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21 May 2013

Vertu Motors plc ("Vertu", the "Company" or the "Group")

Acquisition and Placing

Acquisition highlights

- Vertu has agreed to acquire the entire issued share capital of Albert Farnell Limited ("Farnell") for a total cash consideration of approximately £31.0 million from Co-operative Group Motors Limited ("Co-operative" or the "Seller") (the "Acquisition"). Farnell's business principally comprises three Land Rover dealerships in West Yorkshire
- Farnell has a consistent record of profitability and cash generation. During the financial year ended 31 December 2012, Farnell achieved total unaudited revenues of approximately £113 million and unaudited operating profit of approximately £3.9 million
- The Directors believe that the Acquisition will be earnings enhancing in the first full year of ownership
- Farnell will form a new division within Vertu and Jatinder Aujla, the current Operations Manager at Farnell, will be appointed to head that division

Placing highlights

- Vertu intends to raise approximately £50.0 million before expenses through a placing (the "Placing") fully underwritten by Espirito Santo Investment Bank and Panmure Gordon (the "Joint Bookrunners" and "Joint Underwriters") of 131,578,948 new ordinary shares of the Company of 10 pence each (the "Placing Shares") at a price of 38 pence per share (the "Placing Price")
- The Placing Price represents a discount of approximately 7.3 per cent. to the closing mid-market price of Vertu's existing ordinary shares of 10 pence each ("Ordinary Shares") on 20 May 2013, being the last practicable date before this announcement
- The Placing Shares represent approximately 39.7 per cent. of the Company's enlarged share capital following Admission (as defined below)
- The Placing is conditional upon shareholder approval of the special resolution to be proposed at a general meeting of the Company ("General Meeting") to be held at the offices of Bond Dickinson LLP at St Ann's Wharf, 112 Quayside, Newcastle upon Tyne NE1 3DX at 11.00 a.m. on 7 June 2013
- Further details of the Placing are set out in the appendix to this announcement

Robert Forrester, Chief Executive of Vertu commented:

"We are very pleased to announce the acquisition of Farnell, a dealership group with over 65 years' history in Yorkshire. The acquisition is expected to be earnings enhancing in its first full year, is a high quality business and has a leading franchise in a large market area. We welcome Jatinder Aujla, the current head of Farnell, and his colleagues to the Group, and I am particularly pleased that Jatinder will head the newly established division and report to me.

"Since Vertu was established in 2006, our strategy has been to build a highly respected UK automotive retail group by leveraging our scalable business model to acquire dealerships with high potential for operating improvement over a four year period under Vertu's ownership. We have grown the business to 96 sites at the end of February 2013, partnering with many leading motor manufacturers, selling close to 95,000 vehicles a year. The acquisition we announce today already performs at a very high level and reflects our first entry into the exciting British premium marque of Land Rover.

"We are very pleased to have received the support of existing and new shareholders for our capital raise, which both funds the acquisition and provides substantial equity funding that maintains our strong financial position and enables us to take greater advantage of acquisition opportunities to expand the Group in the highly fragmented Premium and Volume segments of the market."

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Introduction

Vertu, the fast growing automotive retailer with a network of 96 sales and aftersales outlets across the UK, announces that it has entered into a conditional agreement to acquire the entire issued share capital of Farnell for a total cash consideration of approximately £31.0 million. Farnell's business comprises three Land Rover dealerships and one multi-franchise premium used vehicle outlet in West Yorkshire.

In addition, the Board today announces a fully underwritten Placing of 131,578,948 new ordinary shares in Vertu to raise approximately £50.0 million before expenses. The Placing proceeds will be used to fund the Acquisition, to fund selected future acquisitions and for general corporate purposes. Vertu also today announced its audited final results for the year ended 28 February 2013.

Background to the Placing and Acquisition

Since its establishment in 2006, the Group has pursued a strategy to grow a scaled, asset backed, automotive retail business through the acquisition and consolidation of UK motor retail businesses with the potential for performance improvement. The Board is pleased to report that the Group has grown through acquisition and the development of the organic business to become the UK's seventh largest motor retailer by revenue, representing 15 marques and is currently operating 96 sales and aftersales outlets.

The Group's successful execution of its strategy to deliver enhanced business performance from acquired dealerships through the implementation of consistent business processes and systems has been a prime component of its financial success to date. Dealership management is a critical factor and the recruitment, development and retention of high performing automotive retail professionals has always been a key element of the Group's strategy. The Group's objective is for well-managed operations to enhance the experience of its customers and, in turn, to secure significant gains in each franchise's vehicle sales territory.

The Directors continue to believe that there are opportunities for further growth, both in terms of geography and in expanding the range of franchises which the Group represents. The highly fragmented nature of the UK automotive retail sector means that significant growth remains possible through continued strategic acquisitions.

The Group has built a strong network of retail outlets with a significant focus on volume franchises. Over the last 24 months, Vertu has continued to broaden the range of franchises which it represents, opening its first Volvo franchise in March 2013 in Derby and becoming the largest UK franchise partner of Honda. The Board wishes to continue this process of diversification with the aim of creating a balanced portfolio more closely reflecting the UK market share of vehicle manufacturers. The Board believes that it would be advantageous to develop the Group's exposure to premium marques particularly as premium marques have been gaining significant market share over volume marques in recent years in the UK as they have extended their product ranges. Strong residual values have also aided the affordability of premium new cars to retail customers, who take out finance arrangements to fund their purchase. Premium manufacturers also continue to be financially strong and to invest in new product development. Whilst the required investment levels are expected to be higher, the Group does expect premium franchised dealerships to generate enhanced margins and returns.

The Acquisition announced today will provide the Group with its first Land Rover operations and represents a further step in building the Group's portfolio of marques. It is a further important expansion of Vertu's overall activities.

Background and reasons for the Acquisition of Farnell

Farnell operates four outlets within the West Yorkshire region comprising three award winning Land Rover dealerships in Leeds, Bradford and Guiseley and one multi-franchise premium used vehicle outlet in Guiseley. The Farnell brand has represented Land Rover in West Yorkshire for 65 years. Land Rover was voted the most desirable franchise in the UK in 2012 by UK automotive retailers, as surveyed by the National Franchise Dealers Association, and Land Rover has achieved significant recent sales growth with global year-on-year volumes up 36 per cent. The Acquisition will provide a significant entry point into this premium marque that has a strong pipeline of new products to drive customer demand. There is also further potential to develop the Jaguar Land Rover relationship, including potential future expansion with Jaguar.

