

**Dated 12 October 2023**

**Rock BidCo Limited**

and

**The Restaurant Group plc**

**CO-OPERATION AGREEMENT**

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**THIS AGREEMENT** is made on 12 October 2023

**BETWEEN:**

1. **Rock BidCo Limited**, a limited company incorporated in Jersey whose registered office is at 15 Esplanade, St Helier, Jersey JE1 1RB and company number is 143045 ("**Bidder**"); and
2. **The Restaurant Group plc**, a public limited company incorporated in Scotland whose registered office is at 1 George Square, Glasgow, G2 1AL and company number is SC030343 ("**Target**"),

together referred to as the "**parties**" and each as a "**party**" to this Agreement.

**WHEREAS:**

- (A) Bidder intends to announce a firm intention to make a recommended offer for the entire issued and to be issued share capital of Target (excluding any shares held in treasury) (the "**Transaction**") on the terms and subject to the conditions set out in the Press Announcement (as defined below).
- (B) Bidder is an indirect, wholly-owned subsidiary of Apollo (as defined below).
- (C) The Transaction is intended to be effected by means of a scheme of arrangement under Part 26 of the Act (as defined below) (the "**Scheme**"), provided that Bidder reserves the right, to the extent set out in the Press Announcement and this Agreement, to elect to implement the Transaction by way of an Offer (as defined below).
- (D) The parties have agreed to take certain steps to effect the completion of the Transaction and wish to enter into this Agreement to record their respective rights, commitments and obligations relating to such matters.

**THE PARTIES AGREE** as follows:

**1. INTERPRETATION**

1.1 In this Agreement each of the following words and expressions have the following meanings:

" <b>acceleration statement</b> "	has the meaning given to that term in the Code;
" <b>Acceptance Condition</b> "	means, if applicable, the acceptance condition to the Offer as specified in Clause 6.2(A);
" <b>Act</b> "	means the Companies Act 2006;
" <b>Agreed Switch</b> "	where Bidder has exercised its Right to Switch to an Offer in accordance with Clause 6.1 in circumstances where the

Target Board Recommendation is given in respect of the resulting Offer by the Bidder;

- “Apollo”** means Apollo Global Management, Inc., its subsidiaries and certain of their affiliated funds;
- “Bidder Agent”** has the meaning given to it in Clause 24.1;
- “Bidder Directors”** means the directors of Bidder from time to time;
- “Bidder Group”** means Bidder and its subsidiaries and subsidiary undertakings from time to time and where the context permits, each of them;
- “Business Day”** means any day, other than a public holiday, Saturday or Sunday, when banks are generally open in London and Edinburgh for general banking business;
- “Clearances”** means all approvals, consents, clearances, permissions, confirmations, comfort letters and waivers that may need to be obtained, all applications and filings that may need to be made and all waiting periods that may need to have expired, from or under any Laws or practices applied by any Relevant Authority (or under any agreements or arrangements to which any Relevant Authority is a party), in each case that are necessary and/or expedient to satisfy one or more of the Regulatory Conditions, and any reference to any Clearance having been **“satisfied”** shall be construed as meaning that each of the foregoing has been obtained or, where relevant, made or expired;
- “close relatives”** has the meaning given to that term in the Code;
- “Code”** means the UK City Code on Takeovers and Mergers as issued, amended and interpreted from time to time by or on behalf of the Panel;
- “Conditions”** means:
- (i) for so long as the Transaction is being implemented by means of the Scheme, the conditions to the Transaction as set out in Appendix 1 to the Press Announcement; and
  - (ii) for so long as the Transaction is being implemented by means of an Offer, the conditions referred to in (i) above, subject to replacing the Scheme Condition with the Acceptance Condition and together with

such modifications as are agreed in writing by the parties or, where required by the Code, by the Panel, or which are necessary as a result of the switch from the Scheme to the Offer,

and “**Condition**” shall be construed accordingly;

“ <b>Confidentiality Agreement</b> ”	means the confidentiality agreement between Apollo Management International LLP and Target dated 20 September 2023;
“ <b>Court</b> ”	means the Court of Session at Parliament House, Parliament Square, Edinburgh, EH1 1RQ;
“ <b>Court Meeting</b> ”	means the meeting (including an adjourned meeting) of the Scheme Shareholders at the Voting Record Time to be convened by order of the Court pursuant to section 896 of the Act for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme, including any adjournment thereof;
“ <b>Court Reporter</b> ”	means the person appointed to report to the Court on the Scheme;
“ <b>Day 39</b> ”	has the meaning given to that term in the Code;
“ <b>Day 60</b> ”	has the meaning given to it in Clause 6.2(C);
“ <b>Effective Date</b> ”	means the date upon which either:  (i) the Scheme becomes effective in accordance with its terms; or  (ii) if the Transaction is implemented by means of an Offer, the Offer becomes or is declared unconditional;
“ <b>FCA</b> ”	means the Financial Conduct Authority;
“ <b>FCA Handbook</b> ”	means the FCA’s Handbook of rules and guidance as amended from time to time;
“ <b>Group</b> ”	means the Target Group, the Bidder Group and/or the Wider Bidder Group (as the context requires);
“ <b>Initial Provisions</b> ”	means Clause 2.1 and Clauses 9 to 24 (inclusive) (as interpreted in accordance with Clause 1);

<b>“Law”</b>	means any applicable statutes, common law, rules, ordinances, regulations, codes, orders, judgments, injunctions, writs, decrees, directives, governmental guidelines or interpretations having the force of law or bylaws, in each case, of a Relevant Authority and shall for the avoidance of doubt include the Code;
<b>“Listing Rules”</b>	means the listing rules promulgated by the Financial Conduct Authority pursuant to Part 6 of the Financial Services and Markets Act 2000 and referred to in section 73A(2) of that act as set out in the FCA Handbook;
<b>“Long Stop Date”</b>	means 13 May 2024 or such later date as may be agreed by Target and Bidder in writing and, if required, with the Panel’s consent and/or the Court’s approval;
<b>“Notice”</b>	has the meaning given to it in Clause 12.1;
<b>“Offer”</b>	means in the event that Bidder, subject to the terms of this Agreement, exercises its Right to Switch to elect to implement the Transaction by means of a takeover offer within the meaning of section 974 of the Act, such offer to be made by Bidder to acquire the entire issued and to be issued share capital of Target on the terms and subject to the conditions set out in the Press Announcement (subject to replacing the Scheme Condition with the Acceptance Condition and together with such modifications as are agreed in writing by the parties or, where required by the Code, by the Panel, or which are necessary as a result of the switch from the Scheme to the Offer) and to be set out in the related Offer Document and form of acceptance, including any subsequent revision, amendment, variation, extension or renewal;
<b>“Offer Document”</b>	means, if the Transaction is implemented by means of an Offer in accordance with the terms of this Agreement, the document setting out (among other things) details of the Transaction and the full terms and conditions of the Offer to be sent to (among others) Target Shareholders, including any revised or supplementary offer document;
<b>“Panel”</b>	means the UK Panel on Takeovers and Mergers;
<b>“Press Announcement”</b>	means the press announcement to be released by Bidder and Target pursuant to Rule 2.7 of the Code in relation to the Transaction in the agreed form set out in Schedule 1;

<b>“Regulatory Conditions”</b>	means the Conditions set out in paragraphs 3.1, 3.2 and 3.3 of Appendix 1 to the Press Announcement;
<b>“Regulatory Information Service”</b>	means an information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
<b>“Relevant Authority”</b>	means any central bank, ministry, governmental, quasigovernmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger control authority, any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction, including, for the avoidance of doubt, the Panel, the UK Serious Fraud Office, the US Department of Justice and the FCA, and <b>“Relevant Authorities”</b> means all of them;
<b>“Relevant Third Parties”</b>	has the meaning given to it in Clause 17.1;
<b>“Remedies”</b>	means any conditions, obligations, measures, commitments, modifications, undertakings, remedies (including disposals and any pre-divestiture reorganisations by any party) or assurance (financial or otherwise) offered or required in connection with the obtaining of any Clearances, and <b>“Remedy”</b> shall be construed accordingly;
<b>“Responsible Persons”</b>	means each of: <ul style="list-style-type: none"> <li>(i) the Bidder Directors; and</li> <li>(ii) any person (other than the Bidder Directors) who the Panel requires or agrees to take responsibility with the Bidder Directors for the information in relation to Apollo and/or the Wider Bidder Group in the Scheme Document;</li> </ul>
<b>“Right to Switch”</b>	has the meaning given to it in Clause 6.1;

<b>“Scheme”</b>	has the meaning given to it in Recital (C) and any reference to <b>“Scheme”</b> also includes any modified, renewed or revised Scheme;
<b>“Scheme Condition”</b>	means the Condition referred to in paragraph 1 of Appendix 1 to the Press Announcement;
<b>“Scheme Document”</b>	means the circular to be sent to (among others) Target Shareholders setting out (among other things) details of the Transaction, the full terms and conditions of the Scheme and the explanatory statement required pursuant to Part 26 of the Act and incorporating the notices convening the Court Meeting and the Target GM, including any revised or supplementary circular;
<b>“Scheme Hearing”</b>	means the hearing by the Court of the application to sanction the Scheme under section 899 of the Act, including any adjournment thereof;
<b>“Scheme Record Time”</b>	has the meaning given in the Press Announcement;
<b>“Scheme Shareholders”</b>	means the holders of Scheme Shares;
<b>“Scheme Shares”</b>	has the meaning given to that term in the Press Announcement;
<b>“Service Document”</b>	means a claim form, application notice, order, judgment or other document relating to any proceedings, suit or action;
<b>“Target Agent”</b>	has the meaning given to it in Clause 24.2;
<b>“Target Board Adverse Recommendation Change”</b>	means: <ul style="list-style-type: none"> <li>(i) if Target makes an announcement prior to the publication of the Scheme Document or (if different) the document convening the Target GM that: (a) the Target Directors no longer intend to recommend the Transaction or intend to adversely modify or qualify their recommendation of the Transaction; (b) (other than where Bidder has exercised its Right to Switch) it will not convene the Court Meeting or the Target GM; or (c) (other than where Bidder has exercised its Right to Switch) it intends not to post the Scheme Document or (if different) the document convening the Target GM;</li> <li>(ii) (other than where Bidder has exercised its Right to Switch) the Target Board Recommendation is not</li> </ul>

included in the Scheme Document or (if different) the document convening the Target GM, when published;

- (iii) (other than where Bidder has exercised its Right to Switch) if Target makes an announcement that it will or intends to delay the convening of, or will adjourn the Court Meeting or the Target GM, to a date which is later than the 22nd day after the expected date of the Court Meeting or the Target GM set out in the Scheme Document in each case without the consent of Bidder, except where: (a) Bidder has committed a breach of this Agreement and such breach has caused the delay; (b) a supplementary circular is required to be published in connection with the Scheme, and as a result, the Court Meeting and/or the Target GM cannot be held by such date in compliance with the Code and any other applicable Law (but provided that Target has used all reasonable endeavours to publish the supplementary circular as soon as reasonably practicable after the date on which the requirement to publish a supplementary circular arises); or (c) such delay or adjournment is caused solely by logistical or practical reasons outside Target's reasonable control;
- (iv) the Target Directors otherwise withdraw or adversely modify or qualify the Target Board Recommendation (or make an announcement that they intend to do so);
- (v) any firm or possible offer which would result in any person other than Bidder (or a person acting in concert with Bidder) acquiring "control" (as defined in the Code) of the Target is announced (a "**Third Party Bid**") and either: (a) the Target makes an announcement that the Target Directors recommend, intend to, or are minded to, recommend the Third Party Bid; or (b) the Target makes an announcement stating that it is considering the Third Party Bid ("**Target Response**") and that announcement does not contain an express statement that the Target Board Recommendation is not withdrawn, qualified or modified (a "**Reconfirmation**"), unless the Target

announces the Reconfirmation within 10 Business Days following the Target Response;

- (vi) if, after the approval of the Resolutions (as defined in the Press Announcement), Target or the Target Directors announce that it or they will not implement the Scheme (other than: (i) in connection with an announcement of an Offer or revised offer by Bidder (or any person acting in concert with Bidder) for Target; or (ii) because a Condition has become incapable of fulfilment or satisfaction); or
- (vii) except where Bidder has given its prior written consent to such transaction, the Target Directors announce the entry into by Target of any transaction which would constitute a class 1 transaction for, or a reverse takeover of, Target (each as defined in the Listing Rules);

**“Target Board Recommendation”**

means a unanimous, unqualified and unconditional recommendation of the Target Directors to the Target Shareholders:

- (i) to vote in favour of the Scheme at the Court Meeting and the Target GM Resolutions at the Target GM; or
- (ii) if the Transaction is implemented by way of an Offer in accordance with the terms of this Agreement, to accept the Offer;

**“Target Directors”**

means the directors of Target from time to time and **“Target Director”** shall be construed accordingly;

**“Target GM”**

means the general meeting (including an adjourned meeting) of Target Shareholders as at the Voting Record Time to be convened in connection with the Scheme to be held on the same date as the Court Meeting to consider and, if thought fit, approve, the Target GM Resolutions, including any adjournment of that meeting;

**“Target GM Resolutions”**

means

- (i) such shareholder resolutions of Target as are necessary to approve, implement and effect the Scheme and the Transaction; and
- (ii) a shareholder resolution of Target to amend the articles of association of Target by the adoption of a

new article under which any Target Shares issued or transferred after the Target GM shall, if so issued or transferred: (x) prior to the Scheme Record Time, be subject to the Scheme; and (y) following the Scheme Record Time, be transferred to Bidder (or as it may direct) in exchange for the same consideration as would be due under the Scheme (in each case, subject to the Scheme becoming effective in accordance with its terms);

<b>“Target Group”</b>	means Target and its subsidiaries and subsidiary undertakings from time to time and <b>“member of the Target Group”</b> shall be construed accordingly;
<b>“Target Remuneration Committee”</b>	has the meaning given to it in Schedule 2;
<b>“Target Representative”</b>	has the meaning given to it in Clause 11.3;
<b>“Target Shareholders”</b>	means the registered holders of Target Shares from time to time;
<b>“Target Share Plans”</b>	has the meaning given to it in Schedule 2;
<b>“Target Shares”</b>	means the existing unconditionally allotted or issued and fully paid ordinary shares of 28.125 pence each in the capital of the Target and any further shares which are unconditionally allotted or issued before the Effective Date and <b>“Target Share”</b> means any one of them;
<b>“Tax”</b>	means all taxes, levies, duties and imposts and any charges, deductions or withholdings in the nature of tax, including social security contributions, taxes on gross or net income, profits or gains and taxes on receipts, sales, transfer, ownership, use, occupation, development, franchise, employment, value added and personal property, together with all penalties, charges and interest relating to any of them;
<b>“Third Party Rights Provisions”</b>	has the meaning given to it in Clause 17.1;
<b>“Transaction”</b>	has the meaning given to it in Recital (A);
<b>“Voting Record Time”</b>	has the meaning given to it in the Press Announcement or such other time and/or date as the parties may agree in writing; and

**“Wider Bidder Group”** means Bidder Group and each of its associated undertakings and any other body corporate, partnership, joint venture or person in which Bidder or Apollo and their associated undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent.

1.2 In this Agreement, except where the context otherwise requires:

- (A) references to recitals, Clauses and Schedules are to recitals and clauses of and Schedules to this Agreement;
- (B) the expression **“group”**, in relation to a party, means that party together with its subsidiaries and subsidiary undertakings from time to time;
- (C) the expressions **“associated undertaking”**, **“subsidiary”** and **“subsidiary undertaking”** shall have the meanings given in the Act;
- (D) the expressions **“acting in concert”** and **“offer”** have the meanings given in the Code;
- (E) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted and shall include any subordinate legislation made from time to time under that statute or statutory provision;
- (F) use of any gender includes the other genders;
- (G) words in the singular shall include the plural and vice versa;
- (H) references to a **“company”** shall be construed so as to include any corporation or other body corporate, wherever and however incorporated or established;
- (I) references to a **“person”** shall be construed so as to include any individual, firm, company, corporation, body corporate, government, state or agency of a state, local or municipal authority or government body or any joint venture, association or partnership (whether or not having separate legal personality);
- (J) any reference to a **“day”** (including the phrase **“Business Day”**) shall mean a period of 24 hours running from midnight to midnight;
- (K) references to times are to London time;
- (L) references to **“£”** and **“pounds sterling”** are to the lawful currency of the United Kingdom;
- (M) references to **“writing”** shall include any modes of reproducing words in a legible and non-transitory form and shall include email except where otherwise expressly stated;

- (N) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official, or any legal concept or thing shall in respect of any jurisdiction other than England be deemed to include what most nearly approximates in that jurisdiction to the English legal term;
- (O) (i) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
- (ii) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words;
- (P) a reference to “**includes**” or “**including**” shall mean “includes without limitation” or “including without limitation” respectively;
- (Q) the phrases “**to the extent**” and “**to the extent that**” are used to indicate an element of degree and are not synonymous with the word “if”;
- (R) all headings and titles are inserted for convenience only and are to be ignored in the interpretation of this Agreement;
- (S) the Schedules form part of this Agreement and have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include the Schedules;
- (T) a reference to any other document referred to in this Agreement is a reference to that other document as amended or supplemented at any time; and
- (U) references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

## **2. PUBLICATION OF THE PRESS ANNOUNCEMENT AND THE TERMS OF THE TRANSACTION**

- 2.1 The obligations of the parties under this Agreement, other than the Initial Provisions, shall be conditional on the release of the Press Announcement via a Regulatory Information Service at or before 8.00 am on the date of this Agreement, or such other date and time as may be agreed by the parties (and, where required by the Code, approved by the Panel). Each of the Initial Provisions shall take effect on and from execution of this Agreement.
- 2.2 The principal terms of the Transaction shall be as set out in the Press Announcement, together with such other terms as may be agreed by the parties in writing (save in the case of an improvement to the terms of the Transaction, which will be at the absolute discretion of Bidder) and, where required by the Code, approved by the Panel.

2.3 The terms of the Transaction at the date of posting of the Scheme Document shall be set out in the Scheme Document. Should Bidder elect to implement the Transaction by way of the Offer in accordance with Clause 6, the terms of the Transaction shall be set out in the announcement of the switch to an Offer and the Offer Document.

### **3. REGULATORY CLEARANCES**

3.1 Bidder shall use all reasonable efforts to secure the Clearances as soon as reasonably practicable following the date of this Agreement and in any event in sufficient time to enable the Effective Date to occur by the Long Stop Date. This shall include offering and executing any Remedies that are required or can reasonably be expected to be required to obtain Clearances to enable the Effective Date to occur by the Long Stop Date, provided always that:

- (A) any such Remedy is not likely to have a material adverse effect on the value or operations of the Target Group post-completion, in Bidder's reasonable opinion; and
- (B) any such Remedy applies only to a member or members of the Target Group and/or its or their businesses, and not, for the avoidance of doubt, to any company or business (i) which is (directly or indirectly) controlled by funds and entities managed or advised by Apollo; (ii) in which any fund or entity managed by Apollo has a direct or indirect interest; (iii) which is controlled by or under common control with Apollo; or (iv) in which Apollo or any person controlled by or under common control Apollo or persons acting in concert with such person has a direct or indirect interest.

