electronic tender in respect of such Shares shall cease to be valid and such Shareholder shall then comply with the procedures for tendering Shares held in certificated form as set out in paragraph 5.1 of this Part 3 in respect of the Shares so converted, if they wish to make a valid tender of such Shares pursuant to the Tender Offer;

5.2.5 without prejudice to the generality of paragraph 5.3.6 of this Part 3:

- (a) such Shareholder has not received or sent copies or originals of this document or any related documents in, into or from a Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer, directly or indirectly, the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic

transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange, of a Restricted Jurisdiction at the time of the input of and settlement of the relevant TTE Instruction;

- (b) the TTE Instruction has not been sent from a Restricted Jurisdiction; and
- (c) such Shareholder is accepting the Tender Offer from outside any Restricted Jurisdiction;

5.2.6 the creation of a payment obligation in favour of such Shareholder's payment bank in accordance with the CREST payment arrangements in accordance with paragraph 6.1.2 of this Part 3 will, to the extent of the obligations so created, discharge fully the obligation to pay such Shareholder the consideration to which they are entitled pursuant to the Tender Offer; and

5.2.7 the Tender Offer will be governed by and construed in accordance with English law and the input of the TTE Instruction constitutes such Shareholder's submission to the jurisdiction of the courts of England and Wales in relation to all matters arising out or in connection with the Tender Offer.

5.3 *All Shareholders Tendering Shares*

Each Shareholder by whom, or on whose behalf, a Tender Form is completed and returned (including a Tender Form which is treated by Berenberg as valid) or a TTE Instruction which is treated by Berenberg as valid, irrevocably undertakes, represents, warrants and agrees to and with Berenberg (so as to bind such Shareholder and their personal representatives, heirs, successors and assigns) that:

5.3.1 in consideration of Berenberg agreeing to process their tender, such Shareholder will not revoke their tender;

5.3.2 such Shareholder has full power and authority to tender, sell, assign or transfer the Shares in respect of which the offer referred to in paragraph 5.1.1 (in the case of Shares held in certificated form) or paragraph 5.2.1 (in the case of Shares held in uncertificated form) is accepted (together with all rights attaching thereto) and, when the same are purchased by Berenberg, Berenberg will purchase such Shares as are successfully tendered with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature and together with all rights attaching thereto, on or after 14 August 2019, including the right to receive all dividends and other distributions declared, paid or made after that date;

5.3.3 such Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by Berenberg and/or the Receiving Agent or any of their respective directors or officers or any person nominated by Berenberg or the Receiving Agent or any of their respective directors or officers in the proper exercise of their powers and/or authorities in accordance with the terms and conditions of the Tender Offer;

5.3.4 all powers of attorney and authorities on the terms conferred by or referred to in this Part 3 or, in the case of Shares held in certificated form, in the Tender Form are given by way of security for the performance of the obligations of such Shareholder and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971;

5.3.5 such Shareholder shall do all such acts and things as shall be necessary or expedient and execute any additional documents deemed by Berenberg to be desirable, in each case in order to complete the purchase of such Shares as are successfully tendered and/or to perfect any of the authorities expressed to be given in accordance with the terms and conditions of the Tender Offer;

5.3.6 such Shareholder has observed the laws of all relevant jurisdictions, obtained any requisite consents and complied with all applicable formalities, and that the invitation pursuant to the Tender Offer may be made to them, under the laws of the relevant jurisdictions, and has not taken or omitted to take any action which would otherwise result in Berenberg or the Company acting in breach of any applicable legal or regulatory requirement in respect of the purchase by Berenberg of the Shares successfully tendered by them in accordance with the Tender Offer; and

5.3.7 such Shareholder consents to the assignment by Berenberg of all such benefit as Berenberg may have in any covenants, representations and warranties in respect of the Shares which are successfully tendered pursuant to the Tender Offer.

6. Settlement of Consideration

6.1 Payment of the consideration to which any Shareholder is entitled pursuant to a valid tender accepted by Berenberg will be made in pounds sterling as follows:

6.1.1 *Shares Held in Certificated Form*

Where an accepted tender relates to Shares held in certificated form:

- (a) a cheque drawn on a branch of a UK clearing bank for the consideration due will be despatched by the Receiving Agent (on behalf of Berenberg) on 23 August 2019 or as soon as practicable thereafter by first class post to the person or agent whose name and address (not being an address in a Restricted Jurisdiction) is set out in Box 1 or Box 4 of the Tender Form or, if none is set out, to the registered address of the tendering Shareholder or, in the case of joint holders, the address of the first named; and
- (b) notwithstanding paragraph 6.1.1(a) above, payment of the consideration due will be made only after timely receipt by the Receiving Agent of a properly completed Tender Form and the share certificate(s) and/or other document(s) of title, or an indemnity acceptable to Berenberg in lieu thereof, in respect of the Shares successfully tendered.

6.1.2 *Shares Held in Uncertificated Form*

Where an accepted tender relates to Shares held in uncertificated form:

- (a) the consideration due will be paid on 23 August 2019 by the Receiving Agent (on behalf of Berenberg) procuring the creation of a CREST payment obligation in favour of the tendering Shareholder's payment bank in accordance with the CREST payment arrangements; and
- (b) notwithstanding paragraph 6.1.2(a) above, payment of the consideration due will be made only after the relevant TTE Instruction has settled.

6.2 Under no circumstances will interest be paid on the consideration to which any Shareholder is entitled pursuant to a valid tender accepted by Berenberg regardless of any delay in making payment of such consideration.

7. Overseas Shareholders

7.1 The making of the Tender Offer in, or to persons resident in, jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of countries other than the United Kingdom may be affected by the laws of the relevant jurisdiction. Shareholders who are not resident in the United Kingdom, or who are citizens, residents or nationals of countries outside the United Kingdom, should inform themselves about and observe any applicable legal requirements. It is the responsibility of any Overseas Shareholder wishing to take up the Tender Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any transfer or other taxes or other requisite payments due in such jurisdiction. Any Overseas Shareholder will be responsible for payment of any such transfer or other taxes or other requisite payments by whomsoever payable and the Company, Link Asset Services, Berenberg and any person acting on their behalf shall be fully indemnified and held harmless by such Shareholder on an after-tax basis for any such transfer or other taxes or other requisite payments such person may be required to pay. No steps have been taken to qualify the Tender Offer or to authorise the extending of the Tender Offer or the distribution of this document or the Tender Form in any territory outside the United Kingdom.

