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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF EU REGULATION 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018**

**FOR IMMEDIATE RELEASE**

*Capitalised terms in this announcement, unless otherwise defined, have the same meanings given to them in the Circular published today which is available to view on the Company's website at <https://www.colefaxgroupplc.com/>*

**1 September 2023**

**COLEFAX GROUP PLC**

**("Colefax", the "Group" or the "Company")**

**Announcement of Tender Offer**

**and**

**Posting of Circular**

The Company is pleased to announce today the launch of a proposed Tender Offer by Peel Hunt to purchase up to 14.0 per cent. of the Company's issued share capital. The Tender Offer is being proposed in line with the authority to purchase Shares on-market that was granted by Shareholders at the Company's 2022 Annual General Meeting held on 29 September 2022.

The Company has engaged Peel Hunt to implement the Tender Offer. Pursuant to the Tender Offer, Peel Hunt will purchase, as principal, up to a maximum of 1,013,254 Shares (being 14.0 per cent. of the Company's issued ordinary share capital).

The Company has granted a put option to Peel Hunt pursuant to the Repurchase Agreement under which Peel Hunt may require the Company to purchase at the Tender Price the Shares purchased by Peel Hunt pursuant to the Tender Offer. Shares that are purchased from Peel Hunt by the Company will be cancelled.

A Circular providing more information in relation to the Tender Offer and setting out the terms and conditions of and the procedure for participating in the Tender Offer, will be posted to Shareholders today.

**Outline of the Tender Offer**

The key points to the Tender Offer are as follows:

- The Tender Offer is for up to 14.0 per cent. of the Company's issued share capital (the Company does not hold any Shares in treasury). Under the Tender Offer, each Shareholder is entitled to have up to 14.0 per cent. of his or her shareholding purchased by Peel Hunt at the Tender Price.
- The Tender Offer is being made at the lower of: (i) 700 pence per Share; or (ii) 105 per cent. of the average closing mid-market price per Share as derived from the London Stock Exchange Daily Official List over the five Business Days immediately preceding the Take-up Announcement Date.

- Assuming a Tender Price of 700 pence, the Tender Offer is being made at:
  - a discount of 7.6 per cent. to the closing mid-market price per Share on 31 August 2023;
  - a discount of 3.5 per cent. to the 30 day volume weighted average price per Share on 31 August 2023; and
  - a discount of 1.8 per cent. to the 90 day volume weighted average price per Share on 31 August 2023.
- Shareholders will be able to decide whether to tender none, some or all of their Shares within the overall limits of the Tender Offer.
- Tenders in excess of a Shareholder's Basic Entitlement will only be accepted to the extent that other Shareholders tender less than their Basic Entitlement or do not tender any Shares and will, if necessary, be scaled back on a pro rata basis (save that tenders from Shareholders who hold 1,000 Shares or less will be accepted in full subject to there being capacity to purchase those Shares in accordance with the terms of the Tender Offer).

Any Shares purchased by Peel Hunt under the Tender Offer which Peel Hunt subsequently requires the Company to purchase under the terms of the Repurchase Agreement will be cancelled. The Tender Offer is subject to the conditions set out in the Repurchase Agreement being fulfilled. Following completion of the Repurchase Agreement, the Company's issued share capital will be reduced to 6,224,281 Shares, assuming the maximum 1,013,254 Shares (being 14.0 per cent. of the Company's issued share capital) are bought back. The Tender Offer is open to Shareholders on the register of the Company at 6.00 p.m. on 21 September 2023 (the 'Record Date').

There is no guarantee that the Tender Offer will take place. The Tender Offer will not proceed if any of the conditions specified in paragraph 2 of Part III of the Circular are not satisfied or if it is withdrawn by the Company at any point prior to the announcement of the results of the Tender Offer. The non-fulfilment of the specified conditions would mean that the Tender Offer could not be implemented and that the Company would have to bear the abortive costs of making the Tender Offer.

### Intentions of the Directors

The following Directors have informed the Company that they intend to tender the following number of Shares into the Tender Offer:

Name	Number of Shares to be tendered	Percentage of Director's Holding (%)
David Green	183,873 <sup>1</sup>	14.0%
Robert Barker	16,194 <sup>2</sup>	14.0%
Key Hall	8,000	6.7%
Wendy Nicholls	9,675	14.0%

In each case acceptance by the Company of an application under the Tender Offer in excess of 14.0% of the applicant's holding is subject to there being capacity to purchase those Shares in accordance with the terms of the Tender Offer.

<sup>1</sup>The Shares to be tendered by David Green comprise of 141,878 Shares in his name and 41,995 Shares in his wife's name.

<sup>2</sup>The Shares to be tendered by Robert Barker comprise of 8,097 Shares in his name and 8,097 Shares in his wife's name.