3.2 Without prejudice to the generality of Clause 3.1, Bidder shall submit to the Relevant Authorities (in draft or in final form, as the case may be) any filings, notifications or submissions as are necessary in connection with the Clearances which it has a responsibility to make under applicable Law (or if otherwise required by a Relevant Authority) as soon as reasonably practicable after the date of this Agreement and within any applicable mandatory time periods.

3.3 Except where otherwise required by applicable Law or a Relevant Authority, Bidder shall:

- (A) after prior consultation with Target, determine the strategy to be pursued for obtaining the Clearances;
- (B) contact and correspond with the Relevant Authorities in relation to the Clearances, including submitting and preparing, with the assistance of Target in accordance with this Agreement, all necessary filings, notifications and submissions; and
- (C) be responsible for the payment of all filing fees required in connection with the Clearances.

3.4 Save to the extent prohibited by applicable Law or the Relevant Authority, Target undertakes to Bidder to:

- (A) provide as soon as reasonably practicable, and in any event before any deadline or due date imposed by applicable Law:

- (i) all such information as may reasonably be required by Bidder to determine in which jurisdictions any merger control, regulatory or other similar filing, notification or submission with a Relevant Authority may be necessary or advisable for the purposes of obtaining the Clearances;
  - (ii) all such information as may reasonably be required for inclusion in any filings, notifications or submissions to any Relevant Authority for the purposes of obtaining the Clearances or for inclusion in any responses to any requests for further information consequent upon such filings, notifications or submissions; and
  - (iii) all such other assistance as may reasonably be required for the purposes of obtaining the Clearances, including assistance in connection with such pre-notification contracts with the Relevant Authorities as Bidder considers desirable or appropriate in the circumstances, and the identifying, structuring and preparation of any Remedies (if any are required); and
- (B) provide as soon as reasonably practicable, in consultation with Bidder, such information and access to Target management and employees as Bidder or any Relevant Authority may reasonably require for the purposes of making a filing, notification or submission to any Relevant Authority in connection with the Clearances.

3.5 Save to the extent prohibited by applicable Law or the Relevant Authority, Bidder undertakes to Target (and Target undertakes to Bidder) to:

- (A) provide, or procure the provision of, to the other party (and/or its legal advisers) draft copies of all filings, notifications, submissions, material correspondence and material communications (including, in the case of material non-written correspondence or communications, reasonably detailed summaries of such correspondence or communications), other than those of an administrative nature, intended to be submitted, sent or communicated to any Relevant Authority in connection with obtaining any Clearance, at such time as will allow the other party (and/or its legal advisers) reasonable opportunity to review and comment thereon;
- (B) take into account reasonable comments made by the other party (and/or its legal advisers) on draft copies of filings, notifications, submissions, material correspondence and material communications provided pursuant to Clause 3.5(A);
- (C) as soon as reasonably practicable, provide, or procure the provision of, to the other party (as applicable) (and/or its legal advisers) copies of all filings, notifications, submissions, material correspondence and material communications in the form finally submitted, sent or communicated to any Relevant Authority in connection with obtaining any Clearance (including, in the case of material non-written correspondence or communications, reasonably detailed summaries of such correspondence or communications);
- (D) as soon as reasonably practicable notify the other party (as applicable) (and/or its legal advisers) of, and provide copies of, any material correspondence and material

communications (including, in the case of material non-written correspondence or communications, reasonably detailed summaries or such correspondence or communications) received from any Relevant Authority in connection with obtaining the Clearances;

- (E) give the other party (as applicable) (and/or its legal advisers) reasonable notice of any meetings, hearings or scheduled telephone calls, other than those of an administrative nature, with any Relevant Authority in connection with obtaining the Clearances, and allow the other party (and/or its legal advisers) to attend and make reasonable oral submissions during any such material meetings, hearings or telephone calls (provided such oral submissions have been discussed by the parties in advance) and, where such attendance and participation is not permitted by applicable Law or the Relevant Authority, to provide, to the extent so permitted, the other party (as applicable) with a written summary of such meeting, hearing or telephone call as soon as reasonably practicable following the meeting, hearing or telephone call;
- (F) keep the other party (and/or its legal advisers) informed as soon as reasonably practicable of developments which are material or potentially material to obtaining of any of the Clearances; and
- (G) not to withdraw a filing, submission or notification made to any Relevant Authority in connection with obtaining any of the Clearances without the prior consent of the other party.

3.6 Nothing in this Agreement shall oblige either Bidder or Target (the “**Disclosing Party**”) to disclose any information to the other:

- (A) that is personally identifiable information of a beneficial owner, director, officer or employee of the disclosing party or its affiliated persons, unless that information can be reasonably anonymised (in which case the Disclosing Party shall provide the relevant information on an anonymised basis);
- (B) which the Disclosing Party or its affiliated persons reasonably considers to be commercially or competitively sensitive or which the Disclosing Party is prohibited from disclosing by the terms of an existing contract;
- (C) which the Disclosing Party is prohibited from disclosing by Law or a Relevant Authority; or
- (D) where such disclosure would result in the loss of privilege that subsists in relation to such information, including legal professional privilege.

3.7 Where the circumstances referred to in Clauses 3.6(A) or 3.6(B) apply, the Disclosing Party shall, to the extent permitted by applicable Law, disclose the relevant information to the other:

- (A) pursuant to any joint defence agreement to be agreed between the parties acting reasonably;

- (B) on an “external counsel only” basis; or
- (C) where disclosure in a manner contemplated by Clauses 3.6(A) or 3.6(B) would reasonably be expected to have a material adverse effect on the Disclosing Party’s legitimate business interests, directly to a Relevant Authority (and in such circumstances, the Disclosing Party shall provide, or procure the provision of, a non-confidential version of such information to the other party).

3.8 Except with the prior written consent of Target, until the Regulatory Conditions are fulfilled, Bidder shall not, and shall procure (so far as it is able to) that no person acting in concert or deemed to be acting in concert with it will take, or omit to take, or permit or cause to be taken or omitted to be taken (or direct any person to do the same) any action, or enter into any acquisition, transaction or other agreement, which would, or would be reasonably likely to, have the effect of preventing, impeding, materially delaying or materially prejudicing the satisfaction of the Regulatory Conditions or completion of the Transaction, provided always that, for the avoidance of doubt, nothing in this Clause 3.8 shall apply to any company or business (i) which is (directly or indirectly) controlled by funds and entities managed or advised by Apollo; (ii) in which any fund or entity managed by Apollo has a direct or indirect interest; (iii) which is controlled by or under common control with Apollo; or (iv) in which Apollo or any person controlled by or under common control with Apollo or persons acting in concert with such person has a direct or indirect interest.

3.9 Notwithstanding any other provisions of this Agreement to the contrary, nothing contained in this Agreement shall require a party (or any person acting in concert or deemed to be acting in concert) to take, or cause to be taken, any action with respect to the divestiture of assets, properties or businesses, or any combination thereof, that is not conditional on completion of the Transaction, except as otherwise agreed by the parties and with the consent of the Panel if required.

#### **4. SCHEME DOCUMENT**

4.1 If the Transaction is being implemented by means of a Scheme, Bidder agrees to:

- (A) as soon as reasonably practicable, provide to Target (and/or its legal advisors) all such information about itself, its directors, any other person acting in concert with it (including any information required by the Code or the Panel or under other applicable Law, including in relation to the intentions of Bidder) as may be reasonably requested and which is reasonably required by Target and/or its legal advisors having regard to the Code or under other applicable Law for the purpose of inclusion in the Scheme Document;
- (B) without prejudice to Clause 4.1(A), as soon as reasonably practicable, provide all such other assistance and access as may be reasonably required for the preparation of the Scheme Document or any other document required by the Code or any other applicable Law to be published in connection with the Scheme, including access to, and procuring that reasonable assistance is provided by, its professional advisers; and

- (C) in the case of Bidder, procure that its directors (and any other Responsible Persons) accept responsibility, in the terms required by the Code, for all of the information in the Scheme Document and any other document required by the Code or any other applicable Law to be published in connection with the Scheme relating to:
- (i) themselves (and their close relatives, related trusts and companies and other persons connected with them), the Wider Bidder Group and persons acting in concert with it;
  - (ii) Bidder's financing arrangements in connection with the Transaction;
  - (iii) information on Bidder's intentions and future plans for the Target Group and its management and employees;
  - (iv) any statements of opinion, belief, intent or expectation of Bidder or the Bidder Directors in relation to the Transaction or the Target Group following completion of the Transaction; and
  - (v) any other information in the Scheme Document for which a bidder and/or its directors are required to accept responsibility under the Code.

## 5. IMPLEMENTATION OF THE SCHEME

5.1 Where the Transaction is being implemented by way of the Scheme, Bidder undertakes to deliver a notice in writing to Target and the Panel on the Business Day prior to the Scheme Hearing, confirming either:

- (A) the satisfaction or waiver of all Conditions (other than the Scheme Condition); or
- (B) its intention to invoke one or more Conditions (if permitted by the Panel) and providing reasonable details of the event which has occurred, or circumstances which have arisen, which Bidder reasonably considers entitles it to invoke such Condition(s) or treat it as unsatisfied or incapable of satisfaction and the reasons why it considers such event or circumstance sufficiently material for the Panel to permit Bidder to invoke such Condition(s) so as to cause the Offer not to proceed, to lapse or to be withdrawn.

5.2 Where the Transaction is being implemented by way of the Scheme, Bidder shall instruct counsel to appear on its behalf at the Scheme Hearing and undertake to the Court on its behalf to be bound by the terms of the Scheme insofar as it relates to Bidder to the extent that all the Conditions (other than the Scheme Condition) have been satisfied or waived prior to or on the date of the Scheme Hearing. Bidder shall provide such documentation or information as may reasonably be required by Target's counsel, the Court or the Court Reporter, in relation to such undertaking.

## 6. SWITCHING TO AN OFFER

6.1 The parties intend that the Transaction will be implemented by way of the Scheme. Bidder shall have the right (a "**Right to Switch**") (subject always to the consent of the Panel, if required),

whether before or after the posting of the Scheme Document, to elect at any time to implement the Transaction by way of an Offer rather than the Scheme only if:

- (A) Target provides its prior written consent;
- (B) a third party announces a firm intention to make an offer pursuant to Rule 2.7 of the Code (whether or not subject to the satisfaction or waiver of any pre-conditions) in respect of the issued and to be issued share capital of the Target; or
- (C) a Target Board Adverse Recommendation Change occurs.

6.2 In the event of an Agreed Switch, unless otherwise agreed with Target or required by the Panel, the parties agree that:

- (A) the acceptance condition to the Offer (the “**Acceptance Condition**”) shall be set at 75 per cent. (or such lesser percentage as Bidder and Target may agree after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent.) of the voting rights attaching to the Target Shares;
- (B) to the extent reasonably practicable, Bidder shall discuss any announcements relating to the Agreed Switch and its implementation and any proposed changes to the timetable in relation to the implementation of the Agreed Switch with the Target in a timely manner;
- (C) Bidder shall not take any action (including publishing an acceptance condition invocation notice (as defined in Rule 31.6 of the Code)) which would cause the Offer not to proceed, to lapse or to be withdrawn in each case for non-fulfilment of any Condition prior to midnight on the sixtieth (60th) day following the publication of the Offer Document (or such later date as is set in accordance with Rule 31.3 of the Code and Notes on that Rule) (“**Day 60**”) and Bidder shall ensure that the Offer remains open for acceptances until such time;
- (D) Bidder shall not, without the prior written consent of Target, make any acceleration statement unless: (i) all of the Conditions (other than the Acceptance Condition) have been satisfied or waived (if capable of waiver); (ii) the acceleration statement contains no right for Bidder to set the statement aside (except with Target consent); and (iii) Bidder undertakes to Target not to take any action or step otherwise to set the acceleration statement aside;
- (E) If:
  - (i) at any time during the period between the publication of the Offer Document and 5.00 p.m. on the date falling on the second day prior to Day 39 (as defined in the Code), it becomes reasonably expected that any outstanding Regulatory Condition is not likely to be satisfied or waived (if capable of waiver) prior to the sixtieth (60th) day following the publication of the Offer Document; or

- (ii) by 5.00 p.m. on the date falling on the ninth day prior to Day 39 (as defined in the Code), any outstanding Regulatory Condition has not been satisfied,

in each case, Bidder shall promptly consult with Target as to whether a suspension to the offer timetable should be sought pursuant to Rule 31.4(a) of the Code and, if so, seek, jointly with Target, the consent of the Panel to suspend the offer timetable no later than the date falling on the second day prior to Day 39 (as defined in the Code);

- (F) the Conditions, as set out in Appendix 1 to the Press Announcement, shall be incorporated into the announcement of such Offer and into the Offer Document and unless the parties agree otherwise in writing, the only conditions to the Offer shall be the Conditions set out in Appendix 1 to the Press Announcement, subject to replacing the Scheme Condition with the Acceptance Condition together with such modifications as are agreed in writing by the parties or, where required by the Code, by the Panel, or which are necessary as a result of the switch from the Scheme to the Offer;
- (G) Bidder shall ensure that the Offer is otherwise made on the same or improved terms, subject to such modifications as are agreed in writing by the parties or, where required by the Code, by the Panel, or which are necessary as a result of the switch from the Scheme to the Offer; and
- (H) Bidder shall keep Target informed, on a regular and confidential basis and in any event within two Business Days following a written request from Target, of the number of Target Shareholders that have: (i) validly returned their acceptance forms; (ii) returned but incorrectly completed their acceptance forms; (iii) validly returned their withdrawal forms; and (iv) returned but incorrectly completed their withdrawal forms, and in each case the identity of such shareholders and the number of Target Shares to which such forms relate.

6.3 In the event of any Agreed Switch, the parties agree that all provisions of this Agreement relating to the Scheme and its implementation shall apply to the Offer or its implementation *mutatis mutandis*, save as set out in this Clause 6.

6.4 Bidder hereby represents that it is not, at the date of this Agreement, and undertakes that (for so long as the Agreement is in force and save where Target provides its prior written consent) it shall not become, following the date of this Agreement, required to make a mandatory offer for Target under Rule 9 of the Code unless Clause 6.1(B) applies and a Target Board Adverse Recommendation Change occurs.

## **7. EMPLOYEE RELATED MATTERS**

The parties agree that the provisions of Schedule 2 shall apply in respect of the Target Share Plans and certain employee-related matters.

## **8. DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

8.1 If and to the extent such obligations are permitted by applicable Law, for six years after the Effective Date, Bidder shall procure that the members of the Target Group shall provide all

reasonable assistance to directors and officers of the Target Group to the extent they need to make a claim against any Target Group directors' and officers' insurance policy (including any run-off cover), in each case with respect to matters existing or occurring at or prior to the Effective Date.

- 8.2 Bidder acknowledges and agrees that Target may purchase, or procure the provision of, at any time prior to or following the Effective Date, directors' and officers' liability insurance for both current and former directors and officers of the Target Group, including directors and officers who retire or whose employment is terminated (directly or indirectly) in connection with the Transaction, for acts and omissions up to and including the Effective Date, in the form of run-off cover for a period of six years following the Effective Date. Such insurance cover shall be with reputable insurers and provide cover, in terms of amount and breadth, at least as much as that provided under the Target Group's directors' and officers' liability insurance as at the date of this Agreement.

## **9. CODE AND RELEVANT APPLICABLE LAW**

- 9.1 Nothing in this Agreement shall in any way limit the parties' obligations under the Code or any uncontested rulings of the Panel as to the application of the Code in conflict with the terms of this Agreement (which shall take precedence over such terms).
- 9.2 The parties agree that, if the Panel determines that any provision of this Agreement that requires Target to take or not to take action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded and neither Target nor the Target Directors shall have any obligation to take or not take any such action.
- 9.3 Nothing in this Agreement shall oblige Target or the Target Directors to recommend an Offer or a Scheme proposed by Bidder or any of the Wider Bidder Group.
- 9.4 Without prejudice to the warranties given by the parties pursuant to Clause 11, nothing in this Agreement shall be taken to restrict the directors of any member of the Target Group or the director of any member of the Wider Bidder Group from complying with Law, orders of court or regulations, including (to the extent applicable) the Code, the Listing Rules and the rules and regulations of the Panel and the UK Listing Authority.

## **10. TERMINATION**

- 10.1 Subject to Clauses 10.2 and 10.3, this Agreement shall terminate with immediate effect and all rights and obligations of the parties under this Agreement shall cease immediately as follows:
- (A) if the parties so agree in writing;
  - (B) if the Press Announcement is not released via a Regulatory Information Service at or before 8.00 a.m. on the date of this Agreement (unless, prior to that time, the parties have agreed another later time and date in accordance with Clause 2.1 in which case the later time and date shall apply for the purposes of this Clause 10.1(B));

(C) upon service of written notice by Bidder to Target if a Target Board Adverse Recommendation Change occurs;

(D) upon service of written notice by either party if one or more of the following occurs:

(i) prior to the Long Stop Date, a third party announces a firm intention to make an offer or revised offer (whether or not subject to the satisfaction or waiver of any pre-conditions) for Target under Rule 2.7 of the Code, which completes, becomes effective or is declared or becomes unconditional;

(ii) if the Transaction (whether implemented by way of the Scheme or the Offer) is withdrawn, terminates or lapses in accordance with its terms prior to the Long Stop Date and (where required) with the permission of the Panel, unless such lapse or withdrawal:

(a) is as a result of Bidder electing to exercise the Right to Switch; or

(b) is to be followed within five Business Days (or such other period as Bidder and Target may agree) by a firm intention announcement (under Rule 2.7 of the Code) made by Bidder or any person acting in concert (or deemed to be acting in concert) with Bidder to implement the Transaction by a different offer or scheme on substantially the same or improved terms;

(iii) prior to the Long Stop Date any Condition has been invoked by Bidder (in circumstances where the invocation of the relevant Condition is permitted by the Panel);

(iv) except where Bidder has elected to exercise the Right to Switch, if the Scheme is not approved at the Court Meeting, the Target GM Resolutions are not passed at the Target GM or the Court definitively refuses to sanction the Scheme; or

(v) unless otherwise agreed by the parties in writing or required by the Panel, if the Effective Date has not occurred by the Long Stop Date.

10.2 Termination of this Agreement shall be without prejudice to the rights of either party that may have arisen at or prior to termination.

10.3 Clauses 1 and 9 to 24 (inclusive) and Clauses 7 and 8 (but only in circumstances where this Agreement is terminated on or after the Effective Date) shall survive termination of this Agreement.

## **11. WARRANTIES AND UNDERTAKINGS**

11.1 Bidder warrants to the Target and the Target warrants to Bidder on the date of this Agreement that:

- (A) it has the requisite power and authority to enter into and perform its obligations under this Agreement;
- (B) this Agreement constitutes its binding obligations in accordance with its terms;
- (C) the execution and delivery of, and performance of its obligations under, this Agreement will not:
  - (i) result in any breach of any provision of its constitutional documents;
  - (ii) result in a breach of, or constitute a default under, any instrument to which it is a party or by which it is bound; or
  - (iii) result in a breach of any order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.

11.2 Bidder warrants to Target on the date of this Agreement that:

- (A) Bidder is an indirect, wholly-owned subsidiary of Apollo;
- (B) it has the requisite power and authority to enter into and implement the Transaction;
- (C) no resolutions or other approvals of its shareholders are required to enter into and implement the Transaction; and
- (D) it is not aware of any matter or circumstance which would or could reasonably be expected to result in any of the Conditions not being satisfied.