7.2 In particular, the Tender Offer is not being made, directly or indirectly, in, into or from, or by use of the mail or by any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce, or of any facility of a national securities exchange, of a Restricted Jurisdiction and the Tender Offer cannot be accepted by any such use, means, instrumentality, facility or otherwise from within a Restricted Jurisdiction. Accordingly, copies of this document, the Tender Form and any related documents are not being, and must not be, mailed or otherwise distributed or sent in, into or from a Restricted Jurisdiction, including to Shareholders with registered addresses in a Restricted Jurisdiction or to persons who are custodians, nominees or trustees holding Shares for persons in a Restricted Jurisdiction. Persons receiving such documents (including without limitation custodians, nominees or trustees) should not

distribute, send or mail them in, into or from a Restricted Jurisdiction or use such mail or any such means, instrumentality, facility or otherwise in connection with the Tender Offer, and doing so will render invalid any related purported acceptance of the Tender Offer. Persons wishing to accept the Tender Offer should not use such mail or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to acceptance of the Tender Offer. Envelopes containing Tender Forms should not be postmarked in or otherwise despatched from a Restricted Jurisdiction. All accepting Shareholders must provide addresses outside a Restricted Jurisdiction for the remittance of cash or the return of documents lodged pursuant to the Tender Offer.

- 7.3 A Shareholder will be deemed not to have accepted the Tender Offer if:
- 7.3.1 such Shareholder is unable to make the representations and warranties set out in paragraphs 5.1.7 and 5.3.6 (in respect of Shares held in certificated form) or paragraphs 5.2.5 and 5.3.6 (in respect of Shares held in uncertificated form) of this Part 3;
 - 7.3.2 in respect of Shares held in certificated form, such Shareholder inserts in the Tender Form the name and address of a person or agent in a Restricted Jurisdiction to whom they wish the consideration to which they are entitled pursuant to the Tender Offer to be sent; or
 - 7.3.3 the Tender Form received from such Shareholder is in an envelope postmarked in, or which otherwise appears to the Receiving Agent or Berenberg to have been sent from a Restricted Jurisdiction.

Berenberg reserves the right, in its absolute discretion, to investigate, in relation to any acceptance, whether the representations and warranties referred to in paragraph 7.3.1 above given by, or on behalf of, any Shareholder are correct and, if such investigation is undertaken and as a result Berenberg determines (for any reason) that such representations and warranties are not correct, such acceptance shall not be valid.

- 7.4 If, in connection with making the Tender Offer, notwithstanding the restrictions described in this paragraph 7, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this document, a Tender Form or any related documents in, into or from a Restricted Jurisdiction or uses the mails, any means or instrumentality (including, without limitation, facsimile transmission, email, other electronic transmission and telephone) of interstate or foreign commerce or any facility of a national, state or other securities exchange of any Restricted Jurisdiction in connection with such forwarding, such persons should:
- 7.4.1 inform the recipient of such fact;
 - 7.4.2 explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - 7.4.3 draw the attention of the recipient to this paragraph 7.
- 7.5 The provisions of this paragraph 7 and any other terms of the Tender Offer relating to persons resident in jurisdictions outside the United Kingdom or to persons who are citizens, residents or nationals of countries other than the United Kingdom may be waived, varied or modified as regards specific Shareholders or on a general basis by Berenberg in its absolute discretion but only if Berenberg is satisfied that such waiver, variance or modification will not constitute or give rise to a breach of applicable securities or other law.
- 7.6 The provisions of this paragraph 7 supersede any terms of the Tender Offer inconsistent herewith.
- 7.7 **Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. Any Overseas Shareholder in any doubt about their position should consult their professional adviser in the relevant jurisdiction.**

United States

- 7.8 The Tender Offer relates to securities of a non-US company that is incorporated in Jersey and is subject to the disclosure requirements, rules and practices applicable to companies listed in the United Kingdom, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with English law, Jersey law and the AIM Rules for Companies of the London Stock Exchange, and US Shareholders should read this entire document, including Part 4 of this document. The financial

information relating to the Company included in this document has not been prepared in accordance with generally accepted accounting principles in the United States and thus may not be comparable to financial information relating to US companies. The Tender Offer is not subject to the disclosure and other procedural requirements of Regulation 14D under the US Exchange Act. The Tender Offer will be made in the United States in accordance with the requirements of Regulation 14E under the US Exchange Act to the extent applicable. Certain provisions of Regulation 14E under the US Exchange Act are not applicable to the Tender Offer by virtue of Rule 14d-1(d) under the US Exchange Act. US Shareholders should note that the Shares are not listed on a US securities exchange and the Company is not subject to the periodic reporting requirements of the US Exchange Act and is not required to, and does not, file any reports with the SEC thereunder.