Unaudited financial information on Farnell:

	<u>Year ended 31 December 2010</u>	<u>Year ended 31 December 2011</u>	<u>Year ended 31 December 2012</u>
Revenue	£89.3m	£96.7m	£113.4m
Gross profit	£8.0m	£9.1m	£11.0m
EBITDA	£2.8m	£3.2m	£4.3m
Operating profit	£2.7m	£2.9m	£3.9m

Source: Unaudited management accounts

Farnell has continued to perform strongly in the 2013 financial year with strong demand in both new and used vehicle sales. It is currently on track to grow profitability in its current financial year.

The aggregate adjusted net assets of Farnell's Land Rover operations to be acquired were approximately £12.5 million as at 31 December 2012. This includes £2.1 million of freehold land and buildings in Guiseley and £1.4 million of leasehold improvements recently incurred upgrading the Leeds and Bradford showrooms to manufacturer standards. At completion of the Acquisition ("Completion") the net assets of Farnell are expected to be approximately £14.0 million and there will be no net cash or net indebtedness.

Terms of the Acquisition

Under the terms of the acquisition agreement between Vertu and Co-operative (the "Acquisition Agreement"), the Group has conditionally agreed to acquire the entire issued share capital of Farnell from Co-operative for a total consideration of approximately £31.0 million (the "Consideration"). This represents a multiple of 7.2 times Farnell's unaudited EBITDA for the year ended 31 December 2012. The Consideration comprises a payment of £14.0 million for the book value of the assets being acquired and a goodwill payment of £17.0 million. The Board has carried out appropriate due diligence on Farnell and is confident in the sustainability and quality of its business, which justifies a payment of goodwill to Co-operative.

A non-refundable deposit of £1.0 million has been paid to the Seller on signing under the terms of the Acquisition Agreement. The remaining consideration is payable in cash at Completion, subject to final agreement of asset values. Completion of the Acquisition is conditional, inter alia, upon the passing of the Resolution (as defined below) and Admission (as defined below).

The leasehold properties are subject to assignment to Farnell from the Seller's other group undertakings. One of these assignments remains outstanding as at the date of this announcement pending a third party consent.

The Acquisition Agreement contains warranties and indemnities in favour of the Company customary for a transaction of this type, and contains restrictive covenants given by the Seller, which apply for two years from Completion.

Integration of the Acquisition and further development of the Group

Following completion of the Acquisition, the Group intends to continue developing the Farnell business, led by Farnell's existing management team who have played an important role in delivering the growth in revenue and profits of Farnell over the last three years. Farnell will represent a new division within the Group under the leadership of the current Operations Manager of Farnell, Jatinder Aujla. Jatinder will become an Operations Director within the Group.

The Board expects that there will be further acquisition opportunities in both the premium and volume marque segments and as such the Placing comprises an additional £19.0 million (before expenses) in excess of the Consideration to pursue these opportunities. Vertu also intends to utilise its strengthened balance sheet and debt capacity to fund future acquisitions in the coming years. The Group has arranged a new £13.5 million vehicle stocking facility in relation to the Acquisition and also has £9.0 million of undrawn acquisition debt facilities. As a result, following Completion and the proposed Placing, the Group expects to have approximately £41.5 million (before expenses) available to fund future acquisitions. The Board believes that the increased financial strength will provide greater comfort to vendors and enhance the ability of the Group to execute the purchase of acquisition opportunities.

The Directors expect that the Acquisition will be earnings enhancing in the first full year of ownership.

Terms of the Placing

The Company intends to raise approximately £50.0 million before expenses by the allotment and issue of 131,578,948 Placing Shares pursuant to the Placing. The Placing Price of 38 pence per share represents a 7.3 per cent. discount to the closing mid-market price of Vertu's Ordinary Shares of 41 pence on 20 May 2013, being the last practicable date before this announcement. The Placing Shares represent approximately 65.8 per cent. of the existing share capital of Vertu, and 39.7 per

cent. of the entire issued share capital of the Company immediately following completion of the allotment and issue of the Placing Shares (the "Enlarged Share Capital"). The Group proposes to use:

- £31.0 million of the proceeds of the Placing to fund the Acquisition; and
- the remainder for future acquisitions and general corporate purposes.

Under the terms of the underwriting and placing agreement between the Company and the Joint Underwriters (the "Underwriting and Placing Agreement"), the Joint Underwriters have agreed, as agents of the Company, to use reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price. The Placing has been underwritten by the Joint Underwriters.

The books for the Placing will open with immediate effect and are expected to close no later than 4.30 p.m. today. The timing of the closing of the books and the making of allocations may be accelerated or delayed at the Joint Underwriters' discretion. Certain of the Directors have indicated an intention to participate in the Placing. The appendix to this announcement contains the detailed terms and conditions of the Placing.

By choosing to participate in the Placing and by making an oral and legally binding offer to acquire Placing Shares, investors will be deemed to have read and understood this announcement in its entirety, including the appendix, and to be making such offer on the terms and subject to the conditions contained herein and to be making the confirmations, representations, warranties, undertakings, agreements and acknowledgements contained in the appendix to this announcement.

Settlement of the Placing Shares is expected to take place within the CREST system following Admission.

The Placing is conditional, inter alia, upon:

- the passing of the special resolution to be proposed at the General Meeting (the "Resolution") without amendment;
- the Underwriting and Placing Agreement having become unconditional in all respects (save for the condition relating to Admission) and not having been terminated in accordance with its terms; and
- Admission taking place by no later than 8.00 a.m. on 10 June 2013 (or such later date as the Company may agree with the Joint Underwriters).

The Underwriting and Placing Agreement contains customary warranties given by the Company to the Joint Underwriters as to matters relating to the Group and its business and as to matters relevant to Farnell and the Acquisition and a customary indemnity to the Joint Underwriters in respect of liabilities arising out of or in connection with the Placing. The Underwriting and Placing Agreement also contains customary rights of termination which could enable the Joint Underwriters to terminate the Placing in certain limited circumstances. The Placing is not conditional on the Acquisition being completed. In the unlikely event that the Placing is completed and completion of the Acquisition does not then take place, the Directors will assess the Group's ongoing funding needs, including other acquisition opportunities, taking account of Shareholders' best interests.