11.3 Bidder acknowledges and agrees that any information and/or assistance provided by Target, any member of the Target Group or by any of the Target Group's directors, officers, employees, contractors or advisers (each a "**Target Representative**") to it and/or any of the Wider Bidder Group or any of their respective directors, officers, employees or advisers, whether before, on or after the date of this Agreement: (i) pursuant to the obligations of Target or any member of the Target Group under or otherwise in connection with this Agreement; or (ii) in connection with the Transaction shall in each case be (and have been) given on the basis that the relevant Target Representative shall not incur any liability, whether in contract, tort (including negligence) or otherwise, in respect of any loss or damage that any of the Wider Bidder Group or any of their respective directors, officers, employees or advisers may suffer as a result of the provision of any such information and/or assistance, save, in each case, for loss or damage resulting from the fraudulent misrepresentation of the relevant Target Representative.

## 12. NOTICES

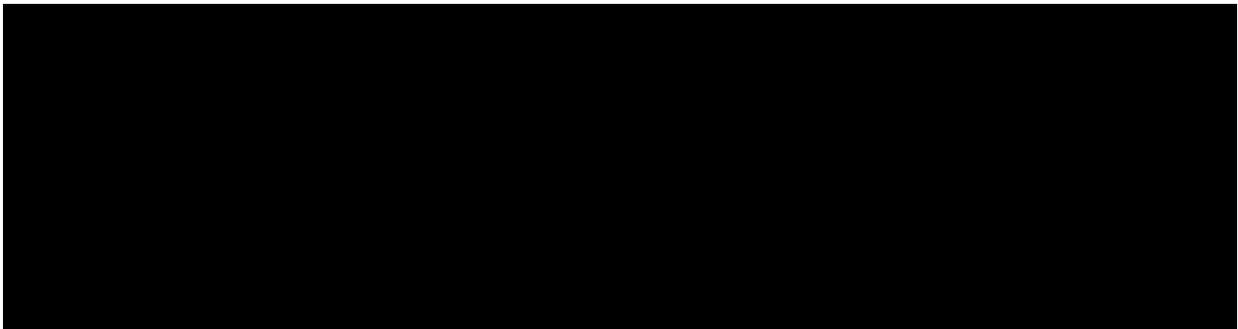
12.1 A notice under or in connection with this Agreement (a "**Notice**") must be in writing and shall be delivered personally or recorded delivery mail (or air mail if overseas) or by email to the party due to receive the Notice to the address specified in Clause 12.2.

12.2 The address of each party referred to in Clause 12.1 above is:

(A) in the case of Bidder:



(B) in the case of Target:



12.3 A party may change its notice details on giving notice to the other party of the change in accordance with this Clause 12.

12.4 Unless there is evidence that it was received earlier, a Notice is deemed given:

- (A) if delivered personally, on the date and time when left at the relevant address;
- (B) if sent by post, except air mail, two Business Days after posting it;
- (C) if sent by air mail, six Business Days after posting it; and
- (D) if sent by email, on the date and time when sent, provided that the sender does not receive a notice of non-delivery,

provided that any Notice that would otherwise be deemed given outside of the hours of 9:00 a.m. to 5:30 p.m. on a Business Day shall be deemed to be given at 9:00 a.m. on the next Business Day.

12.5 Each Notice or other communication under or in connection with this Agreement shall be in English.

### **13. REMEDIES AND WAIVERS**

13.1 No delay or omission by any party in exercising any right, power or remedy provided by Law or under this Agreement shall:

(A) affect that right, power or remedy; or

(B) operate as a waiver of it.

13.2 The single or partial exercise of any right, power or remedy provided by Law or under this Agreement shall not preclude any other or further exercise of it or the exercise of any other right, power or remedy.

13.3 The rights, powers and remedies provided for in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by Law.

13.4 Without prejudice to any other rights and remedies which a party may have, the parties acknowledge and agree that damages may not be an adequate remedy for any breach by it of this Agreement and that the party who is not in breach shall be entitled without proof of special damage to seek injunctive relief and other equitable remedies (including specific performance) for any threatened or actual breach of any such provision of this Agreement by a party thereto.

13.5 Nothing in this Agreement shall oblige Target to pay an amount in damages which the Panel determines would not be permitted by Rule 21.2 of the Code.

### **14. INVALIDITY**

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the Law of any jurisdiction or due to the operation of Clause 9.2:

(A) that shall not affect or impair:

(i) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

(ii) the legality, validity or enforceability under the Law of any other jurisdiction of that or any other provision of this Agreement; and

(B) if it would be legal, valid and enforceable if deleted in whole or in part or reduced in application, such provision shall apply with such deletion or reduction as may be necessary to make it valid and enforceable but the enforceability of the remainder of this Agreement shall not be affected.

### **15. VARIATION**

No variation or amendment or modification to this Agreement shall be effective unless made in writing (which for this purpose, does not include email) and executed by each of the parties.

## 16. ENTIRE AGREEMENT

- 16.1 The provisions of this Agreement shall be supplemental to and shall not prejudice the terms of the Confidentiality Agreement which shall remain in full force and effect. This Agreement, together with the Confidentiality Agreement, represents the entire understanding, and constitutes the whole agreement, in relation to its subject matter and supersedes any previous agreement (whether written or oral) between the parties with respect thereto.
- 16.2 Except in the case of fraud, each party confirms that, except as provided in this Agreement and the Confidentiality Agreement, no party has relied on any understanding, representation or warranty which is not contained in this Agreement and the Confidentiality Agreement.
- 16.3 Without prejudice to any liability for fraudulent misrepresentation or fraudulent misstatement, no party shall be under any liability or shall have any remedy in respect of any misrepresentation or untrue statement unless and to the extent that a claim lies under this Agreement and/or the Confidentiality Agreement.

## 17. RIGHTS OF THIRD PARTIES

- 17.1 Clauses 8 and 11.3 (the “**Third Party Rights Provisions**”) are intended to confer benefits on and be enforceable by the third parties referred to therein (the “**Relevant Third Parties**”).
- 17.2 Paragraphs 10 to 12 of Part 1 of Schedule 2 and paragraph 2 of Part 2 of Schedule 2 (the “**Remuneration Committee Provisions**”) are intended to confer benefits on the members of the Target Remuneration Committee and be enforceable by the members of the Target Remuneration Committee.
- 17.3 Notwithstanding the provisions of Clauses 17.1 and 17.2, the parties shall not require the consent of any person (including any Relevant Third Party) other than the parties to vary or amend this Agreement, except for any variation or amendment on or following the Effective Date of:
- (A) the Third Party Rights Provisions or Clause 17.1 or this Clause 17.3 to the extent it relates to the ability to amend the Third Party Rights Provisions, which shall require the consent of all affected Relevant Third Parties;
  - (B) the Remuneration Committee Provisions or Clause 17.1 or this Clause 17.3 to the extent it relates to the ability to amend the Remuneration Committee Provisions, which shall require the consent of all affected members of the Target Remuneration Committee.
- 17.4 Except as specified in Clauses 17.1 and 17.2, the parties to this Agreement do not intend that any term of this Agreement should be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 1999, by any person who is not a party to this Agreement.

## **18. NO PARTNERSHIP**

- 18.1 Nothing in this Agreement and no action taken by the parties under this Agreement shall constitute a partnership, joint venture or agency relationship between any of the parties. A party has no authority to bind or contract in the name of another party in any way or for any purpose by virtue of this Agreement.

## **19. ASSIGNMENT**

- 19.1 No party may assign (whether absolutely or by way of security and whether in whole or in part), transfer, mortgage, charge, declare itself a trustee for a third party of, or otherwise dispose of (in any manner whatsoever) the benefit of this Agreement or sub-contract or delegate in any manner whatsoever its performance under this Agreement (each of the above a “**dealing**”) and any purported dealing in contravention of this Clause 19.1 shall be ineffective.

## **20. COSTS AND EXPENSES**

- 20.1 Except as otherwise stated in this Agreement, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and any matters contemplated by it.

## **21. FURTHER ASSURANCE**

- 21.1 Each party shall, at the cost of the requesting party, use reasonable endeavours to, or use reasonable endeavours to procure that any relevant third party shall, do and/or execute and/or perform all such further deeds, documents, assurances, acts and things as the requesting party may reasonably require to give the full benefit of this Agreement to the requesting party.

## **22. COUNTERPARTS**

- 22.1 This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart.
- 22.2 Each counterpart shall constitute an original of this Agreement, but all the counterparts shall together constitute but one and the same instrument.

## **23. GOVERNING LAW AND JURISDICTION**

- 23.1 This Agreement is to be governed by and construed in accordance with English law. Any matter, claim or dispute arising out of or in connection with this Agreement, whether contractual or non-contractual, is to be governed by and determined in accordance with English law.
- 23.2 Each party irrevocably agrees that the Courts of England shall have exclusive jurisdiction in relation to any dispute or claim arising out of or in connection with this Agreement or its subject matter, existence, negotiation, validity, termination or enforceability (including non-contractual disputes or claims).

23.3 Each party irrevocably waives any right that it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts have no jurisdiction.

#### **24. AGENT FOR SERVICE**

24.1 Bidder hereby irrevocably appoints Apollo Management International LLP of 1 Soho Place, London, W1D 3BG (the “**Bidder Agent**”) to be its agent for the receipt of Service Documents. It agrees that any Service Document may be effectively served on it in connection with proceedings, suit or action in England and Wales by service on its agent effected in any manner permitted by the Civil Procedure Rules.

24.2 Target hereby irrevocably appoints The Restaurant Group Holdings Limited of 5 – 7 Marshalsea Road, Borough, London, SE1 1EP (the “**Target Agent**”) to be its agent for the receipt of Service Documents. It agrees that any Service Document may be effectively served on it in connection with proceedings, suit or action in England and Wales by service on its agent effected in any manner permitted by the Civil Procedure Rules.

24.3 If the Bidder Agent or the Target Agent at any time ceases for any reason to act as such, Bidder or Target (as applicable) shall promptly appoint a replacement agent having an address for service in England or Wales and shall notify the other party of the name and address of the replacement agent. Failing such appointment and notification:

(A) in the case of the Bidder Agent, Target shall be entitled by notice to Bidder to appoint a replacement agent to act on behalf of Bidder; and

(B) in the case of the Target Agent, Bidder shall be entitled by notice to Target to appoint a replacement agent to act on behalf of Target.

The provisions of this Clause 24 applying to service on an agent apply equally to service on a replacement agent.

24.4 A copy of any Service Document served on:

(A) the Bidder Agent shall be sent to Bidder; and

(B) the Target Agent shall be sent to Target.

Failure or delay in so doing shall not prejudice the effectiveness of service of the Service Document.

**SCHEDULE 1**  
**FIRM INTENTION ANNOUNCEMENT**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION**

**FOR IMMEDIATE RELEASE**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**12 October 2023**

**RECOMMENDED CASH ACQUISITION**

**of**

**The Restaurant Group plc**

**by**

**Rock BidCo Limited**

**(a special purpose vehicle indirectly owned by the Apollo Funds, managed by affiliates of Apollo Global Management, Inc.)**

**to be implemented by means of a scheme of arrangement  
under Part 26 of the Companies Act 2006**

**Summary**

- The boards of directors of Rock BidCo Limited (“**Bidco**”) and The Restaurant Group plc (“**TRG**”) are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash acquisition by Bidco of the entire issued, and to be issued, ordinary share capital of TRG. It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act.
- Under the terms of the Acquisition, each TRG Shareholder will be entitled to receive:  

**for each Scheme Share held: 65 pence in cash**
- The Acquisition Price per Scheme Share represents a premium of approximately:
  - 67 per cent. to the volume-weighted average price of 39 pence per TRG Share for the twelve-month period ended 11 October 2023 (being the last Business Day before the date of this announcement);
  - 49 per cent. to the volume-weighted average price of 44 pence per TRG Share for the six-month period ended 11 October 2023 (being the last Business Day before the date of this announcement); and
  - 34 per cent. to TRG’s closing share price of 48 pence per TRG Share on 11 October 2023 (being the last Business Day before the date of this announcement).

- The Acquisition values TRG's entire issued, and to be issued, ordinary share capital at approximately £506 million on a fully diluted basis, and implies an enterprise value of £701 million and a multiple of approximately 9.0 times TRG's Adjusted EBITDA for the twelve months ended 2 July 2023.
- If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the TRG Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Scheme Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by TRG of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, TRG Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.

### **Recommendation**

- The TRG Directors, who have been so advised by Lazard, Centerview and Citi as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the TRG Directors, Lazard, Centerview and Citi have taken into account the commercial assessments of the TRG Directors. Lazard is providing independent financial advice to the TRG Directors for the purposes of Rule 3 of the Takeover Code.
- Accordingly, the TRG Directors intend to unanimously recommend that TRG Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting as the TRG Directors who hold TRG Shares have irrevocably undertaken to do in respect of their own holdings over which they have control, being, in aggregate 1,531,423 TRG Shares (representing approximately 0.20 per cent. of the existing issued ordinary share capital of TRG) as at 11 October 2023, being the last Business Day prior to the date of this announcement. Further details of these undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

### **Background to and reasons for the Acquisition**

- Apollo has closely followed TRG over many years and believes that TRG is a high quality and leading company in the casual dining market with an attractive portfolio of concepts and brands and an experienced management team with a clear vision and strategy for the future direction of TRG. These are all characteristics which are highly valued by Apollo.
- Apollo believes TRG has established itself as a highly regarded operator, with the necessary capabilities and scale required to attract and retain customers and the best talent in the industry. Bidco holds the TRG management team in high regard and values their operational expertise and experience. Bidco intends to work with the existing management and employees of TRG to support the business with a view to providing attractive and sustained growth and development opportunities for TRG's stakeholders. Apollo is highly supportive of TRG's management strategy and it is confident in the future prospects of TRG's businesses.
- Apollo is excited to partner with TRG to continue developing the business by investing in the customer offering and future growth of its footprint. Through Apollo's deep industry knowledge and the successful track record of the Apollo Funds' investments in the consumer, retail and hospitality sectors, Apollo is qualified to support TRG and its management team through the next phase of growth for Wagamama, Pubs and Concessions.

- Finally, Apollo believes that the development of TRG will be best served as a private business under Bidco’s ownership, with access to capital and the benefit of a long-term investment approach. This will allow it to continue to deliver on its strategic objectives whilst enabling it to respond to structural changes in its industry in the medium and long term.

### **Background to and reasons for the TRG Board’s unanimous recommendation**

- The TRG Board has considered all scenarios carefully and has reached the conclusion that the certainty provided by the cash Acquisition makes it a superior outcome for TRG Shareholders. The factors behind the TRG Board’s decision are as set out in detail below.

#### *Recent management actions and trading*

- In March 2023, TRG announced its medium-term strategy to deliver significant Adjusted EBITDA margin accretion over a three-year time horizon, targeting an Adjusted EBITDA margin improvement of 250bps to 350bps from FY22 VAT adjusted levels (“**Margin Accretion Plan**”) and reducing net debt / Adjusted EBITDA below 1.5x by the end of FY25. In addition, the TRG Board stated it was continually reviewing strategic options.
- Since announcement, TRG has made strong progress against the Margin Accretion Plan, delivering two earnings upgrades during FY23 and capturing £5m incremental annualised cost savings. Wagamama, Pubs and Concessions businesses have seen strong like-for-like sales growth, market share gains and delivered year-on-year volume growth. This has supported an acceleration of openings planned for Wagamama and resumption of the new site pub expansion plan.
- As part of the TRG Board’s ongoing review of strategic options, in September 2023, TRG announced the proposed disposal of its Leisure business, which will significantly accelerate the TRG Group’s core strategy of Adjusted EBITDA margin accretion and deleveraging by removing a loss-making business and is expected to reduce IFRS-16 lease liabilities by c.£50m. The disposal is due to complete on 30 October 2023.
- The TRG Board has also reviewed further strategic options for the future shape of the portfolio, including through proactive discussions with possible purchasers for other TRG businesses. In evaluating the strategic options, the TRG Board has maintained that any transaction must be at a value that reflects both the strength of current trading and the long-term prospects of the business.

#### *Market performance*

- The combination of positive management action and trading performance has resulted in the share price rising 55 per cent. for the calendar year to date and 49 per cent. over the last 12 months (to 11 October 2023, being the last Business Day before the date of this announcement).
- This has also helped improve the TRG Group’s next-twelve-months EV/EBITDA multiple to both trade in line with the TRG Group’s average multiple pre-pandemic, and at a premium to UK listed peers in the casual dining sector on the same basis.
- While the TRG Board believes market reaction to the Margin Accretion Plan, recent trading, cost reductions and strategic actions has been positive, it has become clear to the TRG Board that there are divergent and opposing shareholder views on TRG’s future portfolio shape, and timing and pathway to achieving it.

#### *Factors considered by the TRG Board*

- TRG received a proposal from Apollo to acquire the entire issued and to be issued share capital of TRG. While the initial proposal received was not at a level that the TRG Directors considered

reflected appropriate value for TRG, during a period of negotiations, Apollo made a further three proposals, resulting in the Acquisition Price at 65 pence per TRG Share. The Acquisition Price values TRG's entire issued and to be issued share capital at approximately £506 million on a fully diluted basis, and implies an enterprise value of £701 million and a multiple of approximately 9.0 times TRG's Adjusted EBITDA for the twelve months ended 2 July 2023.

- The Acquisition provides an opportunity for TRG Shareholders to achieve an attractive premium to the current share price, which has performed strongly, trading near its 52-week high levels. The Acquisition Price represents a premium of approximately:
  - 67 per cent. to the volume-weighted average price of 39 pence per TRG Share for the twelve-month period ended 11 October 2023 (being the last Business Day before the date of this announcement);
  - 49 per cent. to the volume-weighted average price of 44 pence per TRG Share for the six-month period ended 11 October 2023 (being the last Business Day before the date of this announcement); and
  - 34 per cent. to TRG's closing share price of 48 pence per TRG Share on 11 October 2023 (being the last Business Day before the date of this announcement).
- The TRG Board believes the certain value represented by the cash Acquisition is a superior outcome for TRG Shareholders compared to continuing to pursue the independent strategy of TRG. The TRG Board has confidence in the margin accretion plan over the next three years, but is cognisant of the premium, certain value of the Acquisition against the prevailing risk for all consumer-facing businesses with exposure to macro-economic uncertainties.
- The TRG Board has also considered a number of alternative scenarios for the future shape of the portfolio, which have been explored to identify possible realisable value for some TRG businesses. The TRG Board believes that the options analysed, including the impact of dis-synergies and other value leakage, would deliver cash proceeds below both sell-side analyst expectations and the TRG Board's own expectations and would represent a lower value outcome to TRG Shareholders than the Acquisition.
- In addition to the financial terms of the Acquisition, in considering the intention to recommend the Acquisition, the TRG Directors have also given due consideration to the assurances given by Apollo to its intentions with respect to the future operation of the business, including Apollo's intentions to continue growing the business, and the importance placed by Apollo on the existing employees of TRG.
- Accordingly, following careful consideration of the above factors, the TRG Directors intend to unanimously recommend the Acquisition to TRG Shareholders.