- 7.9 To the extent permitted by applicable law and in accordance with normal UK practice, the Company, Berenberg or any of their affiliates, may make certain purchases of, or arrangements to purchase, Shares outside the United States during the period in which the Tender Offer remains open for acceptance, including sales and purchases of Shares effected by Berenberg acting as market maker in the Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the US Exchange Act by virtue of Rule 14e-5(b)(12) thereunder, such purchases, or arrangements to purchase, must comply with applicable English law and regulation, including the AIM Rules for Companies of the London Stock Exchange and the relevant provisions of the US Exchange Act. Any information about such purchases will be disclosed as required in the UK and the United States and, if required, will be reported via the Regulatory News Service of the London Stock Exchange and will be available on the London Stock Exchange website at <http://www.londonstockexchange.com>.
- 7.10 The receipt of cash pursuant to the Tender Offer by a Shareholder who is a US Shareholder (as defined in Section C of Part 4 of this document) will be a taxable transaction for US federal income tax purposes. In addition, as described in Section C of Part 4 of this document, holders may be subject to US backup withholding and information reporting on payments with respect to the Tender Offer made (or deemed made) within the United States. Section C of Part 4 of this document further sets forth certain US federal income tax consequences of the Tender Offer under current US law. However, each Shareholder should consult and seek individual advice from an appropriate professional adviser.
- 7.11 The Tender Offer has not been approved by the SEC or by the securities regulatory authority of any state or of any other United States jurisdiction, nor has the SEC or any such securities regulatory authority passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence in the United States. This document does not constitute an offer to purchase, or solicitation of an offer to sell, Shares in any jurisdiction in which, or to or from any person to or from whom, it is unlawful to make such offer or solicitation under applicable securities laws.
- 7.12 The delivery of this document shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof, or that there has been no change in the information set forth herein or in the affairs of the Company since the date hereof. No dealer, salesperson or other person is authorised to give any information or to make any representations with respect to the Tender Offer other than such information or representations contained herein and, if given or made, such information or representations must not be relied upon as having been authorised by the Company.

8. Miscellaneous

- 8.1 Except as contained in this document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by the Company or Berenberg.
- 8.2 Neither the Company nor Berenberg shall have any liability to any person as a result of exercising, or not exercising, any discretion conferred on them or either of them in accordance with the terms and conditions of the Tender Offer.
- 8.3 The provisions of the Contracts (Rights of Third Parties) Act 1999 do not apply to this document or the Tender Form.

PART 4

TAXATION

A. UK Taxation

The information set out in this Part 4 does not constitute tax advice and is intended only as a general guide to current United Kingdom law and HM Revenue & Customs (“HMRC”) published practice (which are both subject to change at any time, possibly with retrospective effect). Such information relates only to certain limited aspects of the United Kingdom taxation treatment of Shareholders who are resident in the UK for UK tax purposes, who are the beneficial owners of their Shares and who hold their Shares as investments (and not as assets to be realised in the course of a trade, profession or vocation). The statements below may not apply to certain classes of Shareholders such as dealers in securities, collective investment schemes, Shareholders who are exempt from taxation and Shareholders who acquired their Shares by virtue of any office or employment. Special rules may apply to such Shareholders. Shareholders who are subject to tax in a jurisdiction other than the United Kingdom or who are in any doubt as to their taxation position should consult an appropriate professional adviser without delay.

1. Taxation of Chargeable Gains

General

A Shareholder who sells Shares to Berenberg pursuant to the Tender Offer should be treated, for the purposes of UK taxation, as though the Shareholder had sold them in the normal way through the market to a third party. Accordingly, such a sale by a Shareholder who is resident in the UK for UK tax purposes may, depending on that Shareholder’s personal circumstances and the availability of any exemptions and reliefs, give rise to a chargeable gain (or allowable loss) for the purposes of UK taxation of chargeable gains.

The amount of capital gains tax, if any, payable by a Shareholder who is an individual as a consequence of the sale of Shares will depend on his or her own personal tax position. Broadly, a Shareholder will normally be subject to capital gains tax at a rate of 10 per cent. in respect of any gain arising on the sale of his or her Shares to the extent that the gain, when aggregated with the Shareholder’s other taxable gains and income in the tax year, does not exceed the upper limit of the income tax basic rate band applicable in respect of the tax year (£50,000 for the tax year 2019/2020) and at a rate of 20 per cent. in respect of any remainder of the gain. However, no tax will be payable on any gain arising on the sale of Shares if the amount of the chargeable gain realised by the Shareholder in respect of the sale, when aggregated with other chargeable gains realised by the Shareholder in the tax year (and after taking into account aggregate losses), does not exceed the annual exemption (£12,000 for the tax year 2019/2020).

A corporate Shareholder is normally taxable on all of its chargeable gains, subject to any reliefs and exemptions. Corporate Shareholders should be entitled to indexation allowance up to December 2017. The current rate of corporation tax is 19 per cent..

Shareholders who are not resident in the UK for tax purposes will not normally be liable to UK taxation on chargeable gains arising from the sale of their Shares unless those Shares are held through a UK branch or agency or, in the case of a corporate Shareholder, a UK permanent establishment, although they may be subject to foreign taxation depending on their personal circumstances.

Individual Shareholders who are only temporarily not resident in the UK for tax purposes may, depending on their personal circumstances, become liable to capital gains tax under tax anti-avoidance legislation.

Transactions in securities

The UK tax code contains provisions which permit HMRC to counteract tax advantages arising from certain transactions in securities by (among other things) treating some or all of the proceeds of capital disposals as distributions of income. Broadly speaking, however, these provisions do not apply where it can be shown that the transactions in question were entered into for *bona fide* commercial reasons and did not involve as one of their main objects the obtaining of a tax advantage. Shareholders are advised to take independent advice as to the potential application of these provisions in the light of their own particular motives and circumstances. Application has not been made to HMRC for clearance as to these matters.

Offshore Funds

The Directors do not consider that the Company constitutes an “Offshore Fund” for the purposes of current UK tax legislation. It should be noted, however, that this is a fact-based test and a company’s status in this regard may change over time. If the Company were to be treated for UK tax purposes as an “Offshore Fund”, gains on disposals of Shares realised by a Shareholder may be taxable as income and not as capital gains.

2. Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)

The sale of Shares pursuant to the Tender Offer will not give rise to any liability to stamp duty or SDRT for selling Shareholders.

B. Jersey Taxation

The following is a summary of the anticipated tax treatment in Jersey of Shareholders who are not resident in Jersey and is based on Jersey taxation law as it is understood to apply at the date of this document. It does not constitute legal or tax advice. Shareholders should consult their professional advisers on the implications of the Tender Offer under the laws of, including those resident in Jersey, the jurisdiction(s) in which they may be liable to taxation without delay. Shareholders should also be aware that tax laws, rules and practice and their interpretation may change.