Application will be made to London Stock Exchange plc for the Placing Shares to be admitted to trading on AIM ("Admission"). It is expected that Admission will become effective and that dealings in the Placing Shares will commence on 10 June 2013. The Placing Shares when issued will be credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid on the Ordinary Shares and otherwise rank *pari passu* in all respects with the existing Ordinary Shares. For the avoidance of doubt the Placing Shares shall rank in full for the final dividend declared in respect of the year ended 28 February 2013 of 0.45 pence per Ordinary Share, which was announced today and for which the ex-dividend date will be 26 June 2013. Further details in relation to the final dividend are included in the Final Results.

The Placing Shares are not being made available to the public and are not being offered or sold in any jurisdiction where it would be unlawful to do so. The Board strongly believes that raising equity finance using the flexibility provided by a non pre-emptive placing is the most appropriate fundraising structure for the Company at this time. The Placing allows both existing institutional investors and new institutional investors to participate whilst avoiding the need for a prospectus which, if required, would be significantly more costly and time-consuming.

Notice of General Meeting

The Company will today send to its shareholders a circular convening a General Meeting of its shareholders to be held at the offices of Bond Dickinson LLP at St Ann's Wharf, 112 Quayside, Newcastle upon Tyne NE1 3DX at 11.00 a.m. on 7 June 2013.

Copies of this document will be available free of charge during normal business hours on any week day (except Saturdays, Sundays and public holidays) at the offices of Panmure Gordon, One New Change, London EC4M 9AF, from the date of this document until close of business on 7 June 2013 and at the Company's website www.vertumotors.com/investors/.

Capitalised terms in this announcement have the same meaning as defined in the circular dated 21 May 2013, unless otherwise stated.

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This announcement has been issued by, and is the sole responsibility of, the Company.

The Appendix to this announcement (which forms part of this announcement) sets out the terms and conditions of the Placing.

By participating in the Placing, each person who is invited to and who chooses to participate in the Placing (a "Placee") by making an oral and legally binding offer to acquire Placing Shares will be deemed: (i) to have read and understood this announcement in its entirety (including the Appendix); (ii) to be making such offer on the terms and subject to the conditions herein; and (iii) to be providing the representations, warranties and acknowledgements contained in the Appendix.

Members of the public are not eligible to take part in the Placing and no public offering of securities will be made.

This announcement is for information purposes only and is directed only at: (a) persons in member states of the European Economic Area who are qualified investors as defined in Article (2)(1)(e) ("Qualified Investors") of Directive 2003/71/EC (and amendments thereto); and (b) in the United Kingdom, Qualified Investors who are persons (1) who have professional experience in matters relating to investments and are "investment professionals" falling within the meaning of Article 19(1) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order"); or (2) falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the Order; or (3) such other persons to whom it may otherwise lawfully be communicated without it being accompanied by any further statements and/or warnings required by the Order and not included in this announcement (such persons together being referred to as "Relevant Persons").

This announcement must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this announcement or the Placing relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. As regards all persons other than Relevant Persons, the details of the Placing and the bookbuild set out in this announcement are for information purposes only.

Execution Noble Limited carries out its UK investment banking business as Espirito Santo Investment Bank ("ESIB") which and is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"), is acting exclusively as broker to the Company and for no one else in connection with the Placing and is not advising any other person or treating any other person as its customer in relation to or in connection with the Placing and is not advising any other person or treating any other person as its customer in relation to the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of ESIB or for providing advice in relation to the Placing or any matter referred to in this announcement. Nothing in this paragraph shall serve to exclude or limit any responsibilities which ESIB may have under FSMA or the regulatory regime established thereunder.

Panmure Gordon (UK) Limited ("Panmure Gordon"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority ("FCA"), is acting exclusively as Nomad and broker to the Company and for no one else in connection with the Placing and is not advising any other person or treating any other person as its customer in relation to or in connection with the Placing and is not advising any other person or treating any other person as its customer in relation to the matters referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Panmure Gordon or for providing advice in relation to the Placing or any matter referred to in this announcement. Nothing in this paragraph shall serve to exclude or limit any responsibilities which Panmure Gordon may have under FSMA or the regulatory regime established thereunder.

The statements contained in this document, such as "may," "will," "should", "expect," "anticipate," "estimate," "intend," "continue", "aiming" and "believe" and other similar expressions are forward-looking statements and not historical facts. Due to various risks,

uncertainties and assumptions, actual events or results or the actual performance of the Company may differ materially from those reflected in or contemplated by such forward-looking statements. Past performance, targeted performance and projected performance are not reliable indicators of future results and there can be no assurance that targeted or projected returns will be achieved. The value of any investment made by an investor can go down as well as up and an investor may lose its entire investment.

Appendix

Placing terms and conditions

IMPORTANT INFORMATION REGARDING THE PLACING FOR PLACEES ONLY

1. Eligible participants

Members of the public are not eligible to participate in the Placing. This Appendix and the terms and conditions set out herein are for information purposes only and are directed only at:

- a) persons in member states of the European Economic Area who are qualified investors as defined in section 86(7) of the Financial Services and Markets Act 2000 ("FSMA"), as amended, ("Qualified Investors") being persons falling within the meaning of article 2(1)(e) of the EU Prospectus Directive (which means directive 2003/71/EC (and amendments thereto)) and includes any relevant implementing directive measure in any member state) (the "Prospectus Directive"); and
- b) in the United Kingdom, Qualified Investors who are persons who (i) have professional experience in matters relating to investments and are "investment professionals" falling within the meaning of article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) are persons falling within article 49(2)(a) to (d) ; or ("high net worth companies, unincorporated associations, etc") of the Order; or such other persons to whom it may otherwise lawfully be communicated without it being accompanied by any further statements and/or warnings required by the Order and not included in this Announcement (all such persons in (a) and (b) together being referred to as "Relevant Persons").