### **Irrevocable undertakings**

- Bidco has received irrevocable undertakings from the TRG Directors who hold TRG Shares to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept (or procure the acceptance of) such Offer), in respect of, in aggregate, 1,531,423 TRG Shares (representing approximately 0.20 per cent. of the existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement). These undertakings will remain binding in the event that a higher competing offer for TRG is made.
- Bidco has also received: (a) an irrevocable undertaking from Oasis Management Company Ltd. to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in

the event that the Acquisition is implemented by an Offer, to accept or procure acceptance of such Offer), in respect of the following TRG Shares in which it has an interest (as defined in the Takeover Code): (i) 66,945,616 TRG Shares to which Oasis Management Company Ltd. currently controls the voting rights and (ii) a further 69,494,281 TRG Shares (to the extent acquired) in which Oasis Management Company Ltd. has an interest (as defined in the Takeover Code) (representing in aggregate approximately 17.8 per cent. of the existing issued ordinary share capital of TRG as at 11 October 2023, being the Business Day prior to the date of this announcement); and (b) an irrevocable undertaking from Irenic Capital Evergreen Master Fund LP to exercise (or procure the exercise of) voting rights to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure acceptance of such Offer), in respect of 14,402,521 TRG Shares to which Irenic Capital Evergreen Master Fund LP currently controls the voting rights (representing approximately 1.9 per cent. of the existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement.

- Subject to the above, in total therefore, Bidco has procured irrevocable undertakings to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept or procure acceptance of such Offer) in respect of, in aggregate, 152,373,841 TRG Shares (representing approximately 19.9 per cent. of the existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement. Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in Appendix 3 to this announcement.

#### **Information relating to Bidco and Apollo Global Management, Inc.**

- Bidco is a special purpose vehicle formed under the laws of Jersey by Apollo and which is intended to be used for the purposes of the Acquisition. Bidco has not traded since its date of formation, nor has it entered into any obligations other than in connection with the Acquisition.
- Apollo Global Management, Inc. (“AGM”) is a high-growth, global alternative asset manager. Through its fully integrated investment platform spanning the full risk-reward spectrum from investment grade to private equity, AGM provides innovative capital solutions to businesses and invests in all parts of the capital structure. As of 30 June 2023, AGM had assets under management of approximately \$617 billion across yield, hybrid, and equity strategies. The Apollo Funds have extensive experience in the ownership of public and private businesses, having invested in over 300 companies since AGM’s inception in 1990. AGM is currently investing out of its tenth private equity fund, Apollo Investment Fund X, L.P. (together with its parallel funds, which has investor commitments totalling approximately \$20 billion.

#### **Information relating to TRG**

- TRG is one of the UK’s largest hospitality businesses, a significant employer and one of the few UK-listed casual dining groups. TRG currently operates approximately 380 restaurants and pubs throughout the UK. TRG’s principal trading brands are Wagamama and Brunning & Price. Wagamama has successfully franchised outside of the UK; the Wagamama business holds a 20% stake in a joint venture operating seven Wagamama restaurants in the US and c. 60 franchise restaurants across a number of territories. TRG also operates a multi-brand Concessions business which trades principally in UK airports. As a result, TRG has access to a broad spectrum of the hospitality and casual dining market.
- On 11 September 2023, TRG announced that it has entered into an agreement in respect of the proposed disposal of its Leisure business comprising of 75 trading sites and associated restaurant and management team employees to the Big Table Group. The disposal is expected to complete on 30 October 2023 and TRG will pay a cash contribution of £7.5m to the Big Table Group, subject to certain cash, debt and working capital adjustments.

- For the twelve months up to the end of the interim period ended 2 July 2023, TRG achieved total revenue of £927m and Adjusted EBITDA of £77.6m. As stated in TRG’s interim results for the 26 weeks ended 2 July 2023, each of the Wagamama, Pubs and Concessions businesses have seen strong like-for-like sales growth, market share gains and delivered year on year volume growth.
- As announced on publication of the FY22 results in March 2023, TRG plans to deliver significant Adjusted EBITDA margin accretion over a three-year time horizon, targeting an Adjusted EBITDA margin improvement of 250bps to 350bps from FY22 VAT adjusted levels and reducing net debt / Adjusted EBITDA below 1.5x by the end of FY25.

### Timetable and conditions

- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Bidco reserves the right to effect the Acquisition by way of an Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement).
- The Acquisition is conditional on, among other things, the approval of the requisite majority of TRG Shareholders at the Court Meeting and at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of TRG Shareholders, present and voting at the Court Meeting, whether in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares voted. In addition, a special resolution implementing the Scheme must be passed by TRG Shareholders representing at least 75 per cent. of votes cast at the General Meeting. In addition, following the Court Meeting, the Scheme must be sanctioned by the Court. The Scheme must become Effective no later than the Long Stop Date.
- The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement along with certain other terms; the full terms and conditions will be provided in the Scheme Document.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with the associated forms of proxy, will be posted to TRG Shareholders as soon as practicable and in any event within 28 days of this announcement (or such later time as TRG, Bidco and the Panel agree) and the Meetings are expected to be held as soon as reasonably practicable thereafter. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Bidco’s website at <https://www.apollo.com/ukpossible-offer-disclaimer> and TRG’s website at <https://www.trgplc.com/investors/>.
- The Acquisition is currently expected to complete in early 2024, subject to the satisfaction or (where applicable) waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be set out in the Scheme Document.
- Commenting on this announcement, Ken Hanna, the Chair of TRG, said:

*“TRG operates a diverse portfolio of some of the UK’s leading hospitality brands. As a result of ongoing positive management actions and the margin accretion plan we announced in March this year, the group has recovered well from the challenges of the pandemic and the cost of living crisis. This is evidenced by the continued strength of our trading performance versus the broader hospitality sector and the share price increasing 55% this year. In addition, the TRG Board and management of TRG have reviewed in detail the strategic options available to the group, resulting in the announcement of the proposed sale of the Leisure business. The TRG Board continues to have confidence in the plan, but is cognisant of the premium and the certain value of the Apollo offer against the backdrop of a challenging macro-economic environment. As such, the TRG Directors intend to unanimously recommend the offer to TRG Shareholders.”*

- Commenting on this announcement, Alex van Hoek, a Partner in AGM’s private equity business, said:

*“This investment aligns with our strategy of backing industry leading companies to drive profitable growth over the long-term. TRG’s business has proven resilient through macroeconomic cycles but the outlook is still one of high interest rates and inflationary pressures and the company now needs the support of patient private capital, to achieve its ambitions. We look forward to working with the management team and investing in TRG to accelerate its long-term strategy, leveraging our significant industry experience.”*

**This summary should be read in conjunction with the following announcement and the Appendices. The conditions to, and certain further terms of, the Acquisition are set out in Appendix 1. The sources and bases for certain financial information contained in this announcement are set out in Appendix 2. Details of undertakings received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.**

## **Enquiries**

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Kirkland & Ellis International LLP is acting as legal adviser to Apollo and Bidco.

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**Further information**

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*Lazard & Co., Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as lead financial adviser and Rule 3 adviser to TRG and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than TRG for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein. Neither Lazard nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this announcement, the Acquisition, any statement contained herein or otherwise.*

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*This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of TRG in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*TRG and Apollo shall prepare the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document) to be distributed to TRG Shareholders. TRG and Apollo urge TRG Shareholders to read the Scheme Document when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.*

*This announcement contains inside information in relation to TRG for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for arranging the release of this announcement on behalf of TRG is Andrew Eames (General Counsel & Company Secretary). TRG's Legal Entity Identifier is 213800V4LJ2FXMQKKA46.*

***If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.***

### **Overseas Shareholders**

*The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English and Scots law, the Takeover Code, the Market Abuse Regulation, the Listing Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of the UK.*

*The availability of the Acquisition to TRG Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported*

vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).

### **Notice to U.S. TRG Shareholders**

The Acquisition relates to the shares of a Scottish company and is being made by means of a scheme of arrangement provided for under Scots law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the “U.S. Exchange Act”). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.

It may be difficult for U.S. holders of TRG Shares to enforce their rights and any claim arising out of the U.S. federal laws, since Bidco and TRG are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of TRG Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court’s judgement.

In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Apollo, its nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, TRG Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, RBC will continue to act as an exempt principal trader in TRG shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website, [www.londonstockexchange.com/](http://www.londonstockexchange.com/).

U.S. TRG Shareholders also should be aware that the transaction contemplated herein may have tax consequences in the U.S. and, that such consequences, if any, are not described herein. U.S. TRG Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding this transaction.

### **Forward Looking Statements**

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Bidco and TRG contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking

*statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and TRG about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.*

*The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Bidco and TRG (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “prepares”, “plans”, “expects” or “does not expect”, “is expected”, “is subject to”, “budget”, “projects”, “synergy”, “strategy”, “scheduled”, “goal”, “estimates”, “forecasts”, “cost-saving”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco’s, TRG’s, any member of the Bidco Group’s or any member of the TRG Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco’s, TRG’s, any member of the Bidco Group’s or any member of the TRG Group’s business.*

*Although Bidco and TRG believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and TRG can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.*

*These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; and changes in the anticipated benefits from the proposed transaction not being realised as a result of: changes in general economic and market conditions in the countries in which Bidco and TRG operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Bidco and TRG operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor TRG, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.*

*Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the TRG Group, there may be additional changes to the TRG Group’s operations. As a result, and given*

*the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.*

*Other than in accordance with their legal or regulatory obligations, neither Bidco nor TRG is under any obligation, and Bidco and TRG expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

### **Dealing and Opening Position Disclosure Requirements**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk/](http://www.thetakeoverpanel.org.uk/), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Publication on a website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on TRG's website at <https://www.trgplc.com/investors/> by no later than 12 noon (London time) on the Business Day*

*following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks is incorporated by reference or forms part of this announcement.*

### **No profit forecasts, estimates or quantified benefits statements**

*No statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for TRG for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for TRG.*

### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, TRG Shareholders, persons with information rights and participants in TRG Share Plans may request a hard copy of this announcement by: (i) telephoning Equiniti on +44 (0) 371 384 2426. If calling from outside of the UK, please ensure the country code is used. Lines will be open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales); or (ii) submitting a request in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

### **Electronic Communications**

*Please be aware that addresses, electronic addresses and certain other information provided by TRG Shareholders, persons with information rights and other relevant persons for the receipt of communications from TRG may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### **Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

### **General**

*Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including (without limitation and for so long as the Cooperation Agreement is continuing and the Offer arises in accordance with the terms of the Cooperation Agreement) an acceptance condition set at 75 per cent. of the TRG Shares on a fully diluted basis (or such lesser percentage as may be determined by Bidco after (to the extent reasonably practicable) consultation with TRG and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the TRG Shares).*

*If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining TRG Shares in respect of which the Offer has not been accepted.*

*Investors should be aware that Bidco may purchase TRG Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.*

### **Rule 2.9 of the Takeover Code**

*For the purposes of Rule 2.9 of the Takeover Code, TRG confirms that, as at the date of this announcement, it had in issue 765,062,398 ordinary shares of 28.125 pence each. TRG does not hold any ordinary shares in treasury. The ISIN for the ordinary shares is GB00B0YG1K06.*

### **Disclaimer**

*The information contained herein does not constitute an offer to sell, nor a solicitation of an offer to buy, any security, and may not be used or relied upon in connection with any offer or solicitation. Any offer or solicitation in respect of Apollo Funds will be made only through a confidential private placement memorandum and related documents which will be furnished to qualified investors on a confidential basis in accordance with applicable laws and regulations. The information contained herein is not for publication or distribution to persons in the U.S. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold without registration thereunder or pursuant to an available exemption therefrom. Any offering of securities to be made in the U.S. would have to be made by means of an offering document that would be obtainable from the issuer or its agents and would contain detailed information about the issuer of the securities and its management, as well as financial information. The securities may not be offered or sold in the U.S. absent registration or an exemption from registration.*

*The Acquisition will be subject to English and Scots law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF THAT JURISDICTION**

**FOR IMMEDIATE RELEASE**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**12 October 2023**

**RECOMMENDED CASH ACQUISITION**

**of**

**The Restaurant Group plc**

**by**

**Rock BidCo Limited**

**(a special purpose vehicle indirectly owned by the Apollo Funds, managed by affiliates of Apollo Global Management, Inc.)**

**to be implemented by means of a scheme of arrangement  
under Part 26 of the Companies Act 2006**

**1 INTRODUCTION**

The boards of directors of Rock BidCo Limited (“**Bidco**”) and The Restaurant Group plc (“**TRG**”) are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash acquisition to be made by Bidco for the entire issued, and to be issued, ordinary share capital of TRG.

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although TRG reserves the right to effect the Acquisition by way of an Offer, subject to the consent of the Panel and the terms of the Cooperation Agreement). The Conditions to the Acquisition are set out in full in Appendix 1 to this announcement.

**2 THE ACQUISITION**

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out in Appendix 1 to this announcement and the full terms and conditions to be set out in the Scheme Document, each TRG Shareholder will be entitled to receive:

**for each Scheme Share held: 65 pence in cash**

The Acquisition Price per Scheme Share represents a premium of approximately:

- 67 per cent. to the volume-weighted average price of 39 pence per TRG Share for the twelve-month period ended 11 October 2023 (being the last Business Day before the date of this announcement);

- 49 per cent. to the volume-weighted average price of 44 pence per TRG Share for the six-month period ended 11 October 2023 (being the last Business Day before the date of this announcement); and
- 34 per cent. to TRG's closing share price of 48 pence per TRG Share on 11 October 2023 (being the last Business Day before the date of this announcement).

The Acquisition values TRG's entire issued, and to be issued, ordinary share capital at approximately £506 million on a fully diluted basis, and implies an enterprise value of £701 million and a multiple of approximately 9.0 times TRG's Adjusted EBITDA for the twelve months ended 2 July 2023.

The TRG Shares will be acquired pursuant to the Acquisition fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the Effective Date.

### **3 RECOMMENDATION**

The TRG Directors, who have been so advised by Lazard, Centerview and Citi as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the TRG Directors, Lazard, Centerview and Citi have taken into account the commercial assessments of the TRG Directors. Lazard is providing independent financial advice to the TRG Directors for the purposes of Rule 3 of the Takeover Code.

Accordingly, the TRG Directors intend to unanimously recommend that TRG Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution(s) to be proposed at the General Meeting as the TRG Directors who hold TRG Shares have irrevocably undertaken to do in respect of their own holdings over which they have control, being, in aggregate 1,531,423 TRG Shares (representing approximately 0.20 per cent. of the existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement. Further details of these undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

### **4 BACKGROUND TO AND REASONS FOR THE ACQUISITION**

Apollo has closely followed TRG over many years and believes that TRG is a high quality and leading company in the casual dining market with an attractive portfolio of concepts and brands and an experienced management team with a clear vision and strategy for the future direction of TRG. These are all characteristics which are highly valued by Apollo.

Apollo believes TRG has established itself as a highly regarded operator, with the necessary capabilities and scale required to attract and retain customers and the best talent in the industry. Bidco holds the TRG management team in high regard and values their operational expertise and experience. Bidco intends to work with the existing management and employees of TRG to support the business with a view to providing attractive and sustained growth and development opportunities for TRG's stakeholders. Apollo is highly supportive of TRG's management strategy and it is confident in the future prospects of TRG's businesses.

Apollo is excited to partner with TRG to continue developing the business by investing in the customer offering and future growth of its footprint. Through Apollo's deep industry knowledge and the successful track record of the Apollo Funds' investments in the consumer,

retail and hospitality sectors, Apollo is qualified to support TRG and its management team through the next phase of growth for Wagamama, Pubs and Concessions.

Finally, Apollo believes that the development of TRG will be best served as a private business under Bidco's ownership, with access to capital and the benefit of a long-term investment approach. This will allow it to continue to deliver on its strategic objectives whilst enabling it to respond to structural changes in its industry in the medium and long term.

## 5 BACKGROUND TO AND REASONS FOR THE TRG BOARD'S UNANIMOUS RECOMMENDATION

The TRG Board has considered all scenarios carefully and has reached the conclusion that the certainty provided by the cash Acquisition makes it a superior outcome for TRG Shareholders. The factors behind the TRG Board's decision are as set out in detail below.

### *Recent management actions and trading*

In March 2023, TRG announced its medium-term strategy to deliver significant Adjusted EBITDA margin accretion over a three-year time horizon, targeting an Adjusted EBITDA margin improvement of 250bps to 350bps from FY22 VAT adjusted levels ("**Margin Accretion Plan**") and reducing net debt / Adjusted EBITDA below 1.5x by the end of FY25. In addition, the TRG Board stated it was continually reviewing strategic options.

Since announcement, TRG has made strong progress against the Margin Accretion Plan, delivering two earnings upgrades during FY23 and capturing £5m incremental annualised cost savings. Wagamama, Pubs and Concessions businesses have seen strong like-for-like sales growth, market share gains and delivered year-on-year volume growth. This has supported an acceleration of openings planned for Wagamama and resumption of the new site pub expansion plan.

As part of the TRG Board's ongoing review of strategic options, in September 2023, TRG announced the proposed disposal of its Leisure business, which will significantly accelerate the TRG Group's core strategy of Adjusted EBITDA margin accretion and deleveraging by removing a loss-making business and is expected to reduce IFRS-16 lease liabilities by c.£50m. The disposal is due to complete on 30 October 2023.

The TRG Board has also reviewed further strategic options for the future shape of the portfolio, including through proactive discussions with possible purchasers for other TRG businesses. In evaluating the strategic options, the TRG Board has maintained that any transaction must be at a value that reflects both the strength of current trading and the long-term prospects of the business.

### *Market performance*

The combination of positive management action and trading performance has resulted in the share price rising 55 per cent. for the calendar year to date and 49 per cent. over the last 12 months (to 11 October 2023, being the last Business Day before the date of this announcement).

This has also helped improve the TRG Group's next-twelve-months EV/EBITDA multiple to both trade in line with the TRG Group's average multiple pre-pandemic, and at a premium to UK listed peers in the casual dining sector on the same basis.

While the TRG Board believes market reaction to the Margin Accretion Plan, recent trading, cost reductions and strategic actions has been positive, it has become clear to the TRG Board

that there are divergent and opposing shareholder views on TRG's future portfolio shape, and timing and pathway to achieving it.

#### *Factors considered by the TRG Board*

TRG received a proposal from Apollo to acquire the entire issued and to be issued share capital of TRG. While the initial proposal received was not at a level that the TRG Directors considered reflected appropriate value for TRG, during a period of negotiations, Apollo made a further three proposals, resulting in the Acquisition Price at 65 pence per TRG Share. The Acquisition Price values TRG's entire issued and to be issued share capital at approximately £506 million on a fully diluted basis, and implies an enterprise value of £701 million and a multiple of approximately 9.0 times TRG's Adjusted EBITDA for the twelve months ended 2 July 2023.

The Acquisition provides an opportunity for TRG Shareholders to achieve an attractive premium to the current share price, which has performed strongly, trading near its 52-week high levels. The Acquisition Price represents a premium of approximately:

- 67 per cent. to the volume-weighted average price of 39 pence per TRG Share for the twelve-month period ended 11 October 2023 (being the last Business Day before the date of this announcement);
- 49 per cent. to the volume-weighted average price of 44 pence per TRG Share for the six-month period ended 11 October 2023 (being the last Business Day before the date of this announcement); and
- 34 per cent. to TRG's closing share price of 48 pence per TRG Share on 11 October 2023 (being the last Business Day before the date of this announcement).