No taxation or stamp duty will be payable in Jersey by holders of the Shares (other than holders of the Shares resident in Jersey who may be subject to Jersey tax depending on their circumstances) as a result of the transfer of the Shares to Berenberg or the implementation of the Tender Offer.

C. US Taxation

The following is a summary of certain material US federal income tax considerations generally applicable to Shareholders who sell Shares to Berenberg pursuant to the Tender Offer. This summary is based on the Code, applicable US Treasury regulations, and administrative and judicial interpretations, all as of the date hereof, and all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all the tax consequences that may be relevant to a particular Shareholder in light of the Shareholder’s particular circumstances, including the impact of the Medicare contribution tax on net investment income. Different rules that are not discussed below may apply to some Shareholders subject to special tax rules, such as partnerships (or entities classified as partnerships for US federal income tax purposes), insurance companies, tax-exempt persons, financial institutions, regulated investment companies, dealers or traders in securities or currencies, persons that hold Shares as a position in a “straddle” or as part of a “hedge”, “conversion transaction” or other integrated investment, persons who received Shares as compensation, persons who own or have owned (directly, indirectly, or by attribution) 10 per cent. or more of the total combined voting power or value of all outstanding Shares of the Company, or US Holders (as defined below) whose functional currency is other than the United States dollar. This summary does not address Non-US Holders (as defined below) who hold Shares in connection with a trade or business conducted in the United States, nor does it address Non-US Holders who are individuals present in the United States for 183 days or more in the taxable year of the disposition of Shares pursuant to the Tender Offer. This summary does not address any state, local, or non-US tax or alternative minimum tax considerations that may be relevant to a Shareholder’s decision to tender Shares pursuant to the Tender Offer. This summary assumes Shares are held as capital assets within the meaning of Section 1221 of the Code.

Shareholders are urged to consult their own tax advisers with respect to the US federal, state, and local tax consequences of participating in the Tender Offer, as well as any tax consequences arising under the laws of any other taxing jurisdiction.

A **US Holder** is a beneficial owner of Shares who is:

- (a) a citizen or individual resident of the United States;
- (b) a corporation (or other business entity treated as a corporation for US federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- (c) an estate the income of which is subject to US federal income tax regardless of its source; or

- (d) a trust that (1) is subject to the primary supervision of a court within the United States and the control of one or more US persons or (2) otherwise has validly elected to be treated as a US domestic trust for US federal income tax purposes.

A **Non-US Holder** is a beneficial owner of Shares who is not a US Holder.

The US federal income tax treatment of a partner in a partnership (or an entity or arrangement treated as a partnership for US federal income tax purposes) that holds Shares will depend on the status of the partner and the activities of the partnership. Prospective participants in the Tender Offer that are partnerships (or entities or arrangements treated as partnerships for US federal income tax purposes) are urged to consult their own tax advisers concerning the US federal income tax consequences to them and their partners of the participation in the Tender Offer by the partnership.

Tax Consequences to Tendering US Holders

Treatment of the Purchase of Shares Pursuant to the Tender Offer as a Sale or as a Distribution

Berenberg's purchase of Shares from a US Holder pursuant to the Tender Offer will be treated either as a sale of the Shares or as a distribution by the Company, depending upon the circumstances at the time the Shares are purchased. The purchase of Shares from a US Holder will be treated as a sale if (a) the purchase results in a "complete redemption" of the US Holder's equity interest in the Company, (b) the receipt of cash by the US Holder is "not essentially equivalent to a dividend", or (c) as a result of the purchase there is a "substantially disproportionate" reduction in the US Holder's equity interest in the Company, each within the meaning of Section 302(b) of the Code, as described below (referred to as the **Section 302 Tests**). The purchase of Shares from a particular US Holder will be treated as a distribution if none of the Section 302 Tests is satisfied with respect to such holder.

In applying the Section 302 Tests, the constructive ownership rules of Section 318 of the Code apply. Thus, a US Holder is treated as owning not only Shares actually owned by the US Holder but also Shares actually (and in some cases constructively) owned by others. Under the constructive ownership rules, a US Holder will be considered to own Shares owned, directly or indirectly, by certain members of the US Holder's family and by certain entities (such as corporations, partnerships, trusts, and estates) in which the US Holder has an equity interest, as well as Shares that the US Holder has an option to purchase.

- (a) Complete Redemption. A purchase of Shares pursuant to the Tender Offer will result in a "complete redemption" of the US Holder's interest in the Company if, immediately after the sale, either (1) the US Holder owns, actually and constructively, no Shares; or (2) the US Holder actually owns no Shares and effectively waives constructive ownership of any constructively owned Shares under the procedures described in Section 302(c)(2) of the Code. US Holders who desire to file such a waiver are urged to consult their own tax advisers.
- (b) Not Essentially Equivalent to a Dividend. A purchase of Shares pursuant to the Tender Offer will be treated as "not essentially equivalent to a dividend" if it results in a "meaningful reduction" in the selling US Holder's proportionate interest in the Company. Whether a US Holder meets this test will depend on relevant facts and circumstances. In measuring the change, if any, in a US Holder's proportionate interest in the Company, the meaningful reduction test is applied by taking into account all Shares that Berenberg purchases pursuant to the Tender Offer, including Shares purchased from other Shareholders.

The Internal Revenue Service (**IRS**) has held in a published ruling that, under the particular facts of the ruling, a small reduction in the percentage share ownership of a small minority Shareholder in a publicly and widely held corporation who did not exercise any control over corporate affairs constituted a "meaningful reduction". If, taking into account the constructive ownership rules of Section 318 of the Code, a US Holder owns Shares that constitute only a minimal interest in the Company, and such holder does not exercise any control over the affairs of the Company, then any reduction in the US Holder's percentage ownership interest in the Company should constitute a "meaningful reduction". Such selling US Holder should, under these circumstances, be entitled to treat the purchase of such holder's Shares pursuant to the Tender Offer as a sale for US federal income tax purposes. Shareholders are urged to consult their own tax advisers with respect to the application of the "not essentially equivalent to a dividend" test in their particular circumstances.