This Appendix and the terms and conditions set out herein must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Appendix and the terms and conditions set out herein relates is available only to Relevant Persons and will be engaged in only with relevant persons. This Appendix does not itself constitute an offer for sale or subscription of any securities in the Company.

Each Placee (being the persons procured by the Joint Underwriters to subscribe for the Placing Shares) ("Placee") should consult with its own advisers as to legal, tax, business and related aspects of an investment in Placing Shares.

2. Overseas jurisdictions

The distribution of this announcement and/or issue of Placing Shares pursuant to the Placing or otherwise in certain jurisdictions outside the United Kingdom may be restricted by law. Persons who seek to participate in the Placing must inform themselves about and observe any such restrictions. In particular, this announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for Placing Shares or any other securities in the United States, Canada, Australia, Japan, South Africa or New Zealand or any other jurisdiction in which such offer or solicitation, publication or distribution is or would be unlawful. Persons receiving the announcement including this Appendix (including, without limitation, custodians, nominees and trustees) must not distribute, mail or send it in, into or from the United States, or use the United States mails, directly or indirectly, in connection with the Placing, and by so doing may invalidate any related purported application for Placing Shares.

The Placing Shares have not been and will not be registered under the US Securities Act of 1933, as amended ("US Securities Act") or under the securities laws of any state or other jurisdiction of the United States, and, subject to certain exceptions, may not be offered or sold, resold or delivered, directly or indirectly in or into the United States, or to, or for the account or benefit of, any US persons (as defined in Regulation S under the US Securities Act). No public offering of the Placing

Shares or any other securities is being made in the United States. No money, securities or other consideration from any person inside the United States is being solicited pursuant to this announcement, the Placing, or the bookbuild and, if sent in response to the information contained in this announcement, will not be accepted. This announcement is not an offer of securities for sale into the United States.

3. Details of the Underwriting and Placing Agreement and the Placing Shares

ESIB and Panmure Gordon have entered into an underwriting and placing agreement (the "Underwriting and Placing Agreement") dated 21 May 2013 with the Company under which ESIB and Panmure Gordon have, on the terms and subject to the conditions set out therein, each undertaken to use their reasonable endeavours to procure subscribers for the Placing Shares, and failing which, as principals, to subscribe for the Placing Shares themselves at the Placing Price.

ESIB and Panmure Gordon are arranging the Placing as agents for and on behalf of the Company. ESIB and Panmure Gordon will determine in their absolute discretion the extent of each prospective Placee's participation (if any) in the Placing, which will not necessarily be the same for each Placee.

The Placing Shares will, when issued, be credited as fully paid and will be issued subject to the Company's memorandum and articles of association (the "Articles") and will rank *pari passu* in all respects with the existing issued Ordinary Shares in the capital of the Company ("Existing Ordinary Shares"), including the right to receive all dividends and other distributions declared, made or paid on or in respect of the Existing Ordinary Shares after the date of issue of the Placing Shares.

Each Placee will be required to pay to ESIB or Panmure Gordon (as applicable), on the Company's behalf, the Placing Price for each Placing Share allocated to it by ESIB or Panmure Gordon (as applicable) and agreed to be acquired by it under the Placing in accordance with the terms set out in this Appendix. Each Placee's obligation to acquire and pay for Placing Shares under the Placing will be owed to ESIB, Panmure Gordon and the Company. Each Placee has an immediate, separate, irrevocable and binding obligation, owed to ESIB and Panmure Gordon, to pay to ESIB or Panmure Gordon (or as they may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares allocated to such Placee and for which it has agreed to subscribe. Each Placee will be deemed (i) to have read and understood this Appendix in its entirety; (ii) to be participating in the Placing upon the terms and conditions contained in this Appendix; and (iii) to be providing the representations, warranties, agreements, acknowledgements and undertakings, in each case as contained in this Appendix. To the fullest extent permitted by law and applicable FCA rules (the "FCA Rules"), neither (i) ESIB nor Panmure Gordon, (ii) any director, officer, employee or consultant of ESIB or Panmure Gordon, or (iii) to the extent not contained within (i) or (ii), any person connected with ESIB or Panmure Gordon as defined in the FCA Rules ((i), (ii) and (iii) being together "Affiliates" and individually an "Affiliate"), shall have any liability to Placees or to any person other than the Company in respect of the Placing.

4. Bookbuild

ESIB and Panmure Gordon will today commence the bookbuild to determine demand for participation in the Placing by Placees. This Appendix gives details of the terms and conditions of, and the mechanics of participation in, the Placing.

ESIB and Panmure Gordon shall be entitled to effect the Placing by such alternative method to the bookbuild as they may, in their sole discretion, determine.

Participation in, and principal terms of, the Placing:

1. Participation in the Placing will only be available to persons who may lawfully be, and are, invited to participate by ESIB or Panmure Gordon.