The TRG Board believes the certain value represented by the cash Acquisition is a superior outcome for TRG Shareholders compared to continuing to pursue the independent strategy of TRG. The TRG Board has confidence in the margin accretion plan over the next three years, but is cognisant of the premium, certain value of the Acquisition against the prevailing risk for all consumer-facing businesses with exposure to macro-economic uncertainties.

The TRG Board has also considered a number of alternative scenarios for the future shape of the portfolio, which have been explored to identify possible realisable value for some TRG businesses. The TRG Board believes that the options analysed, including the impact of dis-synergies and other value leakage, would deliver cash proceeds below both sell-side analyst expectations and the TRG Board's own expectations and would represent a lower value outcome to TRG Shareholders than the Acquisition.

In addition to the financial terms of the Acquisition, in considering the intention to recommend the Acquisition, the TRG Directors have also given due consideration to the assurances given by Apollo to its intentions with respect to the future operation of the business, including Apollo's intentions to continue growing the business, and the importance placed by Apollo on the existing employees of TRG.

Accordingly, following careful consideration of the above factors, the TRG Directors intend to unanimously recommend the Acquisition to TRG Shareholders.

## 6 INFORMATION RELATING TO BIDCO AND APOLLO

### Bidco

Bidco is a special purpose vehicle formed under the laws of Jersey by Apollo and which is intended to be used for the purposes of the Acquisition. Bidco has not traded since its date of formation, nor has it entered into any obligations other than in connection with the Acquisition.

The current directors of Bidco are Alex van Hoek and Eugenia Gandoy. Further details in relation to Bidco will be contained in the Scheme Document.

### Apollo Global Management, Inc.

Apollo Global Management, Inc. (“AGM”) is a high-growth, global alternative asset manager. Through its fully integrated investment platform spanning the full risk-reward spectrum from investment grade to private equity, AGM provides innovative capital solutions to businesses and invests in all parts of the capital structure. As of 30 June 2023, AGM had assets under management of approximately \$617 billion across yield, hybrid, and equity strategies. The Apollo Funds have extensive experience in the ownership of public and private businesses, having invested in over 300 companies since AGM’s inception in 1990. AGM is currently investing out of its tenth private equity fund, Apollo Investment Fund X, L.P. (together with its parallel funds), which has investor commitments totalling approximately \$20 billion.

## 7 INFORMATION RELATING TO TRG

TRG is one of the UK’s largest hospitality businesses, a significant employer and one of the few UK-listed casual dining groups. TRG currently operates approximately 380 restaurants and pubs throughout the UK. TRG’s principal trading brands are Wagamama and Brunning & Price. Wagamama has successfully franchised outside of the UK; the Wagamama business holds a 20% stake in a joint venture operating seven Wagamama restaurants in the US and c. 60 franchise restaurants across a number of territories. TRG also operates a multi-brand Concessions business which trades principally in UK airports. As a result, TRG has access to a broad spectrum of the hospitality and casual dining market.

On 11 September 2023, TRG announced that it has entered into an agreement in respect of the proposed disposal of its Leisure business comprising of 75 trading sites and associated restaurant and management team employees to the Big Table Group. The disposal is expected to complete on 30 October 2023 and TRG will pay a cash contribution of £7.5m to the Big Table Group, subject to certain cash, debt and working capital adjustments.

For the twelve months up to the end of the interim period ended 2 July 2023, TRG achieved total revenue of £927m and Adjusted EBITDA of £77.6 m. As stated in TRG’s interim results for the 26 weeks ended 2 July 2023, each of the Wagamama, Pubs and Concessions businesses have seen strong like-for-like sales growth, market share gains and delivered year on year volume growth.

As announced on publication of the FY22 results in March 2023, TRG plans to deliver significant Adjusted EBITDA margin accretion over a three-year time horizon, targeting an Adjusted EBITDA margin improvement of 250bps to 350bps from FY22 VAT adjusted levels and reducing net debt / Adjusted EBITDA below 1.5x by the end of FY25.

## **8 IRREVOCABLE UNDERTAKINGS**

As described above, Bidco has received irrevocable undertakings to vote in favour of the resolutions relating to the Scheme and the Acquisition at the Meetings (or in the event that the Acquisition is implemented by an Offer, to accept (or procure the acceptance of) such Offer) from: (a) all of the TRG Directors who own TRG Shares, in respect of their own holdings over which they have control, being, in aggregate, 1,531,423 TRG Shares (representing approximately 0.20 per cent. of the existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement; (b) Oasis Management Company Ltd., in respect of: (i) 66,945,616 TRG Shares to which Oasis Management Company Ltd. currently controls the voting rights; and (ii) a further 69,494,281 TRG Shares (to the extent acquired) in which Oasis Management Company Ltd. has an interest (as defined in the Takeover Code) (representing in aggregate approximately 17.8 per cent. of existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement; and (c) Irenic Capital Evergreen Master Fund LP in respect of 14,402,521 TRG Shares to which Irenic Capital Evergreen Master Fund LP currently controls the voting rights (representing in aggregate approximately 1.9 per cent. of existing issued ordinary share capital of TRG) as at 11 October 2023, being the Business Day prior to the date of this announcement.

Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

## **9 FINANCING OF THE ACQUISITION**

The cash consideration payable to TRG Shareholders under the terms of the Acquisition will be financed by: (i) equity to be invested by the Apollo Funds; and (ii) third party financing provided by certain third party providers, including RBC, of a £260,000,000 interim senior term facility under the Interim Facilities Agreement.

RBC, in its capacity as sole financial adviser to Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to TRG Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

## **10 OFFER-RELATED ARRANGEMENTS**

### Confidentiality Agreement

On 20 September 2023, Apollo Management International LLP, on behalf of Bidco, and TRG entered into a Confidentiality Agreement in relation to the Acquisition, pursuant to which, amongst other things, Apollo Management International LLP, on behalf of Bidco has undertaken to: (i) subject to certain exceptions, keep information relating to TRG and the Acquisition confidential and not to disclose it to third parties; and (ii) use such confidential information only in connection with the Acquisition. These confidentiality obligations will remain in force until the earlier of (a) completion of the Acquisition and (b) 20 September 2025. The Confidentiality Agreement contains standstill provisions which restricted Apollo Management International LLP from acquiring or offering to acquire interests in certain securities of TRG; those restrictions ceased to apply upon the making of this announcement. The Confidentiality Agreement also contains undertakings from Apollo Management International LLP and those of its affiliates that received information pursuant to the Confidentiality Agreement that for a period of 12 months after the date of the TRG Confidentiality Agreement, it will not solicit or offer to employ or engage any senior

management employee of the TRG Group involved in discussions relating to the Acquisition (subject to customary carve-outs).

#### Cooperation Agreement

Pursuant to the Cooperation Agreement, Bidco and TRG have, amongst other things, each agreed to: (i) cooperate in relation to obtaining any consents, clearances, permissions, waivers and/or approvals as may be necessary, and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable Relevant Authority in connection with the Acquisition; and (ii) cooperate in preparing and implementing certain arrangements with respect to the TRG Share Plans and other employee-related matters. In addition, Bidco has agreed to certain provisions if the Scheme should switch to an Offer. The Cooperation Agreement is capable of termination in certain circumstances, including if the Acquisition is withdrawn, terminated or lapses, a third party announces a firm intention to make an offer for TRG which completes, becomes effective or becomes unconditional, if prior to the Long Stop Date any Condition has been invoked by Bidco (with the consent of the Panel), if the TRG Directors withdraw their recommendation of the Acquisition, if the Scheme does not become Effective in accordance with its terms by the Long Stop Date or otherwise as agreed between Bidco and TRG. Pursuant to the terms of the Cooperation Agreement and the requirements of paragraph 3(g)(i) of Appendix 7 to the Takeover Code, Bidco undertakes that it will deliver a notice in writing to TRG and the Panel on the Business Day prior to the Sanction Hearing confirming either: (i) the satisfaction or waiver of the Conditions (other than the Scheme Conditions); or (ii) to the extent permitted by the Panel, that it intends to invoke or treat as unsatisfied or incapable of satisfaction one or more Conditions.

## **11 DISCLOSURE OF INTERESTS IN TRG SECURITIES**

Except for the irrevocable undertakings referred to in paragraph 8 above and Appendix 3, as at 11 October 2023 (being the latest practicable date prior to the date of this announcement) neither Bidco, nor any of its directors, nor, so far as Bidco is aware, any person treated as acting in concert (within the meaning of the Takeover Code) with it for the purposes of the Acquisition (i) had any interest in or right to subscribe for or had borrowed or lent any TRG Shares or securities convertible or exchangeable into TRG Shares, or (ii) had any short positions in respect of relevant securities of TRG (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, or (iii) has borrowed or lent any relevant securities of TRG (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold, or (iv) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

It has not been practicable for Bidco to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, if Bidco becomes aware, following the making of such enquiries, that any of its concert parties have any additional interests in the relevant securities of TRG, all relevant details in respect of Bidco's concert parties will be included in Bidco's Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Code which must be made on or before 12 noon (London time) on 26 October 2023.

## **12 DIRECTORS, MANAGEMENT, EMPLOYEES, PENSIONS, RESEARCH AND DEVELOPMENT AND LOCATIONS**

### ***Bidco's strategic plans for TRG***

As set out in paragraph 4, Bidco believes that TRG is a high quality and leading company in the casual dining market with an attractive portfolio of concepts and brands and an experienced management team with a clear vision and strategy for the future direction of TRG.

Bidco holds the TRG management team in high regard and values their operational expertise and experience. Bidco intends to work with the existing management and employees of TRG to support the business with a view to providing attractive and sustained growth and development opportunities for TRG's stakeholders.

Prior to this announcement, consistent with market practice, TRG has been granted access to TRG's senior management for the purposes of confirmatory due diligence. However, Bidco has not yet had access to sufficiently detailed information to formulate specific plans or intentions regarding the impact of the Acquisition on TRG. The scope of the Evaluation (as defined below) is likely to include a review of: (i) strategic opportunities for TRG's existing business divisions (which may result in the disposal of one or more of such divisions, although no decision has been reached at this stage); (ii) the roles and responsibilities of TRG's employees; (iii) TRG's operating locations; and (iv) TRG's management incentivisation arrangements.

Following completion of the Acquisition, Bidco intends to work with TRG's management team to undertake an evaluation of TRG and its businesses, including a strategic assessment of TRG's existing business divisions (the "Evaluation"). Bidco expects that the Evaluation will be completed within a period of approximately six months from the Effective Date.

#### ***Employees and management***

Bidco attaches great importance to the skill and experience of TRG's management and employees and recognises that the employees and management of TRG have been and will continue to be key to the continued success of the TRG Group.

Other than as a result of the Evaluation, Bidco does not intend to make any material reduction to the headcount, or any material change to the conditions of employment or to the balance of skills and functions, of the TRG Group's employees or management.

It is intended that, with effect from the Effective Date, each of the non-executive Directors of TRG shall resign from their office. Once TRG ceases to be a listed company, some central management, corporate and support functions, including PLC-related functions, may be reduced in scope, which is likely to result in a limited reduction of headcount in these areas. Any such headcount reduction shall be carried out in accordance with applicable law.

#### ***Existing employment rights and pensions***

Bidco confirms that, following the Acquisition becoming Effective, the existing contractual and statutory employment rights, including pension rights, of all TRG management and employees will be fully safeguarded in accordance with applicable law.

Bidco does not intend to make any change to the benefits provided by TRG's defined contribution pension arrangements and intends for the employer to continue to make contributions in line with the current arrangements. No member of the TRG Group participates in any defined benefit pension scheme.

#### ***Management incentive arrangements***

Following the Acquisition becoming Effective, Bidco intends to review the management, governance and incentive structures of TRG. Bidco has not entered into, and has not had discussions on proposals to enter into, any form of incentivisation arrangements with members

of TRG's management, but may have discussions and enter into such discussions for certain members of the TRG management team following the Effective Date.

#### ***Headquarters, locations, fixed assets and research and development***

Bidco does not intend to undertake any material restructurings or change in the locations of TRG's fixed assets or places of business, subject to the outcome of the Evaluation mentioned above. Bidco does not intend to change the location or functions of TRG's headquarters in London. TRG does not currently have a research and development function and Bidco has no plans in this regard.

#### ***Trading Facilities***

TRG Shares are currently listed on the Official List and admitted to trading on the London Stock Exchange. As set out in paragraph 16, applications will be made for the cancellation of the listing of TRG Shares on the Official List and the cancellation of trading of TRG Shares on the London Stock Exchange and steps will be taken to re-register TRG as a private company.

None of the statements in this paragraph 12 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

### **13 TRG SHARE PLANS**

Participants in the TRG Share Plans will be contacted regarding the effect of the Acquisition on their options and awards under the TRG Share Plans and an appropriate proposal will be made to such participants in due course. Details of the impact of the Scheme on each of the TRG Share Plans and the proposals will be set out in the Scheme Document and in separate letters to be sent to participants in the TRG Share Plans.

### **14 SCHEME PROCESS**

The Acquisition is subject to the Conditions and certain further terms referred to in Appendix 1 to this announcement and to the full terms and conditions to be set out in the Scheme Document, and will only become Effective if, among other things, the following events occur on or before the Long Stop Date (or such later date as the Bidco and TRG may, with the consent of the Panel, agree and, if required, the Court may approve):

- a resolution to approve the Scheme is passed by a majority in number of TRG Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing 75 per cent. or more in value of each class of the Scheme Shares held by those TRG Shareholders;
- the Resolution(s) necessary to implement the Scheme and the Acquisition is/are passed by the requisite majority of TRG Shareholders at the General Meeting;
- following the Court Meeting and General Meeting and satisfaction and/or waiver (where applicable) of the other Conditions, the Scheme is sanctioned by the Court (without modification, or with modification on terms agreed by the Bidco and TRG); and
- following such sanction, an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

The Conditions in paragraphs 1 and 2 of Appendix 1 to this announcement provide that the Scheme will lapse (under the authority of Rule 13.5(b) of the Takeover Code) if:

- the Court Meeting and the General Meeting are not held by the 22<sup>nd</sup> day after the expected date of the Court Meeting and the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and TRG);
- the Sanction Hearing to approve the Scheme is not held by the 22<sup>nd</sup> day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and TRG); or
- the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date (or such later date as Bidco and TRG may, with the consent of the Panel, agree and (if required) the Court may allow).

If any Condition in paragraph 2 of Part A of Appendix 1 to this announcement is not capable of being satisfied by the date specified therein, Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 7.00 a.m. on the Business Day following the date so specified, stating whether Bidco has invoked that Condition, (where applicable) waived that Condition or, with the agreement of TRG, specified a new date by which that Condition must be satisfied.

Once the necessary approvals from TRG Shareholders have been obtained and the other Conditions have been satisfied or (where applicable) waived and the Scheme has been approved by the Court, the Scheme will become Effective upon delivery of a copy of the Court Order to the Registrar of Companies. Subject to the satisfaction of the Conditions, the Scheme is expected to become Effective in early 2024.

Upon the Scheme becoming Effective: (i) it will be binding on all TRG Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of TRG Shares will cease to be valid and entitlements to TRG Shares held within the CREST system will be cancelled. In accordance with the applicable provisions of the Takeover Code, the consideration for the transfer of the Scheme Shares to Bidco will be despatched no later than 14 days after the Effective Date.

Any TRG Shares issued before the Scheme Record Time will be subject to the terms of the Scheme and any TRG Shares issued following the Scheme Record Time will be transferred to Bidco (or as it may direct) in exchange for the same consideration as would be due under the Scheme (in each case, subject to the Scheme becoming Effective in accordance with its terms). The Resolution(s) to be proposed at the General Meeting will, amongst other matters, provide that the Articles be amended to incorporate provisions requiring any TRG Shares issued after the Scheme Record Time (other than to Bidco and/or their nominees) to be automatically transferred to Bidco on the same terms as the Acquisition (other than terms as to timings and formalities). The provisions of the Articles (as amended) will avoid any person (other than Bidco and their nominees) holding shares in the capital of TRG after the Effective Date.

Further details of the Scheme, including expected times and dates for each of the Court Meeting, the General Meeting and the Sanction Hearing, together with notices of the Court Meeting and the General Meeting, will be set out in the Scheme Document. It is expected that the Scheme Document and the forms of proxy accompanying the Scheme Document will be published as soon as practicable and in any event within 28 days of this announcement (or such later date as Bidco and TRG may, with the consent of the Panel, agree and, if required, the Court may approve).

## **15 DIVIDENDS**

If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid or becomes payable in respect of the TRG Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Scheme Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme or the Acquisition. In such circumstances, TRG Shareholders would be entitled to retain any such dividend, distribution and/or other return of capital or value.

## **16 DELISTING, AND CANCELLATION OF TRADING AND RE-REGISTRATION**

It is intended that the London Stock Exchange and the FCA will be requested respectively to cancel trading in TRG Shares on the London Stock Exchange's Main Market and the listing of the TRG Shares from the Official List on or shortly after the Effective Date.

It is expected that the last day of dealings in TRG Shares on the Main Market of the London Stock Exchange is expected to be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 p.m. (London time) on that date.

It is intended that TRG will be re-registered as a private limited company and for this to take effect as soon as practicable on or following the Effective Date.

## **17 DOCUMENTS**

Copies of the following documents will be available promptly on TRG's website, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at <https://www.trgplc.com/investors/>, and Bidco's website, at <https://www.apollo.com/ukpossible-offer-disclaimer> in any event by no later than noon on the Business Day following this announcement:

- this announcement;
- the Confidentiality Agreement;
- the Cooperation Agreement;
- the irrevocable undertakings referred to in paragraph 8 above and summarised in Appendix 3 to this announcement;
- the documents entered into for the financing of the Acquisition referred to in paragraph 0 above, including the Interim Facilities Agreement; and
- the consents from financial advisers to being named in this announcement.

Neither the content of the website referred to in this announcement, nor any website accessible from hyperlinks, is incorporated into or forms part of this announcement.

## 18 GENERAL

Bidco reserves the right to elect (with the consent of the Panel and subject to the terms of the Cooperation Agreement) to implement the acquisition of the TRG Shares by way of an Offer as an alternative to the Scheme. In such event, the Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme.

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to (i) make a request to the FCA to cancel the listing of the TRG Shares from the Official List; (ii) make a request to the London Stock Exchange to cancel trading in TRG Shares on its Main Market; and (iii) exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining TRG Shares in respect of which the Offer has not been accepted.

Investors should be aware that Bidco may purchase TRG Shares otherwise than under the Scheme or any Offer, including pursuant to privately negotiated purchases.

The Acquisition will be on the terms and subject to the conditions set out herein and in Appendix 1, and to be set out in the Scheme Document. The sources and bases for certain financial information contained in this announcement are set out in Appendix 2. Details of undertakings received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4. The formal Scheme Document will be sent to shareholders of TRG as soon as practicable and in any event within 28 days of this announcement (or on such later date as may be agreed with TRG and the Panel).