- (c) Substantially Disproportionate. A purchase of Shares pursuant to the Tender Offer will be "substantially disproportionate" as to a US Holder if the percentage of the then outstanding Shares actually and constructively owned by such US Holder immediately after the purchase is less than

80 per cent. of the percentage of the outstanding Shares actually and constructively owned by such US Holder immediately before the purchase. Shareholders are urged to consult their own tax advisers with respect to the application of the “substantially disproportionate” test in their particular circumstances.

It may be possible for a tendering US Holder to satisfy one of the Section 302 Tests by contemporaneously selling or otherwise disposing of all or some of the Shares that such US Holder actually or constructively owns that are not purchased pursuant to the Tender Offer. Correspondingly, a tendering US Holder may not be able to satisfy one of the Section 302 Tests because of contemporaneous acquisitions of Shares by such US Holder or a related party whose Shares are attributed to such US Holder. Shareholders are urged to consult their own tax advisers regarding the tax consequences of such sales or acquisitions in their particular circumstances.

The Company cannot predict whether or the extent to which the Tender Offer will be oversubscribed. If the Tender Offer is oversubscribed, the pro-ration of tenders pursuant to the Tender Offer will cause the Company to accept fewer Shares than are tendered. Consequently, the Company can give no assurances that a sufficient number of any US Holder’s Shares will be purchased pursuant to the Tender Offer to ensure that such purchase will be treated as a sale, rather than as a distribution, for US federal income tax purposes under the rules discussed above.

Sale of Shares Pursuant to the Tender Offer

If any of the Section 302 Tests is satisfied by a US Holder, then such holder generally will recognize taxable gain or loss equal to the difference between the amount received pursuant to the Tender Offer (without reduction for withholding tax, if any) and such holder’s adjusted tax basis in the tendered Shares. A US Holder’s adjusted tax basis generally will be the amount paid to acquire the Shares. Any gain or loss will be capital gain or loss and will be long-term capital gain or loss if the holding period for the Shares is longer than one year at the time of the sale. Any long-term capital gain recognized by a non-corporate US Holder generally will be eligible for a reduced rate of taxation. The deductibility of capital losses is subject to limitations.

Any gain or loss recognized generally will be treated as US-source gain or loss for US foreign tax credit purposes. Consequently, a US Holder may not be able to use the foreign tax credit arising from any withholding tax imposed on the disposition of the Shares unless (a) such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources or (b) such US Holder is eligible for the benefits of an applicable income tax treaty and properly makes an election under the Code to treat any such gain from the disposition of the Shares as from foreign sources. The rules governing foreign tax credits are complex, and US Holders are urged to consult their own tax advisers regarding the creditability of any foreign taxes.

Distribution in Respect of Shares Pursuant to the Tender Offer

If none of the Section 302 tests is satisfied by a US Holder, then the full amount received pursuant to the Tender Offer (without reduction for withholding tax, if any) will be treated as a distribution with respect to such holder’s Shares. The tax basis of the US Holder’s sold Shares will be added to the tax basis of such holder’s remaining Shares. This distribution will be treated as a dividend to the extent paid out of the Company’s current or accumulated earnings and profits, as determined under US federal income tax principles. The dividend will be includible in a US Holder’s gross income without reduction for the tax basis of the surrendered Shares, and no current loss will be recognized. To the extent that the amount received exceeds a US Holder’s share of the Company’s current and accumulated earnings and profits, the excess first will be treated as a tax-free return of capital to the extent of such holder’s tax basis in Shares and then as capital gain from the sale or exchange of such Shares. However, because the Company does not calculate earnings and profits under US federal income tax principles, US Holders should expect the entire amount received pursuant to the Tender Offer to be taxed as a dividend if such amount is treated as a distribution as described above.

Subject to applicable limitations, dividends paid to certain non-corporate US Holders will be eligible for taxation as “qualified dividend income” and therefore will be taxable at rates applicable to long-term capital gains, provided that the Company is treated as a “qualified foreign corporation” and certain other requirements are met. The Company has made no determination as to whether it is treated as a qualified foreign corporation and, therefore, no assurance can be provided that dividends paid to non-corporate US Holders will be eligible for taxation as qualified dividend income. Any dividends paid will not be eligible for the dividends-received deduction generally allowed to US corporations under the Code.

Receipt of Foreign Currency

The US dollar value of any payment received in pounds sterling generally will be calculated by reference to the exchange rate between the US dollar and pounds sterling in effect on the date of actual or constructive receipt of such payment by the US Holder, regardless of whether pounds sterling so received are in fact converted into US dollars. If pounds sterling so received are converted into US dollars on the date of receipt, then a US Holder generally will not recognize foreign currency gain or loss on such conversion. If pounds sterling so received are not converted into US dollars on the date of receipt, then a US Holder generally will have a tax basis in pounds sterling equal to the US dollar value of such pounds sterling on the date of receipt. Any gain or loss on a subsequent conversion or other disposition of pounds sterling generally will be treated as ordinary income or loss to a US Holder and generally will be US-source income or loss for US foreign tax credit purposes. Tendering US Holders are urged to consult their tax advisers regarding the US federal income tax consequences of receiving payment in pounds sterling.

Passive Foreign Investment Company Rules

The Company has made no determination as to whether it is classified as a passive foreign investment company (a **PFIC**) for US federal income tax purposes. Special, generally unfavourable rules apply to the ownership and disposition of the stock of a PFIC. For US federal income tax purposes, a non-US corporation is classified as a PFIC for each taxable year in which either at least 75 per cent. of its gross income is “passive” income or at least 50 per cent. of the average value of its assets is attributable to assets that produce passive income or are held for the production of passive income. Passive income generally includes dividends, royalties, rents, annuities, interest, income equivalent to interest, and net gains from the sale or exchange of property that gives rise to dividends, interest, royalties, rents, or annuities, as well as certain gains from commodities transactions. In determining whether it is a PFIC, a non-US corporation must take into account a *pro rata* portion of the income and assets of each corporation in which it owns, directly or indirectly, at least 25 per cent. of the stock by value.