2. To bid in the bookbuild, Placees should communicate their bid by telephone to ESIB or Panmure Gordon. Each bid should state the number of Placing Shares which the prospective Placee wishes to subscribe for at the Placing Price. Bids may be scaled down by ESIB and Panmure Gordon on the basis referred to in sub-paragraph 7 below.
3. The bookbuild is expected to close during the course of today but may be closed later at the discretion of ESIB and Panmure Gordon.
4. Each prospective Placee's allocation will be determined by ESIB and Panmure Gordon and will be confirmed orally by ESIB or Panmure Gordon as agent of the Company following the close of the bookbuild. That oral confirmation will constitute an irrevocable legally binding commitment upon that person (who will at that point become a Placee) in favour of ESIB, Panmure Gordon and the Company to subscribe for the number of Placing Shares allocated to it at the Placing Price on the terms and conditions set out in this Appendix and in accordance with the Articles.
5. Each prospective Placee's allocation and commitment will be evidenced by a contract note issued to such Placee by either ESIB or Panmure Gordon. The terms of this Appendix will be deemed incorporated into that contract note.
6. Each Placee will also have an immediate, separate, irrevocable and binding obligation, owed to Company and ESIB and Panmure Gordon as agents of the Company, to pay ESIB or Panmure Gordon (or as they may direct) in cleared funds, an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to subscribe for and the Company has agreed to allot and issue to that Placee.
7. ESIB and Panmure Gordon may choose to accept bids, either in whole or in part, and may allocate shares and/or scale down any bids for this purpose on such basis as they may determine.
8. A bid in the bookbuild will be made on the terms and subject to the conditions in this announcement and will be legally binding on the Placee on behalf of which it is made and except with the consent of ESIB and Panmure Gordon will not be capable of variation or revocation after the time at which it is submitted.
9. Irrespective of the time at which a Placee's allocation pursuant to the Placing is confirmed, settlement for all Placing Shares to be acquired pursuant to the Placing will be required to be made at the same time, on the basis explained below under "Registration and settlement".
10. All obligations under the bookbuild and Placing will be subject to fulfilment of the conditions referred to below under "Conditions of the Placing" and to the Underwriting and Placing Agreement not being terminated on the basis referred to below.
11. By participating in the bookbuild, each Placee will agree that its rights and obligations in respect of the Placing will terminate only in the circumstances described below and will not be capable of amendment, rescission or termination by the Placee.
12. To the fullest extent permissible by law, neither ESIB, Panmure Gordon nor any of their respective Affiliates shall have any liability to Placees (or to any other person other than the Company whether acting on behalf of a Placee or otherwise). In particular, neither ESIB, Panmure Gordon nor any of their Affiliates shall have any liability (including to the fullest extent permissible by law, any fiduciary duties) in respect of ESIB's or Panmure Gordon's conduct of the bookbuild or of such alternative method of effecting the Placing as ESIB and Panmure Gordon may undertake.
13. In addition, ESIB, Panmure Gordon or their respective Affiliates may enter into financing arrangements and swaps with investors in connection with which ESIB or Panmure Gordon

(or their respective Affiliates) may from time to time acquire, hold or dispose of Ordinary Shares.

5. Conditions of the Placing

ESIB's and Panmure Gordon's obligations under the Underwriting and Placing Agreement in respect of the Placing Shares are conditional on, inter alia:

- a) none of the warranties contained in the Underwriting and Placing Agreement being untrue, inaccurate or misleading as at the date of the Underwriting and Placing Agreement and the date of Admission as though they had been given and made on such dates (by reference to the facts and circumstances existing at such dates);
- b) the Company allotting, subject only to Admission, the Placing Shares in accordance with the Underwriting and Placing Agreement;
- c) Admission taking place not later than 8.00 a.m. on 10 June 2013 or such later date as the Company and the Joint Bookrunners (acting jointly) may otherwise agree;
- d) the Resolution having been passed at the General Meeting without amendment;
- e) (i) the Acquisition Agreement having been entered into by the parties thereto and remaining in full force and effect and having not lapsed or been terminated prior to Admission; (ii) no condition to which the Acquisition Agreement is subject having prior to Admission become incapable of satisfaction; and (iii) no event having arisen at any time prior to Admission which gives any party to the Acquisition Agreement a right to terminate it (for which purposes it shall be assumed that there is no ability to cure the matter or event giving rise to the right to terminate and that there is no notice period required for termination).

If:

- i) any of the conditions contained in the Underwriting and Placing Agreement in relation to the Placing Shares are not fulfilled or waived (if capable of being waived) by ESIB and Panmure Gordon (acting jointly) by the respective time or date where specified (or such later time or date as the Company, ESIB and Panmure Gordon may agree);
- ii) any of such conditions becomes incapable of being fulfilled; or
- iii) the Underwriting and Placing Agreement is terminated in the circumstances specified below,

the Placing in relation to the Placing Shares will lapse and the Placee's rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof. ESIB and Panmure Gordon may, acting jointly and in their absolute discretion, upon such terms as they think fit, waive compliance by the Company with certain of the Company's obligations in relation to the conditions in the Underwriting and Placing Agreement save that the certain conditions including the condition relating to Admission taking place may not be waived. Any such extension or waiver will not affect Placees' commitments as set out in this Announcement.

Neither ESIB, Panmure Gordon nor the Company shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision it may make as to whether or not to waive or to extend the time and /or date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of the Company, ESIB and Panmure Gordon.

It is anticipated that the conditions set out in this Appendix will be fulfilled by 10 June 2013 in respect of the Placing. ESIB and Panmure Gordon may agree with the Company to extend the time for the satisfaction of any of the conditions of the Placing (provided that such time may not be extended beyond 5.00 p.m. on 18 June 2013 (the "Long Stop Date"). The Company will inform each Placee if

any such extension is agreed and all subsequent dates mentioned in this Announcement will be adjusted appropriately.

6. Right to terminate under the Underwriting and Placing Agreement

Subject to the paragraph below, if the conditions are not satisfied or waived by 10 June 2013 in respect of the Placing (or such later time as may be agreed by ESIB, and Panmure Gordon, but in any event not later than 5.00 p.m. on the Long Stop Date, the Placing will not proceed and Placees' rights and obligations will cease and determine and no claims will be capable of being made by any Placee in respect of the Placing, and any payments made by Placees will be returned as soon as possible thereafter at the Placee's own risk without interest.

Each of ESIB and Panmure Gordon is entitled, at any time before Admission, to terminate the Underwriting and Placing Agreement by giving notice in writing to the Company and the other Joint Bookrunner in certain circumstances, including, *inter alia*, a breach of the warranties given to ESIB and Panmure Gordon in the Underwriting and Placing Agreement or the failure of the Company to comply with obligations under the Underwriting and Placing Agreement or the occurrence of a force majeure event which is or will be or may be materially prejudicial to the Company or the Placing or there has occurred or is about to occur a material adverse change in the business of the Enlarged Group, the Group or the Company.

By participating in the Placing, Placees agree that the exercise by ESIB or Panmure Gordon of any right of termination or other discretion under the Underwriting and Placing Agreement shall be within the absolute discretion of ESIB or Panmure Gordon and that they need not make any reference to Placees and that they shall have no liability to Placees whatsoever in connection with any such exercise. The Company will make a further announcement if the obligations under the Underwriting and Placing Agreement do not become unconditional by 8.00 a.m. on 10 June 2013, or such later time and date as ESIB and Panmure Gordon may in their absolute discretion determine (being no later than 5.00 p.m. on the Long Stop Date).