RBC (as sole financial adviser to Bidco), Lazard (as lead financial adviser to TRG), Centerview (as financial adviser to TRG), Citi (as financial adviser to TRG) and Investec (as corporate broker to TRG) have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

### Enquiries

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Kirkland & Ellis International LLP is acting as legal adviser to Apollo and Bidco.

Slaughter and May is acting as legal adviser to TRG.

### **Further information**

*RBC Europe Limited (trading as RBC Capital Markets), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom and a wholly owned subsidiary of Royal Bank of Canada, is acting for Apollo and Bidco and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Apollo and Bidco for providing the protections afforded to clients of RBC Capital Markets, or for providing advice in connection with matters referred to in this announcement. Neither RBC Capital Markets nor its parent nor any of its subsidiaries or affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of RBC Capital Markets in connection with this announcement or any matter referred to herein.*

*Lazard & Co., Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as lead financial adviser and Rule 3 adviser to TRG and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than TRG for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein. Neither Lazard nor any of its affiliates (nor their respective directors, officers, employees or agents) owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this announcement, the Acquisition, any statement contained herein or otherwise.*

*Centerview Partners UK LLP, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as financial adviser to TRG and no one else in connection with the Acquisition and will not be responsible to anyone other than TRG for providing the protections afforded to its clients or for providing advice in relation to the Acquisition, the contents of this announcement or any other matters referred to in this announcement. Neither Centerview nor any of its affiliates, nor any of Centerview's and such affiliates' respective members, directors, officers, controlling persons or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Centerview in connection with this announcement, any statement contained herein, the Acquisition or otherwise.*

*Citigroup Global Markets Limited, which is authorised by the PRA and regulated in the UK by the FCA and the PRA is acting exclusively as Financial Adviser and Joint Corporate Broker to TRG and for no one else in connection with the matters described in this announcement, and will not be responsible to anyone other than TRG for providing the protections afforded to its clients nor for providing advice in relation to the matters referred to in this announcement. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this announcement, any statement contained herein, or otherwise.*

*Investec Bank plc, which is authorised by the PRA and regulated by the FCA and PRA, is acting for TRG and no one else in connection with the Acquisition and will not be responsible to anyone other than TRG for providing the protections afforded to clients of Investec Bank plc nor for giving advice in relation to the Acquisition. Further, Investec Bank plc accepts no responsibility whatsoever and makes no representations or warranty, express or implied, for or in respect of the contents of this announcement, including its accuracy, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Acquisition, and nothing in this*

*announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Investec Bank plc and its affiliates accordingly disclaim, to the fullest extent permitted by law, all and any responsibility and liability whatsoever arising in tort or otherwise as related to above, which it might otherwise have in respect of this announcement or any such statement.*

*This announcement is for information purposes only and is not intended to, and does not, constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of TRG in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*TRG and Apollo shall prepare the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document) to be distributed to TRG Shareholders. TRG and Apollo urge TRG Shareholders to read the Scheme Document when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or exempted document.*

*This announcement contains inside information in relation to TRG for the purposes of Article 7 of the Market Abuse Regulation. The person responsible for arranging the release of this announcement on behalf of TRG is Andrew Eames (General Counsel & Company Secretary). TRG's Legal Entity Identifier is 213800V4LJ2FXMQKKA46.*

***If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.***

### ***Overseas Shareholders***

*The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves of, and observe, any applicable legal or regulatory requirements. Any failure to comply with such requirements may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English and Scots law, the Takeover Code, the Market Abuse Regulation, the Listing Rules and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside of the UK.*

*The availability of the Acquisition to TRG Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Scheme Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf,*

*may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

*Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

*Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the offer document).*

#### **Notice to U.S. TRG Shareholders**

*The Acquisition relates to the shares of a Scottish company and is being made by means of a scheme of arrangement provided for under Scots law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the “**U.S. Exchange Act**”). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of the U.S. tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*If, in the future, Bidco exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable U.S. laws and regulations.*

*It may be difficult for U.S. holders of TRG Shares to enforce their rights and any claim arising out of the U.S. federal laws, since Bidco and TRG are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. U.S. holders of TRG Shares may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court’s judgement.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Apollo, its nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, TRG Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition becomes Effective, lapses or is otherwise withdrawn. Also, in*

accordance with Rule 14e-5(b) of the U.S. Exchange Act, RBC will continue to act as an exempt principal trader in TRG shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website, [www.londonstockexchange.com/](http://www.londonstockexchange.com/).

U.S. TRG Shareholders also should be aware that the transaction contemplated herein may have tax consequences in the U.S. and, that such consequences, if any, are not described herein. U.S. TRG Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding this transaction.

### **Forward Looking Statements**

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Bidco and TRG contain statements which are, or may be deemed to be, “forward-looking statements”. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and TRG about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Bidco and TRG (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as “prepares”, “plans”, “expects” or “does not expect”, “is expected”, “is subject to”, “budget”, “projects”, “synergy”, “strategy”, “scheduled”, “goal”, “estimates”, “forecasts”, “cost-saving”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Bidco’s, TRG’s, any member of the Bidco Group’s or any member of the TRG Group’s operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco’s, TRG’s, any member of the Bidco Group’s or any member of the TRG Group’s business.

Although Bidco and TRG believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and TRG can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; and changes in the anticipated benefits from the proposed transaction not being realised as a result of: changes in general economic and market conditions in the countries in which Bidco and TRG operate, weak, volatile or illiquid capital and/or credit markets, changes in tax rates, interest rate and currency value

*fluctuations, the degree of competition in the geographic and business areas in which Bidco and TRG operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor TRG, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements.*

*Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the TRG Group, there may be additional changes to the TRG Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.*

*Other than in accordance with their legal or regulatory obligations, neither Bidco nor TRG is under any obligation, and Bidco and TRG expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

#### ***Dealing and Opening Position Disclosure Requirements***

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk/](http://www.thetakeoverpanel.org.uk/), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Publication on a website**

*In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on TRG's website at <https://www.trgplc.com/investors/> by no later than 12 noon (London time) on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks is incorporated by reference or forms part of this announcement.*

### **No profit forecasts, estimates or quantified benefits statements**

*No statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for TRG for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for TRG.*

### **Requesting hard copy documents**

*In accordance with Rule 30.3 of the Takeover Code, TRG Shareholders, persons with information rights and participants in TRG Share Plans may request a hard copy of this announcement by: (i) telephoning Equiniti on +44 (0) 371 384 2426. If calling from outside of the UK, please ensure the country code is used. Lines will be open from 8.30 a.m. to 5.30 p.m., Monday to Friday (excluding public holidays in England and Wales); or (ii) submitting a request in writing to Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, United Kingdom. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.*

### **Electronic Communications**

*Please be aware that addresses, electronic addresses and certain other information provided by TRG Shareholders, persons with information rights and other relevant persons for the receipt of communications from TRG may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.*

### **Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

### **General**

*Bidco reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including (without limitation and for so long as the Cooperation Agreement is continuing and the Offer arises in accordance with the terms of the Cooperation Agreement) an acceptance condition set at 75 per cent. of the TRG Shares on a fully diluted basis (or such lesser percentage as may be determined by Bidco after (to the extent reasonably practicable) consultation with TRG and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the TRG Shares).*

*If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining TRG Shares in respect of which the Offer has not been accepted.*

*Investors should be aware that Bidco may purchase TRG Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.*

### **Rule 2.9 of the Takeover Code**

*For the purposes of Rule 2.9 of the Takeover Code, TRG confirms that, as at the date of this announcement, it had in issue 765,062,398 ordinary shares of 28.125 pence each. TRG does not hold any ordinary shares in treasury. The ISIN for the ordinary shares is GB00B0YG1K06.*

### **Disclaimer**

*The information contained herein does not constitute an offer to sell, nor a solicitation of an offer to buy, any security, and may not be used or relied upon in connection with any offer or solicitation. Any offer or solicitation in respect of Apollo Funds will be made only through a confidential private placement memorandum and related documents which will be furnished to qualified investors on a confidential basis in accordance with applicable laws and regulations. The information contained herein is not for publication or distribution to persons in the U.S. Any securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold without registration thereunder or pursuant to an available exemption therefrom. Any offering of securities to be made in the U.S. would have to be made by means of an offering document that would be obtainable from the issuer or its agents and would contain detailed information about the issuer of the securities and its management, as well as financial information. The securities may not be offered or sold in the U.S. absent registration or an exemption from registration.*

*The Acquisition will be subject to English and Scots law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.*

**Appendix 1**  
**Conditions and Further Terms of the Acquisition**

**Part A**  
*Conditions to the Scheme and Acquisition*

1. The Acquisition will be conditional upon the Scheme becoming unconditional and becoming Effective, subject to the provisions of the Takeover Code, by no later than 11.59 p.m. on the Long Stop Date, or such later date (if any) as Bidco and TRG may, with the consent of the Panel, agree and (if required) the Court may allow.

Conditions of the Scheme

2. The Scheme will be subject to the following Conditions:
  - 2.1 (i) its approval by a majority in number representing not less than 75 per cent. in value of Scheme Shares held by TRG Shareholders who are on the register of members of TRG (or the relevant class or classes thereof) at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof), and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and TRG with the consent of the Panel (and that the Court may approve if required));
  - 2.2 (i) the Resolution(s) being duly passed at the General Meeting (or any adjournment thereof); and (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and TRG with the consent of the Panel (and that the Court may approve if required));
  - 2.3 (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to Bidco and TRG)); and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and TRG with the consent of the Panel (and that the Court may approve, if required)); and
  - 2.4 the delivery of a copy of the Court Order to the Registrar of Companies.

General Conditions

3. In addition, subject as stated in Part B of this Appendix 1, Bidco and TRG have agreed that the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

Other Third Party clearances

- 3.1 no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any

action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would:

- 3.1.1 make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider TRG Group by any member of the Wider Bidco Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit or restrain, restrict or impede the implementation of the Acquisition or the acquisition of any shares or other securities in, or control or management of, any member of the Wider TRG Group by any member of the Wider Bidco Group or require an amendment of the Scheme;
- 3.1.2 require, prevent or materially delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Bidco Group of all or any part of their businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Wider Bidco Group taken as a whole or in the context of the Acquisition;
- 3.1.3 impose any material limitation on the ability of any member of the Wider Bidco Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in TRG (or any member of the Wider TRG Group) or on the ability of any member of the Wider TRG Group or any member of the Wider Bidco Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider TRG Group to an extent which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;
- 3.1.4 other than pursuant to the implementation of the Scheme or, if applicable, sections 974 to 991 of the 2006 Act, require any member of the Wider Bidco Group or the Wider TRG Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider TRG Group or any asset owned by any third party which is material in the context of the Wider TRG Group or the Wider Bidco Group, in either case taken as a whole;
- 3.1.5 result in any member of the Wider TRG Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition; or
- 3.1.6 impose any limitation on the ability of any member of the Wider Bidco Group and/or any member of the Wider TRG Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider TRG Group in a manner which is adverse and material to the Wider Bidco Group and/or the Wider TRG Group, in each case taken as a whole or in the context of the Acquisition;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any TRG Shares or otherwise intervene having expired, lapsed, or been terminated;

- 3.2 all notifications, filings or applications which are deemed by Bidco to be necessary or reasonably considered to be required in any relevant jurisdiction having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with and all Authorisations which are deemed by Bidco, acting reasonably, to be necessary or reasonably considered to be required in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, TRG by any member of the Wider Bidco Group having been obtained on terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider TRG Group or the Wider Bidco Group has entered into contractual arrangements in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider TRG Group, any member of the Bidco Group or the ability of Bidco to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;
- 3.3 no temporary restraining order, preliminary or permanent injunction, preliminary or permanent enjoinder, or other order issued and being in effect by a court or other Third Party which has the effect of making the Acquisition or any acquisition or proposed acquisition of any shares or other securities or control or management of, any member of the Wider TRG Group by any member of the Wider Bidco Group, or the implementation of either of them, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the completion or the approval of the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider TRG Group by any member of the Wider Bidco Group;

#### Confirmation of absence of adverse circumstances

- 3.4 except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider TRG Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Bidco Group of any shares or other securities in TRG or because of a change in the control or management of any member of the Wider TRG Group or otherwise, would or might reasonably be expected to result in, in each case to an extent which is material in the context of the Wider TRG Group taken as a whole or to the financing of the Acquisition:

- 3.4.1 any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider TRG Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- 3.4.2 the rights, liabilities, obligations, interests or business of any member of the Wider TRG Group or any member of the Wider Bidco Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider TRG Group or any member of the Wider Bidco Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or likely to become terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- 3.4.3 any member of the Wider TRG Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the TRG Group taken as a whole or in the context of the Acquisition;
- 3.4.4 any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider TRG Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider TRG Group otherwise than in the ordinary course of business;
- 3.4.5 other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider TRG Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- 3.4.6 the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider TRG Group being prejudiced or adversely affected;
- 3.4.7 the creation or acceleration of any material liability (actual or contingent) by any member of the Wider TRG Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- 3.4.8 any liability of any member of the Wider TRG Group to make any severance, termination, bonus or other payment to any of its directors or other officers other than in the ordinary course of business;

No material transactions, claims or changes in the conduct of the business of the TRG Group

- 3.5 except as Disclosed, no member of the Wider TRG Group having since 1 January 2023:
  - 3.5.1 save as between TRG and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of TRG Shares on the exercise of options or vesting of awards granted under

the TRG Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class;

- 3.5.2 save as between TRG and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the grant of options or awards under the TRG Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities;
- 3.5.3 recommended, declared, paid or made or agreed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than to TRG or one of its wholly-owned subsidiaries;
- 3.5.4 save as between TRG and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case to an extent which is material in the context of the Wider TRG Group taken as a whole;
- 3.5.5 save as between TRG and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital other than in the ordinary course of business and to an extent which is material in the context of the Wider TRG Group taken as a whole;
- 3.5.6 issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between TRG and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;
- 3.5.7 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long-term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is or is likely to be materially restrictive on the business of any member of the Wider TRG Group to an extent which is or is reasonably likely to be material to the Wider TRG Group taken as a whole;
- 3.5.8 entered into any licence or other disposal of intellectual property rights of any member of the Wider TRG Group which are material in the context of the Wider TRG Group and outside the normal course of business;
- 3.5.9 entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer

(which remains open for acceptance) to enter into or vary the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider TRG Group save for salary increases, bonuses or variations of terms in the ordinary course;

- 3.5.10 proposed, agreed to provide or modified the terms of the TRG Share Plans or any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider TRG Group which, taken as a whole, are material in the context of the Wider TRG Group taken as a whole;
- 3.5.11 (excluding the trustee of any pension scheme(s) established by a member of the Wider TRG Group other than TRG itself) (i) made, agreed or consented to or procured any significant change to: (a) the terms of any existing trust deeds, rules, policy or other governing documents, or entered into or established any new trust deeds, rules, policy or other governing documents, constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider TRG Group or their dependants and established by a member of the Wider TRG Group (a “**Relevant Pension Plan**”); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; or (d) the basis or rate of employer contribution to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law; or (ii) entered into or proposed to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (iii) carried out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or is reasonably likely to create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would, having regard to the published guidance of the Pensions Regulator give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 and 38A of the Pensions Act 2004 in relation to a Relevant Pension Plan, in each case to the extent which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition and other than as required in accordance with applicable law;
- 3.5.12 other than to replace a vacancy on the board of directors of a corporate trustee, changed the trustee or trustee directors or other fiduciary or any Relevant Pension Plan;
- 3.5.13 entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;

- 3.5.14 purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save as between TRG and its wholly owned subsidiaries or between such wholly owned subsidiaries and save for the issue or transfer out of treasury of TRG Shares on the exercise of options or vesting of awards granted in the ordinary course under the TRG Share Plans, made any other change to any part of its share capital to an extent which (other than in the case of TRG) is material in the context of the Wider TRG Group taken as a whole;
- 3.5.15 other than with respect to claims between TRG and its wholly owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;
- 3.5.16 made any alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;
- 3.5.17 (other than in respect of a member of the Wider TRG Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;
- 3.5.18 been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;
- 3.5.19 entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;
- 3.5.20 terminated or varied the terms of any agreement or arrangement between any member of the Wider TRG Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider TRG Group taken as a whole; or
- 3.5.21 taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of TRG Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

### No material adverse change

- 3.6 since 1 January 2023, and except as Disclosed, there having been:
- 3.6.1 no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider TRG Group to an extent which is material to the Wider TRG Group taken as a whole or to the financing of the Acquisition;
  - 3.6.2 no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider TRG Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider TRG Group or to which any member of the Wider TRG Group is or may become a party (whether as claimant or defendant or otherwise) which, in any such case, might reasonably be expected to have a material adverse effect on the Wider TRG Group taken as a whole, and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider TRG Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider TRG Group which, in any such case, might reasonably be expected to have a material adverse effect on the Wider TRG Group taken as a whole;
  - 3.6.3 no contingent or other liability having arisen, increased or become apparent which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider TRG Group to an extent which is material to the Wider TRG Group taken as a whole;
  - 3.6.4 no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider TRG Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably likely to have a material adverse effect on the Wider TRG Group taken as a whole; and
  - 3.6.5 no member of the Wider TRG Group having conducted its business in material breach of any applicable laws and regulations which in any case is material in the context of the Wider TRG Group taken as a whole;
- 3.7 since 1 January 2023, except as Disclosed, Bidco not having discovered:
- 3.7.1 that any financial, business or other information concerning the Wider TRG Group publicly announced or disclosed to any member of the Wider Bidco Group at any time prior to the date of this announcement by or on behalf of any member of the Wider TRG Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider TRG Group taken as a whole or in the context of the Acquisition;

- 3.7.2 that any member of the Wider TRG Group is subject to any liability, contingent or otherwise and which is material in the context of the Wider TRG Group taken as a whole; or
- 3.7.3 any information which affects the import of any information disclosed to Bidco at any time prior to the date of this announcement by or on behalf of any member of the Wider TRG Group which is material in the context of the Wider TRG Group taken as a whole;

#### Environmental liabilities

- 3.8 except as Disclosed, Bidco not having discovered that, in relation to any release, emission, accumulation, discharge, disposal or other similar circumstance which has impaired or is likely to impair the environment (including property) or harmed or is likely to harm the health of humans, animals or other living organisms or eco-systems, no past or present member of the Wider TRG Group, in a manner or to an extent which is material in the context of the Wider TRG Group, (i) having committed any violation of any applicable laws, statutes, regulations, Authorisations, notices or other requirements of any Third Party giving rise to a material liability; and/or (ii) having incurred any material liability (whether actual or contingent) to any Third Party; and/or (iii) being likely to incur any material liability (whether actual or contingent), or being required, to make good, remediate, repair, re-instate or clean up the environment (including any property) in each case of (i), (ii) or (iii) which such liability or requirement would be material to the Wider TRG Group taken as a whole;

#### Intellectual property

- 3.9 except as Disclosed, no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider TRG Group which would be reasonably likely to have a material adverse effect on the Wider TRG Group taken as a whole or is otherwise material and adverse in the context of the Acquisition, including:
  - 3.9.1 any member of the Wider TRG Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider TRG Group and material to its business being revoked, cancelled or declared invalid; or
  - 3.9.2 any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider TRG Group to, or the validity or effectiveness of, any intellectual property that is material to the business of the Wider TRG Group;

#### Anti-corruption and sanctions

- 3.10 except as Disclosed, Bidco not having discovered that (to an extent that is material in the context of the Wider TRG Group taken as a whole):
  - 3.10.1 any past or present member of the Wider TRG Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;

- 3.10.2 any member of the Wider TRG Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended);
- 3.10.3 any past or present member of the Wider TRG Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; or
- 3.10.4 a member of the TRG Group has engaged in a transaction which would cause the Bidco Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states; or

No criminal property

- 3.11 except as Disclosed, Bidco not having discovered that any asset of any member of the Wider TRG Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

**Part B**  
***Further terms of the Acquisition***

1. Subject to the requirements of the Panel, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions set out in Part A of Appendix 1, except Conditions 1, 2.1(i), 2.2(i), 2.3(i) and 2.4 which cannot be waived. If any of Conditions 2.1(ii), 2.2(ii) or 2.3(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 7.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with TRG to extend the relevant deadline.
2. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix 1 that are capable of waiver by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 4, Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Condition 1 (subject to Rule 12 of the Takeover Code), Conditions 2.1(i), 2.2(i), 2.3(i) and 2.4 in Part A of Appendix 1, and, if applicable, any acceptance condition if the Acquisition is implemented by means of an Offer, are not subject to Rule 13.5(a) of the Takeover Code.
5. Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Bidco.
6. If the Panel requires Bidco to make an offer or offers for TRG Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
7. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme, subject to the Panel's consent and (while the Cooperation Agreement is continuing) to the terms of the Cooperation Agreement. In such event, such Offer will be implemented on the same terms and conditions so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments, including (without limitation and for so long as the Cooperation Agreement is continuing and the Offer arises in accordance with the terms of the Cooperation Agreement) an acceptance condition set at 75 per cent. of the TRG Shares on a fully diluted basis (or such lesser percentage as may be determined by Bidco after (to the extent reasonably practicable) consultation with TRG and (to the extent necessary) consultation with the Panel, being in any case more than 50 per cent. of the TRG Shares). If the Acquisition is effected by way of an Offer, and such Offer becomes or is declared unconditional and sufficient acceptances are received in respect of such Offer, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining TRG Shares in respect of which the Offer has not been accepted.
8. The Acquisition will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix 1 and to the full terms which will be set out in the Scheme Document and such further terms as may be required to comply with the provisions of the Listing Rules, the provisions of the Takeover Code and the applicable requirements of the Panel and the London Stock Exchange.