If the Company were a PFIC for any taxable year in which a US Holder held Shares, then the US federal income tax consequences to such holder of selling Shares to Berenberg pursuant to the Tender Offer could differ materially and adversely from those described above. In particular, if the purchase of Shares from such US Holder pursuant to the Tender Offer were treated as a sale under the Section 302 Tests, then any gain realized upon the disposition of Shares by such US Holder generally would be allocated ratably over the US Holder’s holding period for the Shares. The amounts allocated to the taxable year of the sale and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations in such taxable year, as appropriate, and an interest charge would be imposed on the amount allocated to that taxable year. If, on the other hand, the purchase of Shares from such US Holder pursuant to the Tender Offer were treated as a distribution by the Company, then similar PFIC rules imposing tax and interest charges with respect to “excess distributions” could apply. If the Company is a PFIC and owns equity interests in non-US corporations classified as PFICs, then the foregoing rules regarding the disposition of shares of a PFIC generally would apply to such US Holder’s indirect interest in such subsidiary PFICs.

Certain elections (including a “mark to market” or “qualified electing fund” election) may be available to US shareholders of a non-US corporation to mitigate the adverse consequences resulting from PFIC classification, particularly if such elections are made in the first taxable year during such holder’s holding period in which the non-US corporation is treated as a PFIC. However, the Company has made no determination as to whether the mark-to-market election is available, and the Company does not intend to provide the information necessary for US Holders to make the qualified electing fund election.

If the Company were classified as a PFIC in any taxable year, a US Holder generally would be required to file an annual information return with the IRS on IRS Form 8621 with such US Holder’s US federal income tax return and provide such other information as may be required by the IRS.

Each tendering US Holder should consult its own tax adviser regarding the potential for the Company to be classified as a PFIC and the possible effect of such PFIC classification on the disposition of Shares pursuant to the Tender Offer, as well as the availability and effect of any election that may be available to mitigate the adverse US federal income tax consequences described above.

Tax Consequences to Shareholders Who Do Not Tender Shares Pursuant to the Tender Offer

Shareholders (including Non-US Holders) who do not sell Shares pursuant to the Tender Offer will not incur any US federal income tax liability as a result of the consummation of the Tender Offer.

Tax Consequences to Non-US Holders

Non-US Holders generally will not be subject to US federal income taxation as a result of selling Shares pursuant to the Tender Offer. The rules governing the US federal income taxation of the receipt by Non-US Holders of cash pursuant to the Tender Offer are, however, complex. Non-US Holders are urged to consult their own tax advisers concerning the application of US federal, state, local and non-US income tax laws in their particular circumstances.

Information Reporting and Backup Withholding

Under the US federal income tax laws, payments to a tendering Shareholder that are made within the United States or through certain US-related financial intermediaries generally are subject to information reporting to the IRS, and may be subject to “backup withholding” (currently at a rate of 24 per cent.), unless such tendering Shareholder (a) provides a correct taxpayer identification number and any other required information and otherwise complies with applicable requirements of the backup withholding rules or (b) is an exempt recipient and, when required, demonstrates this fact.

A Shareholder that does not provide a correct taxpayer identification number may be subject to penalties imposed by the IRS. To prevent backup withholding on cash payable pursuant to the Tender Offer, each tendering US Holder should provide the Receiving Agent or other applicable withholding agent with his or her correct taxpayer identification number and certify that he or she is not subject to backup withholding by including a completed IRS Form W-9 in the Tender Form provided to the Receiving Agent.

Backup withholding is not an additional tax. Taxpayers may use amounts withheld as a credit against their US federal income tax liability, and may claim a refund if they timely provide certain required information to the IRS.

The US federal income tax consequences set forth above are not intended to constitute a complete description of all tax consequences relating to the Tender Offer. Because individual circumstances may differ, each Shareholder is urged to consult its own tax adviser regarding the application of the rules described above to such holder and the particular tax effects to such holder of the Tender Offer in light of such holder’s particular circumstances, as well as the application of state, local, non-US, and other tax laws.

PART 5

ADDITIONAL INFORMATION

1. Repurchase Agreement

By a repurchase agreement between the Company and Berenberg dated 16 July 2019, the Company has agreed to purchase, and Berenberg has agreed to sell to the Company, as an on-market purchase and at a price per Share equal to the Tender Price, all of the Shares purchased by Berenberg pursuant to the Tender Offer, such purchase and sale to be completed immediately following the purchase of those Shares by Berenberg.

Under the Repurchase Agreement, which is conditional on the Tender Offer becoming unconditional in all respects and not lapsing or terminating in accordance with its terms, (i) Berenberg shall pay an amount equal to the Tender Price multiplied by the number of Shares successfully tendered to a non-interest bearing account with the Receiving Agent as soon as practicable so as to be received in cleared funds by not later than 2.00 p.m. on 22 August 2019 (or such later date as may be agreed in writing by Berenberg and the Company, not being later than 7.00 a.m. on 29 August 2019) and (ii) the Company shall repurchase the successfully tendered Shares from Berenberg in an on-market purchase.

The Repurchase Agreement contains representations and warranties from the Company in favour of Berenberg and incorporates an indemnity in favour of Berenberg in respect of any liability which it may suffer in relation to its performance pursuant to the Tender Offer.

The Repurchase Agreement also contains certain representations, warranties and undertakings from Berenberg in favour of the Company concerning its authority to enter into the agreement and to make the purchase of Shares pursuant to the Tender Offer.

2. General

2.1 Apart from the responsibilities and liabilities, if any, which may be imposed on Berenberg by the FSMA or the regulatory regime established under the FSMA, Berenberg accepts no responsibility whatsoever for the contents of this document or for any other statement made or purported to be made by it or on its behalf in connection with the Company or the Tender Offer. Berenberg accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to earlier in this paragraph) which it might otherwise have in respect of this document or any such statement. Berenberg has given and not withdrawn its written consent to the issue of this document with the inclusion of its letter and with the references to its name in the form and context in which they are included.

2.2 Assuming the Tender Offer is subscribed in full, the costs in connection with the Tender Offer are estimated to be approximately £240,000 (exclusive of any stamp duty and VAT) and will be payable by the Company.