7. Participation and settlement

A Placee's commitment to acquire a fixed number of Placing Shares under the Placing will be agreed orally with ESIB or Panmure Gordon (as applicable). Such agreement will constitute a legally irrevocable binding commitment on such Placee's part to acquire that number of Placing Shares at the Placing Price on the terms and conditions set out or referred to in this Appendix.

After such agreement is entered into, a written confirmation will be dispatched to the Placee by ESIB confirming (i) the number of Placing Shares that such Placee has agreed to acquire, (ii) the aggregate amount such Placee will be required to pay for those Placing Shares and (iii) settlement instructions to pay ESIB or Panmure Gordon (as applicable), as agent of the Company. It is expected that such written confirmations will be despatched by the date on which this announcement is published and that the "trade date" for settlement purposes will be 21 May 2013 and the "settlement date" will be 10 June 2013.

Settlement of transactions in the Placing Shares (ISIN: GB00B1GK4645; SEDOL: B1GK464) will take place within the CREST system, subject to certain exceptions, on a delivery versus payment ("DVP") basis. Placees should match their instructions to either ESIB's CREST participant I.D. 601 or Panmure Gordon's CREST participation I.D. 83802. These are CREST accounts which are operated by Pershing and Citibank, respectively, on each of ESIB's behalf and Panmure Gordon's behalf. The ESIB account ID is ETCLT and the Panmure Gordon account I.D. is IPO. ESIB and Panmure Gordon (as applicable) reserve the right to require settlement for and delivery of any Placing Shares to any Placees by such other means that it deems appropriate if delivery or settlement is not possible or practicable within the CREST system within the timetable set out in this Appendix or would not be consistent with the regulatory requirements in any Placee's jurisdiction. A Placee whose Placing Shares are to be delivered to a custodian or settlement agent should ensure that the written confirmation is copied and delivered immediately to the appropriate person within that organisation.

Placees should instruct their CREST agent to make arrangements for payment for any Placing Shares which Placees are required to acquire as soon as possible.

Insofar as Placing Shares are registered in a Placee's name or that of its nominee or in the name of any person for whom a Placee is contracting as agent or that of a nominee for such person, such Placing Shares should, subject as provided below, be so registered free from any liability to UK stamp duty or stamp duty reserve tax. No Placee (or any nominee or other agent acting on behalf of a Placee) will be entitled to receive any fee or commission in connection with the Placing.

No UK stamp duty or stamp duty reserve tax should be payable to the extent that the Placing Shares are issued into CREST to, or to the nominee of, a Placee who holds those shares beneficially (and not as agent or nominee for any other person) within the CREST system and registered in the name of such Placee or such Placee's nominee provided that the Placing Shares are not issued to a person whose business is or includes issuing depositary receipts or the provision of clearance services or to an agent or nominee for any such person.

The agreement to settle a Placee's subscription (and/or the subscription of a person for whom such Placee is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person direct from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being subscribed for in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there are any such arrangements, or the settlement relates to any other subsequent dealing in the Placing Shares, UK stamp duty or stamp duty reserve tax may be payable, for which neither the Company, ESIB nor Panmure Gordon will be responsible, and the Placee to whom (or on behalf of whom, or in respect of the person for whom it is participating in the Placing as an agent or nominee) the allocation, allotment, issue or delivery of Placing Shares has given rise to such UK stamp duty or stamp duty reserve tax undertakes to pay such UK stamp duty or stamp duty reserve tax forthwith and to indemnify on an after-tax basis and to hold harmless the Company, ESIB and Panmure Gordon in the event that any of the Company, ESIB and/or Panmure Gordon has incurred any such liability to UK stamp duty or stamp duty reserve tax. If this is the case, each Placee should seek its own advice and notify ESIB or Panmure Gordon (as applicable) accordingly.

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

8. No prospectus

No prospectus has been or will be submitted for approval by the FCA in relation to the Placing or the Placing Shares. Placees' commitments in respect of Placing Shares will be made solely on the basis of the information contained in this announcement and on the terms contained in the announcement and this Appendix. Each Placee, participating in the Placing, undertakes that it has neither received nor relied on any other information, representation, warranty or statement made by or on behalf of ESIB, Panmure Gordon or the Company other than this announcement and neither the Company nor ESIB nor Panmure Gordon will be liable for any Placee's decision to participate in the Placing based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on this announcement and its own investigation of the business, financial or other position of the Company in participating in the Placing. Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

9. Payment default

A Placee's entitlement to receive any Placing Shares will be conditional on the receipt of payment by ESIB or Panmure Gordon from the relevant Placee by the relevant time to be stated in the written

confirmation referred to in paragraph 7 above, or by such later time and date as ESIB and Panmure Gordon may in their absolute discretion determine. ESIB and Panmure Gordon may, in their absolute discretion, waive such condition, and shall not be liable to any Placee in the event of it deciding whether to waive or not to waive such condition.

If any Placee fails to make such payment by the required time for any Placing Shares:- (i) the Company may release itself (if it decides in its absolute discretion to do so) and will be released from all obligations it may have to allot and/or issue any such Placing Shares to such Placee or at its direction which are then unallotted and/or unissued; (ii) the Company may exercise all rights of lien, forfeiture and set-off over and in respect of any such Placing Shares to the fullest extent permitted under the Articles or otherwise by law and to the extent that such Placee then has any interest in or rights in respect of any such shares; (iii) the Company or, as applicable, ESIB or Panmure Gordon may sell (and each of them is irrevocably authorised by such Placee to do so) all or any of such Placing Shares on such Placee's behalf and then retain from the proceeds, for the account and benefit of the Company or, where applicable, ESIB or Panmure Gordon (a) any amount up to the total amount due to it as, or in respect of, subscription monies, or as interest on such monies, for any Placing Shares, (b) any amount required to cover any stamp duty or stamp duty reserve tax arising on the sale, and (c) any amount required to cover dealing costs and/or commissions necessarily or reasonably incurred by it in respect of such sale; and (iv) such Placee shall remain liable to the Company and to ESIB or Panmure Gordon (as applicable) for the full amount of any losses and of any costs which it may suffer or incur as a result of it (a) not receiving payment in full for such Placing Shares by the required time, and/or (b) the sale of any such Placing Shares to any other person at whatever price and on whatever terms are actually obtained for such sale by or for it. Interest may be charged in respect of payments not received by ESIB or Panmure Gordon (as applicable) for value by the required time referred to above at the rate of two percentage points above the current base rate of The Royal Bank of Scotland plc.