9. TRG Shares will be acquired by Bidco fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights attaching to them as at the Effective Date, including the right to receive and retain all dividends and distributions (if any) declared, made or paid after the Acquisition becomes Effective.
10. If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or distribution and/or other return of capital or value is announced, declared, made or paid in respect of the TRG Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Scheme Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph 10 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Scheme or the Acquisition. In such circumstances, TRG Shareholders would be entitled to retain any such dividend, distribution and/or return of capital or value.
11. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
12. The Scheme will be governed by Scots law and be subject to the jurisdiction of the Court, to the Conditions set out above and full terms to be set out in the Scheme Document. The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.
13. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

## **Appendix 2**

### **Sources and Bases of Information**

In this announcement, unless otherwise stated or the context otherwise requires, the following sources and bases have been used.

1. The fully diluted issued ordinary share capital of 778,459,194 TRG Shares is based on:
  - 1.1 765,062,398 TRG Shares in issue as at 11 October 2023 (being the latest practicable date before this announcement); plus
  - 1.2 11,469,347 TRG Shares which may be issued on or after the date of this announcement pursuant to the TRG Share Plans; plus
  - 1.3 2,374,773 TRG Shares which may be issued on or after the date of this announcement to satisfy the exercise of Company options (both already granted and expected to be granted prior to 31 December 2023), calculated using the treasury stock method and in accordance with the intentions set out in Schedule 2 of the Cooperation Agreement; less
  - 1.4 447,324 TRG Shares held by the TRG Employee Benefit Trust that can be used to satisfy the exercise of options and vesting of awards granted under the TRG Share Plans as at 11 October 2023 (being the latest practicable date before this announcement).
2. A value of approximately £506 million for the entire issued and to be issued share capital of TRG is based on:
  - 2.1 the Acquisition Price of 65 pence per Scheme Share; and
  - 2.2 TRG's fully diluted issued ordinary share capital of 778,459,194 TRG Shares, as set out in paragraph 1 above.
3. The implied enterprise value for TRG of £701 million is calculated excluding lease liabilities and by reference to the valuation of the Acquisition referenced in paragraph 2 above plus reported net debt of £195.5 million as at 2 July 2023, less investments of £0.6 million as at 2 July 2023.
4. TRG's Adjusted EBITDA for the twelve months ended 2 July 2023 is based on Adjusted EBITDA for the 26 weeks to 2 July 2023, plus Adjusted EBITDA for the 52 weeks to 1 January 2023, less Adjusted EBITDA for the 26 weeks to 3 July 2022.
5. Next-twelve-months EV/EBITDA multiples for TRG and UK listed peers in the casual dining sector, being Loungers PLC, Hostmore PLC and Tortilla Mexican Grill PLC, are derived from FactSet data as at 11 October 2023 (being the latest practicable date before this announcement). Enterprise values sourced from FactSet have been adjusted to exclude lease liabilities. For Loungers PLC and Hostmore PLC median EBITDA figures sourced from FactSet are assumed to be on a post-IFRS16 basis and manual adjustments for IFRS16 have been made based on the relevant company's last reported data. No EBITDA adjustments have been made for Tortilla Mexican Grill PLC or TRG.
6. Next-twelve-months EV/EBITDA multiple for TRG for the pre-pandemic period are calculated as an average of data sourced from Bloomberg between the period since TRG acquired Wagamama on 24 December 2018 to the start of the pandemic on 20 February 2020.

7. References to sell-side analyst expectations are based on equity analyst research reports which included a sum-of-the-parts valuation published since 6 September 2023 (being the date of TRG's interim results for the 26 weeks to 2 July 2023).
8. Unless otherwise stated, the financial information of TRG is extracted (without material adjustment) from the annual report and audited accounts of the TRG Group for the 12 months ended 1 January 2023, and the unaudited, consolidated financial statements of TRG for the six months ended 2 July 2023.
9. All closing prices for TRG Shares are closing middle market quotations of a share derived from the Daily Official List of the London Stock Exchange on the relevant date(s).
10. The volume-weighted average prices have been derived from Bloomberg data.
11. The number of restaurants and pubs operated by TRG throughout the UK is accurate as at 12 October 2023 and includes sites within the Leisure business.
12. Certain figures included in this announcement have been subject to rounding adjustments.

### Appendix 3 Details of Irrevocable Undertakings

#### 1. Directors

The following TRG Directors have given irrevocable undertakings to vote in favour of the resolutions (including the Scheme) relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept (or procure the acceptance of) the Offer) in respect of their own beneficial holdings of TRG Shares:

Name	Total Number of TRG Shares	Percentage of existing issued share capital
Ken Hanna	200,000	0.03%
Andy Hornby	1,072,573	0.14%
Mark Chambers	100,000	0.01%
Graham Clemett	58,034	0.01%
Zoe Morgan	51,680	0.01%
Lorraine Woodhouse	49,136	0.01%
TOTAL	1,531,423	0.20%

These irrevocable undertakings also extend to any TRG Shares acquired by the TRG Directors as a result of the vesting of awards or the exercise of options under the TRG Share Plans.

These irrevocable undertakings will cease to be binding only if:

- a) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer or scheme is announced in accordance with Rule 2.7 of the Takeover Code at the same time; or
- b) the Scheme lapses or is withdrawn in accordance with its terms unless, by such time, Bidco publicly announces its intention to proceed with the Acquisition or to implement the Acquisition by way of an Offer; or
- c) the Scheme has not become effective by 11.59 p.m. (London time) on the Long Stop Date (or such later time and/or date as may be agreed between Bidco and TRG, with the approval of the Court and/or the Panel if required) (other than in circumstances where Bidco has, prior to such date, elected to exercise its right to proceed with the Acquisition by way of an Offer and announced the same in accordance with the requirements of Paragraph 8 of Appendix 7 to the Takeover Code, and such Offer has not lapsed or been withdrawn); or
- d) any competing offer for the entire issued and to be issued share capital of TRG is declared unconditional or, if implemented by way of a scheme of arrangement, becomes effective.

#### 2. Other Irrevocable Undertakings

The following shareholders have given irrevocable undertakings.

Under the terms of this irrevocable undertaking, Oasis Management Company Ltd has: (i) undertaken, in respect of the Beneficially Owned Shares and any TRG Shares to which it becomes able to exercise or procure the exercise of voting rights, including following the settlement of the Derivative Shares, to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept (or procure the acceptance of) the Offer) in respect of the TRG Shares in which they have an interest (as defined in the Takeover Code); and (ii) in respect of the Derivative Shares, given certain commitments to acquire the underlying TRG Shares to which the Derivative Shares relate.

Under the terms of Irenic Capital Evergreen Master Fund LP’s irrevocable undertaking, Irenic Capital Evergreen Master Fund LP has given an irrevocable undertaking to exercise (or procure the exercise of) voting rights to vote in favour of the resolutions relating to the Acquisition at the Meetings (or in the event that the Acquisition is implemented by way of an Offer, to accept (or procure the acceptance of) the Offer) in respect of its own beneficial holdings of TRG Shares.

<b>Name</b>	<b>Total Number of TRG Shares</b>	<b>Percentage of existing issued share capital</b>
Oasis Management Company Ltd.	66,945,616 beneficially owned (the “ <b>Beneficially Owned Shares</b> ”)	8.8%
Oasis Management Company Ltd.	38,253,120 subject to a Right of Recall derivative (the “ <b>RR Derivative Shares</b> ”)	5.0%
Oasis Management Company Ltd.	31,241,161 subject to a Total Return Swap derivative (the “ <b>TRS Derivative Shares</b> ” and, together with the RR Derivative Shares, the “ <b>Derivative Shares</b> ”)	4.1%
Irenic Capital Evergreen Master Fund LP	14,402,521 beneficially owned	1.9%
<b>Total</b>	<b>150,842,418</b>	<b>19.7%</b>

These irrevocable undertakings will cease to be binding only if:

- a) the Scheme Document or Offer document is not sent to TRG Shareholders within 28 days (or such longer period as the Panel may agree) after the date of this announcement; or

- b) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement offer is announced pursuant to the Takeover Code at the same time; or
- c) a third party announces a firm intention to make an offer to acquire the entire issued share capital of TRG at a price of more than 71.5 pence per TRG Share; or
- d) the Scheme lapses or is withdrawn unless Bidco announces at the same time and with the consent of the Panel a firm intention to switch to an Offer; or
- e) any competing offer is made for TRG and such competing offer is declared unconditional in accordance with the requirements of the Takeover Code (if implemented by way of an Offer) or otherwise becomes effective (if implemented by way of a scheme of arrangement); or
- f) the Scheme has not become effective or (if applicable) the Offer has not become unconditional in accordance with the requirements of the Takeover Code (as the case may be) by 11.59 p.m. (London time) on the Long Stop Date (or such later time or date as agreed between Bidco and TRG (with the consent of the Panel) or the Panel may require.

## **Appendix 4 Definitions**

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

<b>“2006 Act”</b>	the Companies Act 2006, as amended from time to time
<b>“2022 TRG Annual Report”</b>	the annual report and audited accounts of the TRG Group for the year ended 1 January 2023
<b>“Apollo”</b>	the Apollo Funds
<b>“Apollo Funds”</b>	certain of the affiliated funds of Apollo Global Management, Inc. and its subsidiaries
<b>“Acquisition”</b>	the proposed cash acquisition by Bidco of the entire issued, and to be issued, share capital of TRG by means of the Scheme, or should Bidco so elect (subject to the consent of the Panel, if required, and the terms of the Cooperation Agreement), by means of an Offer and, where the context admits, any subsequent revision, variation, extension or renewal thereof
<b>“Acquisition Price”</b>	65 pence per Scheme Share
<b>“Adjusted EBITDA”</b>	EBITDA pre-IFRS 16 adjustment and exceptional charges
<b>“Articles”</b>	the articles of association of TRG from time to time
<b>“associated undertaking”</b>	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations)
<b>“Authorisations”</b>	authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals, in each case of a Third Party
<b>“Bidco”</b>	Rock BidCo Limited
<b>“Bidco Group”</b>	Bidco and its subsidiary undertakings and where the context permits, each of them
<b>“Business Day”</b>	any day (excluding any Saturday or Sunday or any public holiday in England or Scotland) on which

banks in the City of London and Edinburgh are generally open for business

<b>“Centerview”</b>	Centerview Partners UK LLP
<b>“certificated” or “certificated form”</b>	in relation to a share or other security, a share or other security title to which is recorded in the relevant register of the share or other security as being held in certificated form (that is, not in CREST)
<b>“Citi”</b>	Citigroup Global Markets Limited
<b>“Closing Price”</b>	the closing middle market price of a TRG Share as derived from the Daily Official List on any particular date
<b>“Condition”</b>	each of the conditions listed in Part A of Appendix 1 and any reference to a numbered Condition shall be a reference to the Condition set out in the paragraph of Part A of Appendix 1 bearing such number
<b>“Confidentiality Agreement”</b>	the confidentiality agreement dated 20 September 2023 between TRG and Apollo Management International LLP
<b>“Cooperation Agreement”</b>	the cooperation agreement dated on or around the date of this announcement between TRG and Bidco
<b>“Court”</b>	the Court of Session at Parliament House, Parliament Square, Edinburgh, EH1 1RQ
<b>“Court Meeting”</b>	the meeting of TRG Shareholders to be convened at the direction of the Court pursuant to Part 26 of the 2006 Act at which a resolution will be proposed to approve the Scheme, including any adjournment thereof
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under Part 26 of the 2006 Act
<b>“CREST”</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in CREST)
<b>“Daily Official List”</b>	the daily official list of the London Stock Exchange
<b>“Dealing Disclosure”</b>	an announcement by a party to an offer or a person acting in concert as required by Rule 8 of the Takeover Code
<b>“Disclosed”</b>	the information: (a) disclosed by or on behalf of TRG: (i) in the 2022 TRG Annual Report; (ii) in the Half Year Results for the six months period ended 2 July 2023; (iii) in this announcement; or (iv) in any

other announcement to a Regulatory Information Service prior to the publication of this announcement; or (b) fairly disclosed in writing (including via the virtual data room operated by or on behalf of TRG in respect of the Acquisition) or orally in meetings and calls by TRG management prior to the date of this announcement to Bidco or Bidco's officers, employees, agents or advisers (in their capacity as such)

**“Disclosure Guidance and Transparency Rules”**

the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA

**“Effective”**

in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of the Offer, the Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code

**“Excluded Shares”**

any TRG Shares: (a) registered in the name of or beneficially owned by (i) any member of the Wider Bidco Group, (ii) AGM, the Apollo Funds or any of their respective subsidiary undertakings, or (iii) any nominee of the foregoing; and (b) held in treasury by TRG, in each case, immediately prior to the Scheme Record Time

**“Effective Date”**

the date on which the Acquisition becomes Effective

**“FCA”**

the Financial Conduct Authority

**“FCA Handbook”**

the FCA's Handbook of rules and guidance as amended from time to time

**“General Meeting”**

the general meeting of TRG Shareholders to be convened to consider and if thought fit pass, inter alia, the Resolution(s) in relation to the Scheme including any adjournments thereof

**“Interim Facilities Agreement”**

the interim facilities agreement dated on or about the date of this Announcement between, among others, Bidco as the Borrower and Guarantor and RBC as the interim facilities agent pursuant to which an interim term loan facility in an aggregate principal amount of GBP 260,000,000 is made available to, among others, Bidco

**“Investec”**

Investec Bank plc

**“Lazard”**

Lazard & Co., Ltd

<b>“London Stock Exchange”</b>	the London Stock Exchange plc or its successor
<b>“Long Stop Date”</b>	13 May 2024 or such later date as may be agreed between Bidco and TRG and, if required, the Panel and the Court may allow
<b>“Market Abuse Regulation”</b>	Regulation (EU) 596/2014, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended
<b>“Meetings”</b>	the Court Meeting and the General Meeting
<b>“Offer”</b>	subject to the consent of the Panel and the terms of the Cooperation Agreement, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the 2006 Act, the offer to be made by or on behalf of Bidco to acquire the entire issued, and to be issued, share capital of TRG, and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
<b>“Offer Period”</b>	the offer period (as defined by the Takeover Code) relating to TRG which commenced on the date of this announcement
<b>“Official List”</b>	the Official List of the FCA
<b>“Opening Position Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the Acquisition
<b>“Overseas Shareholders”</b>	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
<b>“Panel”</b>	the Panel on Takeovers and Mergers
<b>“PRA”</b>	the Prudential Regulation Authority
<b>“RBC”</b>	RBC Europe Limited (trading as RBC Capital Markets)
<b>“Registrar of Companies”</b>	the Registrar of Companies in Scotland
<b>“Regulatory Information Service”</b>	a regulatory information service as defined in the FCA Handbook
<b>“Relevant Authority”</b>	any central bank, ministry, governmental, quasigovernmental (including the European Union), supranational, statutory, regulatory or investigative body or authority (including any national or supranational antitrust or merger control authority,

	any sectoral ministry or regulator and any foreign investment review body), national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), any entity owned or controlled by them, any private body exercising any regulatory, taxing, importing or other authority, trade agency, association, institution or professional or environmental body in any jurisdiction
<b>“relevant securities”</b>	as the context requires, TRG Shares, other TRG share capital and any securities convertible into or exchangeable for, and rights to subscribe for, any of the foregoing
<b>“Resolution(s)”</b>	the resolution(s) to be proposed at the General Meeting necessary to implement the Scheme, including, amongst other things, a special resolution proposed in connection with, inter alia, implementation of the Scheme and certain amendments to be made to the Articles
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to TRG Shareholders in that jurisdiction
<b>“Sanction Hearing”</b>	the Court hearing to sanction the Scheme
<b>“Scheme”</b>	the proposed scheme of arrangement under Part 26 of the 2006 Act between TRG and the holders of the Scheme Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by TRG and Bidco
<b>“Scheme Document”</b>	the document to be sent to TRG Shareholders and persons with information rights containing, amongst other things, the Scheme and notices of the Meetings
<b>“Scheme Record Time”</b>	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately following the date of the Sanction Hearing
<b>“Scheme Shares”</b>	all TRG Shares: (i) in issue at the date of the Scheme Document; (ii) (if any) issued after the date of the Scheme Document but before the Voting Record Time; and (iii) (if any) issued at or after the Voting Record Time and before the Scheme Record Time in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme, in each case other than any Excluded Shares

<b>“subsidiary”, “subsidiary undertaking” and “undertaking”</b>	shall be construed in accordance with the 2006 Act
<b>“Takeover Code”</b>	the Takeover Code issued by the Panel on Takeovers and Mergers, as amended from time to time
<b>“TRG”</b>	The Restaurant Group plc
<b>“TRG Board” or “TRG Directors”</b>	the directors of TRG
<b>“TRG Group”</b>	TRG and its subsidiary undertakings and where the context permits, each of them
<b>“TRG Shareholder(s)”</b>	holders of TRG Shares
<b>“TRG Share Plans”</b>	means the TRG Group Restricted Share Plan, the TRG Group plc 2013 Savings Related Share Option Scheme and the TRG Group plc Savings Related Share Option Scheme, as amended from time to time
<b>“TRG Shares”</b>	the existing unconditionally allotted or issued and fully paid ordinary shares of 28.125 pence each in the capital of TRG and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective and <b>“TRG Share”</b> means any one of them
<b>“UK” or “United Kingdom”</b>	means United Kingdom of Great Britain and Northern Ireland
<b>“uncertificated” or “in uncertificated form”</b>	a share or other security title to which is recorded in the relevant register of the share or security as being held in uncertificated form, in CREST, and title to which, by virtue of the Regulations may be transferred by means of CREST
<b>“Voting Record Time”</b>	the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
<b>“Wider Bidco Group”</b>	Bidco Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent
<b>“Wider TRG Group”</b>	TRG and associated undertakings and any other body corporate, partnership, joint venture or person in which TRG and such undertakings (aggregating their interests) have an interest of more than 30 per cent. of the voting or equity capital or the equivalent (excluding, for the avoidance of doubt, Bidco and all

of its associated undertakings which are not members of the TRG Group)

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement.