3. Documents Available for Inspection

Copies of the following documents will be available for inspection at 12 Castle Street, St Helier, Jersey JE2 3RT during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted) from the date of this document until the completion, lapse or termination of the Tender Offer:

- 3.1 the memorandum and articles of association of the Company as at the date of this document;
- 3.2 the Annual Report and Financial Statements of the Company for the year ended 31 December 2018;
- 3.3 the consent letter referred to in paragraph 2.1 of this Part 5; and
- 3.4 this document.

PART 6

DEFINITIONS

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

“AIM”	the AIM Market operated by the London Stock Exchange
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time
“Annual Report”	the Company’s annual report and financial statements for the year ended 31 December 2018
“Basic Entitlement”	in the case of each Shareholder (other than Restricted Shareholders), the entitlement to tender in the Tender Offer Shares representing up to 9.51 per cent. of the Shares registered in the Register in such person’s name at the Record Date rounded down to the nearest whole number of Shares
“Berenberg”	Joh. Berenberg, Gossler & Co. KG, London Branch
“Board”	the board of Directors, including any duly constituted committee thereof
“Business Day”	any day other than a Saturday, Sunday or public holiday in England and Wales or Jersey on which clearing banks in London are open for general banking business
“certificated” or “in certificated form”	not in uncertificated form
“Code”	the United States Internal Revenue Code of 1986, as amended from time to time
“Company” or “XLMedia”	XLMedia PLC
“CREST”	the facilities and procedures for the time being of the relevant system of which Euroclear has been approved as operator pursuant to the CREST Regulations
“CREST Manual”	the compendium of documents entitled CREST Manual issued by Euroclear from time to time and comprising the CREST Reference Manual, the CREST Central Counterparty Service Manual, the CREST International Manual, the CREST Rules, CCSS Operations Manual and the CREST Glossary of Terms
“CREST member”	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
“CREST participant”	a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)
“CREST sponsor”	a CREST participant admitted to CREST as a CREST sponsor, being a sponsoring system participant (as defined in the CREST Regulations)
“CREST sponsored member”	a CREST member admitted to CREST as a sponsored member
“Directors”	the directors of the Company, whose names appear on page 6 of this document
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST
“FCA”	Financial Conduct Authority
“FSMA”	the Financial Services and Markets Act 2000

“General Meeting”	the extraordinary general meeting of the Company convened for 10.00 a.m. on 16 August 2019 in accordance with the Notice set out in Part 7 of this document (or any adjournment thereof)
“Group”	the Company and its subsidiary undertakings from time to time
“Link Asset Services”	the trading name of Link Market Services Limited
“London Stock Exchange”	London Stock Exchange plc
“member account ID”	the identification code or number attached to any member account in CREST
“Overseas Shareholders”	a Shareholder who is resident in, or a citizen of, a jurisdiction outside the United Kingdom
“participant ID”	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
“Receiving Agent”	Link Asset Services
“Record Date”	the record date for the Tender Offer, being the close of business on 14 August 2019
“Register”	the register of members of the Company
“Regulatory Information Service”	a regulatory information service approved by the FCA and on the list of regulatory information services maintained by the FCA
“Repurchase Agreement”	the agreement dated 16 July 2019 between the Company and Berenberg whereby the Company has agreed to purchase, and Berenberg has agreed to sell to the Company, as an on-market purchase and at a price per Share equal to the Tender Price, all of the Shares purchased by Berenberg pursuant to the Tender Offer as summarised in paragraph 1 of Part 5 of this document
“Restricted Jurisdiction”	any of the following jurisdictions: Australia; Canada; Japan; New Zealand; the Republic of South Africa; or the United States
“Restricted Shareholder”	a Shareholder who is a resident in, or a citizen or national of, a Restricted Jurisdiction or any other jurisdiction where the mailing of this document or the Tender Form in, into or from such jurisdiction would constitute a violation of the laws of such jurisdiction
“SEC”	the United States Securities and Exchange Commission
“Shareholders”	holders of Shares
“Shares”	ordinary shares of \$0.000001 each in the capital of the Company
“Tender Form”	the tender form issued by the Company for use by Shareholders in connection with the Tender Offer
“Tender Offer”	the invitation by Berenberg to Shareholders (other than Restricted Shareholders) to tender up to 19,675,000 Shares in aggregate, representing approximately 9.51 per cent. of the Shares in issue at the close of business on 15 July 2019, the latest practicable day before the printing of this document, for purchase on the terms and subject to the conditions set out in this document and, where applicable, the Tender Form
“Tender Offer Resolution”	the special resolution to be proposed at the General Meeting in connection with the Tender Offer
“Tender Price”	the fixed price of 80 pence per Share at which Shares will be purchased pursuant to the Tender Offer
“TFE Instruction”	a transfer from escrow instruction (as defined by the CREST Manual)
“TTE Instruction”	a transfer to escrow instruction (as defined by the CREST Manual)

“uncertificated form” or “in uncertificated form”	recorded in the Register as being held in uncertificated form in CREST and title to which, by virtue of the Uncertificated Securities Order, may be transferred by means of CREST
“Uncertificated Securities Order”	the Companies (Uncertificated Securities) (Jersey) Order 1999, as amended
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland
“United States” or “US”	the United States of America, its jurisdictions and possessions, any state of the United States and the District of Columbia
“US Dollar”	the lawful currency of the United States
“US Exchange Act”	the United States Securities Exchange Act of 1934, as amended
“US Shareholders”	Shareholders who are located in, or are citizens of, the United States

Notes:

All references in this document to “£”, “pounds sterling” and “pence” (including the abbreviation “p”) are to the lawful currency of the United Kingdom. References to a “non-working day” shall be construed in accordance with the Uncertificated Securities Order. All times stated in this Circular are to the time in London, unless otherwise stated.