10. Placees' warranties and undertakings to the Company, ESIB and Panmure Gordon

Placees will be deemed to have read and understood this consistent announcement, including this Appendix, in its entirety and to be making an offer to acquire Placing Shares on the terms and conditions, and to be providing the representations, warranties, acknowledgements, and undertakings contained in this Appendix. In particular, each such Placee (and any person acting on behalf of the Placee) irrevocably confirms, undertakes, represents, warrants, acknowledges and agrees (as the case may be) with each of the Company, ESIB and Panmure Gordon that:

- a) it is a Relevant Person;
- b) in the case of a Relevant Person who acquires any Placing Shares pursuant to the Placing acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
 - i. the Placing Shares acquired by it in the Placing have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons other than Relevant Persons or in circumstances in which the prior consent of ESIB and Panmure Gordon has been given to the offer or resale; or
 - ii. where Placing Shares have been acquired by it on behalf of persons in any member state of the EEA other than Relevant Persons, the offer of those Placing Shares to it is not treated under the Prospectus Directive as having been made to such persons;
- c) it agrees to and accepts all of the terms and conditions set out in this Appendix and that it has the power and authority to subscribe for the Placing Shares and to give all confirmations and to execute and deliver all documents necessary to effect such subscription;

- d) its rights and obligations in respect of the Placing will terminate only in the circumstances described in this Appendix and will not be capable of amendment, rescission or termination by it in any circumstances;
- e) it will pay the full amount at the Placing Price as and when required in respect of all Placing Shares allocated to it in accordance with such terms and will do all things necessary on its part to ensure that payment for such shares and their delivery to it or at its direction is completed in accordance with the standing CREST instructions (or, where applicable, standing certificated settlement instructions) that it has in place with ESIB or Panmure Gordon (as applicable) or puts in place with ESIB or Panmure Gordon (as applicable) with its agreement;
- f) it is not and does not regard itself as being a customer of ESIB or Panmure Gordon (as applicable) in relation to the Placing, and ESIB or Panmure Gordon (as applicable) will not have any duties or responsibilities towards it or its clients for providing protections afforded to their customers under the rules of the FCA (the "FCA Rules") or for advising it with regard to the Placing Shares and that ESIB or Panmure Gordon (as applicable) shall not be responsible to it or any other person for providing the protections afforded to its customers whether under the FCA Rules or otherwise, or for advising it or any other person in respect of or in connection with such arrangements. In addition any payment by it will not be treated as client money governed by the FCA Rules. It agrees that ESIB or Panmure Gordon (as applicable) shall not be liable to it for any matter arising out of its role as placing agent or otherwise in connection with the Placing and that, where any such liability nevertheless arises as a matter of law, it will immediately waive any claim against ESIB or Panmure Gordon (as applicable) which it may have in respect thereof;
- g) neither ESIB nor Panmure Gordon have any duty to it similar or comparable to rules of "best execution", "suitability" and "risk warnings" as set out in the Conduct of Business Sourcebook of the FCA. It accepts that it is not relying on ESIB or Panmure Gordon to advise whether or not the Placing Shares are in any way a suitable investment for it;
- h) in agreeing to subscribe for Placing Shares it is not relying on any information, representation or warranty in connection with the Placing, the Company, the Placing Shares, or otherwise, other than as contained in the announcement including this Appendix (for which the only person(s) responsible to it is or are the person(s) stated in the announcement as having accepted responsibility for such information, representation, warranty or statement). It is not relying on any representation or warranties or agreements by ESIB or Panmure Gordon or any director, employee or agent of ESIB or Panmure Gordon or any other person, except as set out in the express terms of this announcement including this Appendix;
- i) it accepts that the content of this announcement is exclusively the responsibility of the Company and that neither ESIB, Panmure Gordon nor any person acting on their respective behalf has or shall have any liability for any information, representation or statement contained in this announcement or any information previously published by or on behalf of the Company and will not be liable for any Placee's decision to participate in the Placing based on any information, representation or statement contained in this announcement or otherwise. Each Placee further represents, warrants and agrees that the only information on which it is entitled to rely and on which such Placee has relied in committing itself to subscribe for the Placing Shares is contained in this announcement and any information previously published by the Company by notification to a Regulatory Information Service, such information being all that it deems necessary to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given or representations, warranties or statements made by ESIB or Panmure Gordon or the Company and none of ESIB, Panmure Gordon or the Company will be liable for any Placee's decision to accept an invitation to participate in the Placing based on any other information, representation, warranty or statement. Each Placee further acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Enlarged Group, the Group and the Company in deciding to participate in the Placing;

- j) it confirms that it has made an investigation of the pertinent facts relating to the operation of the Company to the extent it deems necessary in order to be fully informed with respect thereto;
- k) it has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the Company and it is able to bear the economic risk of a complete loss of its investment in the Company;
- l) it is entitled to subscribe for or purchase the Placing Shares comprised in its Placing Participation under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all governmental and other consents which may be required thereunder and complied with all necessary formalities;
- m) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business or that it will acquire, hold, manage and dispose of the Placing Shares for the purposes of its business;
- n) in accepting a Placing Participation it is acting as principal and for no other person and that its acceptance of that commitment will not give any other person a contractual right to require the issue by the Company of any of the Placing Shares;
- o) it is entitled to acquire Placing Shares under the laws of all relevant jurisdictions which apply to it and it has complied, and will fully comply, with all such laws (including where applicable, the Terrorism Act 2000, the Anti-Terrorism, Crime and Security Act 2001, the Proceeds of Crime Act 2002, and the Money Laundering Regulations 2007 (the "Regulations"), each as amended from time to time) and has obtained all governmental and other consents (if any) which may be required for the purpose of, or as a consequence of, such acquisition, and it will provide promptly to ESIB or Panmure Gordon (as applicable) such evidence, if any, as to the identity or location or legal status of any person which ESIB or Panmure Gordon may request from it in connection with the Placing (for the purpose of complying with any such laws or regulations or ascertaining the nationality of any person or the jurisdiction(s) to which any person is subject or otherwise) in the form and manner requested by ESIB or Panmure Gordon (as applicable) on the basis that any failure by it to do so may result in the number of Placing Shares that are to be allotted and/or issued to it or at its direction pursuant to the Placing being reduced to such number, or to nil, as ESIB or Panmure Gordon (as applicable) may decide in their sole discretion;
- p) that it has identified its clients in accordance with the Regulations and that it has complied fully with its obligations pursuant to the Regulations;
- q) it has observed the laws of all requisite territories, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with its application in any territory and that it has not taken any action which will or might result in the Company, ESIB or Panmure Gordon acting in breach of the regulatory or legal requirements of any territory in connection with the Placing, application for Placing Shares or the Admission to AIM of the Placing Shares;
- r) neither it, its affiliates nor any persons acting on its or their behalf has taken or will take, directly or indirectly, any action designed to cause or to result in, or that has constituted or which might reasonably be expected to cause or result in, the stabilisation in violation of applicable laws or manipulation of the price of the Ordinary Shares in the Company to facilitate the sale or resale of the Placing Shares;
- s) it will not distribute any press announcement relating to the Placing or any other offering material, directly or indirectly, in or into the United States, Canada, Japan, New Zealand,