All references to “pounds”, “pounds Sterling”, “Sterling”, “GBP”, “£”, “pence”, “penny” and “p” are to the lawful currency of the United Kingdom.

All times referred to are London time unless otherwise stated.

A reference to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be construed accordingly.

**SCHEDULE 2**  
**TARGET SHARE PLANS AND EMPLOYEE RELATED MATTERS**

In the event that the Acquisition is implemented by way of an Offer, references to the date on which the Court sanctions the Scheme under section 899 of the Companies Act (the “**Court Sanction Date**”) and the Effective Date will be read as if they referred to the date on which the Offer becomes or is declared unconditional in all respects.

The acknowledgements in paragraph 3-5, 17 and 19 of Part 1 (*Target Share Plans*) (inclusive) and paragraph 2 of Part 2 (*Target Employees*) of this Schedule 2 do not impose contractual restrictions or obligations on any member of the Target Group or their boards of directors. In this Schedule 2, each of the following words and expressions shall have the following meanings:

“ <b>2020 RSP Awards</b> ”	means Awards granted under the RSP in 2020;
“ <b>2021 RSP Awards</b> ”	means Awards granted under the RSP in 2021;
“ <b>2022 RSP Awards</b> ”	means Awards granted under the RSP in 2022;
“ <b>2023 RSP Awards</b> ”	means Awards granted under the RSP in 2023;
“ <b>2023 SAYE Options</b> ”	has the meaning given to it in paragraph 3, Part 1 of this Schedule 2;
“ <b>Awards</b> ”	means all awards and options outstanding under the Target Share Plans from time to time;
“ <b>Cash Amount</b> ”	has the meaning given to it in paragraph 18, Part 1 of this Schedule 2;
“ <b>FY2023</b> ”	means the Target financial year ending on 31 December 2023;
“ <b>Qualifying Termination</b> ”	has the meaning given to it in paragraph 4, Part 2 of this Schedule 2;
“ <b>RSP</b> ”	means the Target Group Restricted Share Plan, as amended from time to time;
“ <b>SAYE 2013</b> ”	means the Target Group 2013 Savings Related Share Option Scheme, as amended from time to time;
“ <b>SAYE 2023</b> ”	means the Target Group Savings Related Share Option Scheme, as amended from time to time;
“ <b>SAYE Plans</b> ”	means the SAYE 2013 and the SAYE 2023;

<b>“Target Employees”</b>	means the employees of the Target and the employees of members of the Target Group from time to time;
<b>“Target Remuneration Committee”</b>	means the remuneration committee of the board of directors of the Target;
<b>“Target Remuneration Policy”</b>	means the directors’ remuneration policy approved by Target Shareholders from time to time;
<b>“Target Share Plans”</b>	means the RSP and the SAYE Plans;
<b>“Trust”</b>	has the meaning given to it in paragraph 18, Part 1 of this Schedule 2; and
<b>“Underpin Condition”</b>	means: (i) the underpin performance conditions applicable to all RSP Awards linked to the underlying performance of the Target Group and delivery against its strategy; and (ii) the underpin performance conditions applicable to the 2020 and 2021 RSP Awards held by executive directors as at the time of grant.

**Part 1**  
**Target Share Plans**

**General**

1. As at 6 October 2023, the following Awards over Target Shares were outstanding under the Target Share Plans:

Target Share Plan	Form of award(s)	Number of Target Shares subject to outstanding awards /options
RSP	Options	16,344,766
	Conditional Awards	Nil
SAYE 2013	Options	11,293,478

2. The Target confirms that no additional Awards under the Target Share Plans have been granted since 6 October 2023.
3. The Bidder acknowledges that, before the Effective Date, subject to the consent of the Panel where applicable, the Target reserves the right to operate the Target Share Plans in accordance with rules of the relevant plan, the Target's normal practice and, where applicable, the Target Remuneration Policy. For the avoidance of doubt, the operation of the Target Share Plans includes (without limitation): granting Awards, determining the extent to which Awards vest, and satisfying the vesting of Awards and the exercise of Awards granted in the form of options. In particular, the Bidder acknowledges and agrees for the purposes of Rule 21 of the Code that: (i) the Target may satisfy the vesting of the 2020 RSP Awards, ordinarily due to vest on 12 October 2023, with Target Shares held in, or acquired as contemplated by paragraph 19 by, the Trust (to the extent sufficient) and thereafter, with newly issued Target Shares; and (ii) the Target may grant Awards under the SAYE 2023 in a manner consistent with the SAYE launch documents issued in the ordinary course on 25 September 2023 and subject to the SAYE 2023 rules as contemplated by paragraph 17 (the "**2023 SAYE Options**").
4. The Bidder and Target acknowledge that:
- (A) the Scheme Record Time shall take place after the Court Sanction Date, to allow those participants in the Target Share Plans who acquire Target Shares on or before the Court Sanction Date to have those Target Shares acquired by the Bidder and dealt with through the Scheme;
- (B) the Bidder agrees that before the Effective Date, the Target Remuneration Committee may operate the Target Share Plans as they consider appropriate in accordance with the rules of the relevant Target Share Plan, Target's normal practice, the Target Remuneration Policy and this Schedule 2 (as applicable);

- (C) the Target may amend the rules of the Target Share Plans if the Target Directors (or the Target Remuneration Committee) are of the opinion that such amendments are necessary to implement the Scheme or the treatment set out in this Agreement, to facilitate the administration of the Target Share Plans or to obtain or maintain favourable tax treatment for participants or for the Target. In particular, the Bidder acknowledges that the Target intends to make a minor administrative amendment to the 2013 SAYE to allow participants to exercise their Awards within 20 days of the Effective Date;
  - (D) the Target and the Bidder intend to jointly write to participants in the Target Share Plans on, or as soon as practicable after, the posting of the Scheme Document to inform them of: (i) the impact of the Scheme on their outstanding Awards and the extent to which their Awards will vest and, in the case of Awards granted in the form of options, become exercisable as a result of the Scheme and any actions they may need to take in connection with their Awards as a result of the Scheme; and (ii) where required, the Bidder's appropriate proposals pursuant to Rule 15 of the Code; and
  - (E) Target Shareholders' approval will be sought to amend the articles of association of the Target so that any Target Shares issued or transferred on or after the Scheme Record Time shall be automatically transferred to, or to the order of, the Bidder in exchange for the provision by the Bidder of the same consideration payable per Target Share under the Scheme (or such other consideration as may be agreed between the Bidder and the Target and disclosed in the Scheme Document).
5. The Bidder acknowledges and agrees that if, for any reason, Target Shares cannot be issued or transferred (including by way of market purchase) when Awards vest and, in respect of Awards granted in the form of options, are exercised under any of the Target Share Plans (or if the Target Remuneration Committee considers that it is inconvenient or costly to do so), such Awards may be settled by the Target in cash.
  6. The Bidder acknowledges that the Target may make any submission to the Panel which it deems necessary or desirable to implement the arrangements referred to in this Schedule 2, having consulted with the Bidder before making such submission, and the Bidder agrees to co-operate as soon as possible and in good faith in the making of any such submission.
  7. The Target confirms that none of the Awards will be exchanged for, converted into or replaced by any options or awards issued or granted by the Bidder or any member of the Bidder Group in respect of the shares in the Bidder or any member of the Bidder Group.

## **RSP**

8. The Bidder acknowledges that all outstanding Awards under the RSP that are unvested on the Court Sanction Date will vest and (where applicable) become exercisable on the Court Sanction Date in accordance with the rules of the RSP.
9. The Bidder acknowledges that the extent to which unvested Awards outstanding under the RSP vest in connection with the Acquisition is to be determined solely by the Target Remuneration Committee subject to its discretions under the rules of the RSP and the Target Remuneration

Policy to: (i) assess the achievement of applicable Underpin Conditions and any other condition imposed on the Vesting of Awards (as defined in the RSP); and (ii) apply or disapply time pro-rating.

10. The Bidder acknowledges that, in respect of the 2020 RSP Awards which are ordinarily due to vest on 12 October 2023:
  - (A) it is the current expectation of the Target Remuneration Committee that all 2020 RSP Awards will vest in aggregate at a level of 100% and the Bidder agrees to that outcome; and
  - (B) the Target may satisfy the vesting of the 2020 RSP Awards with Target Shares held in, or acquired as contemplated by paragraph 19 by, the Trust (to the extent sufficient) and thereafter, with newly issued Target Shares.
  
11. The Bidder acknowledges that, in respect of the 2021 RSP Awards that are unvested at the Court Sanction Date:
  - (A) it is the current intention of the Target Remuneration Committee to determine that all unvested 2021 RSP Awards will vest with no application of time pro-rating; and
  - (B) the satisfaction of applicable Underpin Conditions will be assessed by the Target Remuneration Committee on, or shortly prior to, the Court Sanction Date and it is the current expectation of the Target Remuneration Committee that all unvested 2021 RSP Awards will vest in aggregate at a level of 100% subject to time pro-rating as described above and the Bidder agrees to that outcome.
  
12. The Bidder acknowledges that, in respect of the 2022 RSP Awards and the 2023 RSP Awards that are unvested at the Court Sanction Date:
  - (A) it is the current intention of the Target Remuneration Committee to determine that all unvested 2022 RSP Awards will be time pro-rated to the extent of 66.66% or by reference to the period of time between: (i) the date of grant; and (ii) the Court Sanction Date relative to the applicable vesting period, if this would produce a greater number of Target Shares; and
  - (B) it is the current intention of the Target Remuneration Committee to determine that all unvested 2023 RSP Awards will be time pro-rated to the extent of 33.33% or by reference to the period of time between: (i) the commencement of the date of grant; and (ii) the Court Sanction Date relative to the applicable vesting period, if this would produce a greater number of Target Shares;
  - (C) the satisfaction of the applicable Underpin Conditions for all such Awards will be assessed by the Target Remuneration Committee on, or shortly prior to, the Court Sanction Date and it is the current expectation of the Target Remuneration Committee that the applicable Underpin Condition will be satisfied such that all such Awards will vest in aggregate at a level of 100% subject to time pro-rating as described above and the Bidder agrees to that outcome.

13. The Bidder acknowledges that all Awards granted in the form of options under the RSP that have vested before or on the Court Sanction Date will be exercisable until the date one month after the Court Sanction Date (unless such Awards lapse earlier under the rules of the RSP).

### **SAYE Plans**

14. The Bidder acknowledges that all options granted under the SAYE Plans which would not otherwise have been exercisable prior to the Court Sanction Date will (in consequence of the Acquisition and in accordance with participants' contractual rights under the rules of the SAYE Plans) be exercisable, in the 20 days following the Effective Date and, in many cases, will be exercisable over fewer than the full number of Target Shares than would otherwise be the case on maturity of the relevant savings contract.
15. The Bidder agrees that it will, following the Effective Date, make or procure payment of a one-off cash payment to those participants in the SAYE Plans who exercise their options conditional on the Court Sanction Date and who remain Target Employees on such date of an amount equal to:
  - (A) the additional profit (the "**Additional Profit**") which the participants would have received had they been able to exercise their options over the number of Target Shares they would have received if they had continued making their monthly savings contributions after the Court Sanction Date and exercised their options at the end of the earlier of six months following the Court Sanction Date and the maturity of the relevant savings contract, and had those Target Shares been acquired on the terms of the Scheme; and
  - (B) in the case of any 2023 SAYE Options, the income tax and employee's National Insurance or social security contributions (the "**Additional Tax**") which those participants may incur on exercise of any 2023 SAYE Options as a result of the Acquisition being contemplated at the time of the ordinary course grant of the 2023 SAYE Options.
16. The Bidder acknowledges that any such one-off cash payments made or procured by the Bidder in accordance with paragraph 15 above in relation to options exercised under the SAYE Plans will be subject to deductions for income tax and employee's National Insurance or social security contributions. The Bidder agrees that the one-off cash payments insofar as they relate only to the Additional Tax in relation to the 2023 SAYE Options referred to in paragraph 15(B) above will be of such amount as shall, after taking account of the participants' liability to income tax and employee's National Insurance or social security deductions thereon, provide them with an after-tax amount equal to the amount of that Additional Tax. The one-off cash payments in relation to Additional Profit referred to in paragraph 15(A) above shall be subject to the deductions referred to above and shall not be grossed up.
17. The Bidder acknowledges that the Target intends to grant Awards under the SAYE 2023 in or around October 2023, in accordance with its ordinary course SAYE launch document issued on 25 September 2023.

### **Employee Benefit Trust**

18. As at 6 October 2023, the Target's Employee Share Trust (the "**Trust**") held approximately 447,324 Target Shares and £185,185.01 in cash (the "**Cash Amount**").
19. The Bidder and Target acknowledge that the expectation is that the trustee of the Trust will be requested to use the Target Shares that it holds, and any cash received in consideration for such Target Shares, to satisfying outstanding Awards as far as possible. To the extent there are insufficient Target Shares in the Trust to satisfy outstanding Awards, the Target intends to request the trustee of the Trust to use the Cash Amount to the extent necessary to subscribe for new Target Shares or purchase existing Target Shares to satisfy outstanding Awards (and, if Awards under the SAYE 2023 are granted in accordance with paragraph 17 above over more than 4 million Target Shares in total, the Target intends to request the trustee of the Trust to purchase existing Target Shares, instead of subscribing for new Target Shares, to satisfy such Awards to the extent that in excess of 1 million Target Shares are required in connection with the Acquisition).

## **Part 2 Target Employees**

### **Maintenance of Compensation and Benefits**

1. The Bidder agrees that it shall, or shall cause the relevant employing entity in the Target Group or the Bidder Group to, at a minimum, for the 12-month period immediately following the Effective Date in respect of each person who was a Target Employee immediately prior to the Effective Date and who remains in employment within the Target Group or the Bidder Group:

- (A) maintain at least the same base salary or wage rate, and overall cash and/or equity incentive (excluding for the avoidance of doubt the SAYE Plans) compensation opportunities (but such opportunities need not be in the form of equity) as were provided to each such Target Employee immediately prior to the Effective Date; and
- (B) provide a benefits and allowance package (including pension benefits), which, taken as a whole, is no less favourable than the existing benefits and allowances provided to such Target Employee immediately prior to the Effective Date.

### **Annual bonus**

2. The Bidder acknowledges that:

- (A) the Target operates annual bonus arrangements for FY2023 which are conditional on corporate (including financial) and individual performance;
- (B) bonus determinations for FY2023 will be undertaken by the Target on the Target's usual timetable and based on the annual bonus measures already communicated to individuals in the ordinary course by the Target at the start of FY2023 with payment being made by the Target in cash with no deferral on the normal bonus payment date (provided that, if the normal bonus payment date is before the Effective Date, in which case FY2023 bonus payments will be subject to part deferral in accordance with the Target Remuneration Policy for any Target Employees subject to deferral in relation to their annual bonus); and
- (C) for financial years starting after FY2023, Target Employees may become eligible to participate in such bonus arrangements as may be operated by the Bidder in accordance with the Bidder's policies and practices from time to time.

### **Severance arrangements**

3. The Bidder agrees that, if any Target Employee is the subject of a Qualifying Termination (as defined in paragraph 4 below) at any time during the period of 12 months from and including the Effective Date, such Target Employee will:

- (A) remain eligible for:

- (i) any bonus amount calculated under paragraph 2 above (if such bonus has not already been paid;
- (ii) any bonus entitlement in respect of any financial year starting after FY2023 or in which the Qualifying Termination occurs (if the Target Employee is served with or serves notice of a Qualifying Termination or is otherwise subject to a Qualifying Termination after the financial year in which the Effective Date occurs),

in each case calculated on a pro-rata basis to the date of termination or to the date upon which notice would have expired in the absence of a payment in lieu of notice except where not consistent with the Target Remuneration Policy;

- (B) be treated as a good leaver (or any similar or equivalent concept) under any relevant leaver provisions of any incentive arrangement in which they participate as at the date of termination; and
- (C) where consistent with the Target's practices in the relevant jurisdiction as at the date of this Agreement, receive a reasonable and appropriate contribution towards legal fees if they enter into a settlement agreement in connection with the termination of their employment.

4. In this Agreement, a **"Qualifying Termination"** is:

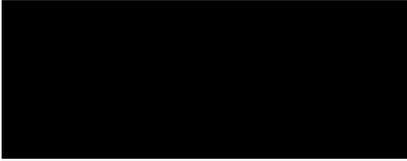
- (A) any termination by the employer other than where the employer is entitled pursuant to the employment contract to dismiss the Target Employee summarily without notice (or payment in lieu of notice), provided, in the reasonable opinion of the Target Group's HR Director (or, if that person is no longer in role, the Target Employee responsible for HR activities within the Target at the relevant time) that an appropriate and fair process was followed in connection with any such dismissal that relates to misconduct or performance;
- (B) any termination by reason of the Target Employee's ill health, injury, disability, death or retirement;
- (C) if the Target Employee ceases to be an employee of the Target Group or the Bidder Group by reason of: (i) their employing entity ceasing to be a member of the Target Group or the Bidder Group; or (ii) the business or part of the business in which they work being transferred to a person that is not a member of the Target Group or the Bidder Group; or
- (D) a termination by reason of the Target Employee's resignation where, without the Target Employee's express written consent: (i) the Target Employee's role and/or reporting level and/or status has been materially diminished; or (ii) there is a material reduction in the Target Employee's base salary or wage, or cash compensation opportunities, taken as a whole, or a material reduction in the Target Employee's benefits and allowance package, taken as a whole; or (iii) a Target Employee's normal place of work is moved more than 30 miles from their previous place of work. In the event of any dispute about whether (i),

or (ii) or (iii) applies to a particular Target Employee, the decision shall be referred to Target Group's HR Director (or, if that person is no longer in role, the Target Employee responsible for HR activities within the Target at the relevant time), who will, acting reasonably, determine the position,

in each case, other than where the Target Employee continues employment with another employer within the Target Group or the Bidder Group.

**IN WITNESS WHEREOF** the parties have executed this Agreement on the date first set out above:

**Rock BidCo Limited**



Title: Authorised Signatory

**SIGNED by**

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acting for and on behalf of  
The Restaurant Group plc

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