PART 7

NOTICE OF EXTRAORDINARY GENERAL MEETING

XLMedia PLC (the “Company”)

(a public limited liability company incorporated in Jersey under the Companies (Jersey) Law 1991, as amended, and registered with number 114467)

Notice is hereby given that pursuant to the Companies (Jersey) Law 1991 (as amended) (the “**Companies Law**”) and the Articles of Association of the Company, an extraordinary general meeting of the Company will be held at 12 Castle Street, St. Helier, Jersey JE2 3RT at 10.00 a.m. on 16 August 2019 for the purpose of considering and, if thought fit, passing the following special resolution:

Special Resolution

THAT:

- (i) the Company be and is hereby authorised in accordance with the Companies Law to make one or more market purchases of its ordinary shares of \$0.000001 each (the “**Shares**”) pursuant to the Tender Offer as set out in the circular to Shareholders of the Company dated 16 July 2019 (a copy of which is produced to the meeting and signed by the chairman of the meeting for the purpose of identification) (the “**Circular**”), provided that:
 - (a) the maximum aggregate number of Shares hereby authorised to be purchased shall be 19,675,000;
 - (b) the price which may be paid for a Share shall be the Tender Price as set out in the Circular (being, for the avoidance of doubt, the fixed price of 80 pence per Share) (which shall be both the maximum and minimum price for the purposes of Article 57(4)(b) of the Companies Law); and
 - (c) the authority hereby conferred shall expire on the earlier of (1) the completion of the Tender Offer or (2) on the date falling 18 months from the date of the passing of this resolution; and
- (ii) the Company’s authority to make market purchases of its Shares approved by Shareholders at the annual general meeting of the Company held on 29 May 2019 shall continue in effect and shall not be affected by the passing of this resolution.

Words and expressions defined in Part 6 of the Circular shall have the same meanings when used in this resolution.

By order of the Board

Matan Daniely

Company Secretary

16 July 2019

NOTES:

- 1 As at 15 July 2019 (being the latest practicable date before the publication of this Notice) the Company’s issued ordinary share capital consisted of 206,803,659 Shares carrying one vote each. Additionally, the Company holds 13,548,743 Shares as treasury shares without voting rights.
- 2 A member entitled to attend and vote at the meeting convened by this Notice (or any adjournment thereof) is entitled to appoint one or more proxies to exercise all or any of that member’s rights to attend and to speak and vote instead of him or her provided that if two or more proxies are to be appointed, each proxy must be appointed to exercise the rights attaching to different shares. When two or more valid proxy appointments are delivered or received in respect of the same Shares, the one which was last delivered or received shall be treated as replacing or revoking the others as regards such Shares, provided that if the Company determines that it has insufficient evidence to decide whether or not a proxy appointment is in respect of the same share or which was last delivered or received, it shall be entitled to determine which proxy appointment (if any) is to be treated as valid. A proxy need not be a member of the Company. To appoint a proxy you may:
 - (a) use the Form of Proxy enclosed with this Notice. To be valid, the Form of Proxy, together with the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of the same, must be received by post or (during normal business hours only) by hand at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, in each case no later than 10.00 a.m. on 14 August 2019 (or, if the meeting is adjourned, not less than 48 hours (excluding non-working days) before the time fixed for the adjourned meeting); or
 - (b) if you hold your shares in uncertified form, use the CREST electronic proxy appointment service in accordance with the procedures set out in the CREST manual using CREST ID: RA10. The latest time by which an instruction must be validly entered through the

CREST electronic proxy appointment service is 10.00 a.m. on 14 August 2019 (or, if the meeting is adjourned, not less than 48 hours (excluding non-working days) before the time fixed for the adjourned meeting).

Completion of the Form of Proxy or the appointment of a proxy electronically through CREST will not prevent a member from attending and voting in person. The Company may treat as invalid any CREST electronic proxy instruction as set out in Article 34 of the Uncertificated Securities Order.

- 3 The Company, pursuant to the Uncertificated Securities Order, specifies that only those members entered on the register of members of the Company as at close of business on 14 August 2019 shall be entitled to attend or vote at the meeting in respect of shares registered in their name at that time. Changes to entries on the register after close of business on 14 August 2019 shall be disregarded in determining the rights of any person to attend or vote at the meeting. If the meeting is adjourned, the time by which a person must be entered on the register of members in order to have the right to attend or vote at the adjourned meeting is 48 hours (excluding non-working days) before the date fixed for the adjourned meeting. Changes to entries on the register of members after such times shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- 4 In the case of joint holders, the vote of the senior holder who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
- 5 The Notice sets out the resolution to be proposed at the meeting. It is anticipated that the chairman of the meeting will be Mr Christopher Bell, failing whom any other director of the Company.
- 6 The quorum for a meeting of shareholders is two qualifying persons present and entitled to vote on the business to be dealt with at the meeting, unless: (a) each is a qualifying person only because he is authorised under the Companies Law to act as a representative of a corporation in relation to the meeting, and they are representatives of the same corporation; or (b) each is a qualifying person only because he is appointed as proxy of a member in relation to the meeting, and they are proxies of the same member. For these purposes, a “**qualifying person**” means (i) an individual who is a member of the Company, (ii) a person authorised under the Companies Law to act as a representative of the corporation in relation to the meeting, or (iii) a person appointed as proxy of a member in relation to the meeting. To allow effective constitution of the meeting, if it is apparent to the Chairman that no shareholders will be present in person or by proxy, other than by proxy in the Chairman’s favour, then the Chairman may appoint a substitute to act as proxy in his stead for any shareholder, provided that such substitute proxy shall vote on the same basis as the Chairman.
- 7 If, within thirty minutes from the appointed time for the meeting, a quorum is not present, the meeting if convened by or upon a requisition shall be dissolved. If otherwise convened it shall stand adjourned for seven days at the same time and place or to such other day and at such other time and place as the Board may determine and no notice of adjournment need be given. The adjourned meeting shall be dissolved if a quorum is not present within 15 minutes after the time appointed for holding the meeting.
- 8 A majority of not less than three-quarters of the total number of votes cast is required to pass the special resolution.
- 9 To appoint more than one proxy you may photocopy the form of proxy. Please indicate the proxy holder’s name and number of shares in relation to which they are authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