South Africa or Australia or in or into any other jurisdiction where it would be unlawful to do so or to any person resident in such countries;

- t) neither it, its affiliates, nor any person acting on its or their behalf, has engaged or will engage in any form of general solicitation or general advertising (within the meaning of Regulation D promulgated under the Securities Act) in connection with any offer and sale of the Placing Shares in the United States; neither has it nor any of its affiliates, nor any person acting on its or their behalf used or will use in connection with its participation in the Placing, directly or indirectly, the postal system of, any instrument (including, without limitation, facsimile transmission, telex, telephone and the internet) of interstate or foreign commerce of, or any facilities or a national securities exchange of the United States;
- u) is acquiring the Placing Shares in an 'offshore transaction' in accordance with Regulation S promulgated under the United States Securities Act of 1933, as amended, for its own account or for an account with respect to which it exercises sole investment discretion, and that at the time it originates its subscription or acquisition it (and any such account) is outside the United States or such account (other than an estate or trust) is held for the benefit or account of a non-US person; the Placing Shares are being offered and sold outside the United States in accordance with Regulation S and none of the Placing Shares have been or will be registered under the US Securities Act; and it is not acquiring the Placing Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Placing Shares into the United States or any other jurisdiction referred to in paragraph t above;
- v) ESIB or Panmure Gordon may (in its absolute discretion) satisfy its obligations to procure Placees by itself agreeing to become a Placee in respect of some or all of the Placing Shares or by nominating any other Affiliate or any person associated with any Affiliate to do so;
- w) it is not, and is not acting in relation to the Placing as nominee or agent for, a person who is or may be liable to stamp duty or stamp duty reserve tax in respect of any agreement to acquire (or any acquisition of) shares or other securities at a rate in excess of 0.5 per cent. (including, without limitation, under sections 67, 70, 93 or 96 of the Finance Act 1986 concerning depository receipts and clearance services), and the allocation, allotment, issue and/or delivery to it, or any person specified by it for registration as holder, of Placing Shares will not give rise to a liability under any such section;
- x) that the person who it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be. Neither ESIB, Panmure Gordon nor the Company will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a failure to observe this requirement. Each Placee and any person acting on behalf of such Placee agrees to participate in the Placing and it agrees to indemnify the Company and ESIB or Panmure Gordon (as applicable) in respect of the same on the basis that the Placing Shares will be credited to the CREST stock account of ESIB (CREST participant ID: 601) and the CREST stock account of Panmure Gordon (CREST participant ID: 83802) who will hold them as nominees for the Placees until settlement in accordance with its standing settlement instructions;
- y) it irrevocably appoints any director or employee of ESIB or Panmure Gordon (as applicable) as its agent for the purpose of executing and delivering to the Company and/or its registrars any document on its behalf necessary to enable it to be registered as the holder of the Placing Shares being issued to it;
- z) it has not and will not make any offer to the public of the Placing Shares for the purposes of the Prospectus Regulations 2005, Schedule 11 to FSMA or section 85 of FSMA;
- aa) it agrees to be bound by the terms of the Articles;

- bb) this Appendix and any contract which may be entered into between the Placee and ESIB or Panmure Gordon (as applicable) and/or the Company pursuant to it or the Placing shall be governed by and construed in accordance with the laws of England, for which purpose it submits to the exclusive jurisdiction of the courts of England and Wales as regards any claim, dispute, or matter arising out of or relating to this Appendix or such contract, except that each of the Company, ESIB and Panmure Gordon shall have the right to bring enforcement proceedings in respect of any judgement obtained against such Placee in the courts of England and Wales in the courts of any other relevant jurisdiction;
- cc) it confirms that it is not presently acting in concert, as defined in the City Code on Takeovers and Mergers, with any existing shareholder or other Placee;
- dd) each right or remedy of the Company, ESIB or Panmure Gordon provided for in this Appendix is in addition to any other right or remedy which is available to such person and the exercise of any such right or remedy in whole or in part shall not preclude the subsequent exercise of any such right or remedy;
- ee) any document that is to be sent to it in connection with the Placing will be sent at its risk and may be sent to it at any address provided by it to ESIB or Panmure Gordon (as applicable);
- ff) none of its rights or obligations in respect of the Placing is conditional on any other person agreeing to acquire any Placing Shares under the Placing and no failure by any other Placee to meet any of its obligations in respect of the Placing shall affect any of its obligations in respect of the Placing;
- gg) ESIB and Panmure Gordon do not owe any fiduciary or other duties to any Placee in respect of any representations, warranties, undertakings or indemnities in the Underwriting and Placing Agreement. Each Placee and any person acting on behalf of the Placee acknowledges and agrees that ESIB, Panmure Gordon or any of their affiliates may, at its absolute discretion, agree to become a Placee in respect of some or all of the Placing Shares; and
- hh) the Company, ESIB and Panmure Gordon and others will rely upon the truth and accuracy of the foregoing confirmations, representations, warranties, acknowledgements undertakings and agreements which are given by each Placee (or persons acting on their behalf) to ESIB or Panmure Gordon on their own respective behalf and on behalf of the Company and are irrevocable.