*This summary should be read in conjunction with the full text of the Circular, when available.*

### Rule 9 Waiver and the Takeover Code

The Board has consulted with the Takeover Panel which has agreed that it will waive any obligation on the Concert Party (as defined in the appendix to this Announcement) to make a general offer under Rule 9 and Rule

37 of the Takeover Code as a result of the Tender Offer, provided that the holders of a majority of the Ordinary Shares held by Independent Shareholders (as defined in the Circular), confirm in writing that they would approve a Rule 9 Waiver, if a resolution to approve a Rule 9 Waiver were put to the Independent Shareholders at the General Meeting. The Company is pleased to announce that it has now received such written confirmation.

### **Expected Timetable**

Announcement of Tender Offer	1 September 2023
Circular sent to Shareholders (together with Tender Offer Application Forms for Shareholders holding certificated Shares)	1 September 2023
Tender Offer opens	1 September 2023
Latest time and date for receipt of Tender Offer Application Forms and TTE Instructions in relation to Tender Offer	1.00 p.m. on 21 September 2023
Record time and date for the Tender Offer	6.00 p.m. on 21 September 2023
Announcement of take-up level under the Tender Offer	by 8.00 a.m. on 22 September 2023
Purchase of Shares under the Tender Offer	22 September 2023
CREST accounts credited with Tender Offer proceeds and revised holdings of Shares (or, in the case of unsuccessful tenders, for entire holdings of Shares)	on 29 September 2023
Despatch of cheques for Tender Offer proceeds in respect of successfully tendered certificated Shares and despatch of balance share certificates in respect of unsold certificated Shares	on 29 September 2023

*The above times and/or dates are indicative only and may change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders by announcement through a regulatory information service of the London Stock Exchange.*

*All references to times in this document are to London times unless otherwise stated.*

### **Enquiries:**

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### **Appendix**

#### **The Concert Party and the Takeover Code**

*The Concert Party*

David Green, the Chairman and Chief Executive of the Company, together with certain family members (together, the '**Concert Party**') are all considered to be acting in concert with each other in relation to the Company for the purposes of the City Code on Takeovers and Mergers (the '**Code**'). The Concert Party currently holds 2,113,386 Ordinary Shares, representing in aggregate 29.2 per cent. of the current issued voting share capital of the Company.

#### *The Takeover Code*

Under Rule 9 of the Code when:

- a person acquires an interest in shares which (taken together with shares in which they and persons acting in concert (as defined by the Code) with them are interested) carry 30 per cent. or more of the voting rights of a company subject to the Code; or
- any person who, together with persons acting in concert with them, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of a company subject to the Code, but does not hold shares carrying more than 50 per cent. of the voting rights of the company, and such person, or any persons acting in concert with them, acquires an interest in any shares which increase the percentage of shares carrying voting rights in which they are interested,

that person together with the persons acting in concert with them, is normally required to extend offers in cash, at the highest price paid by them (or any persons acting in concert with them) for shares in the company within the preceding 12 months, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights (a '**Rule 9 Offer**').

Rule 37 of the Code states that when a company redeems or purchases its own voting shares, any resulting increase in the percentage of shares carrying voting rights in which a person or group of persons acting in concert is interested will be treated as an acquisition for the purposes of Rule 9. However, Note 1 of Rule 37.1 states that a person who comes to exceed the limits in Rule 9.1 as a consequence of a company's redemption or purchase of its own shares will not normally incur an obligation to make a mandatory offer unless that person is a director, or the relationship of the person with any one or more of the directors is such that the person is, or is presumed to be, acting in concert with any of the directors. A person who has appointed a representative to the board of the company, and investment managers of investment trusts, will be treated for these purposes as a director.

The Concert Party's interest in Ordinary Shares might, as a result of the Tender Offer, increase above 30 per cent. of the voting rights of the Company. The Tender Offer might, therefore, absent a waiver of the obligation to make a general offer under Rule 9 and Rule 37 of the Code by the Panel, give rise to an obligation on the Concert Party to make a general offer for the entire issued share capital of the Company.

#### *Waiver of the obligation to make a general offer under Rule 9 and Rule 37 of the Code*

Under Rule 37 and Note 1 on the Notes on the Dispensations from Rule 9 of the Code, the Panel will normally waive the requirement for a Rule 9 Offer if, inter alia, those shareholders of the Company who are independent of the persons who would otherwise be required to make an offer and any person acting in concert with them do not have any interest which may compromise their independence (the '**Independent Shareholders**') pass an ordinary resolution on a poll at a general meeting approving such a waiver (a '**Waiver Resolution**'). Under Note 5 on the Notes on the Dispensations from Rule 9 of the Code, the Panel may waive the requirement for a Rule 9 Offer and a Waiver Resolution if Independent Shareholders holding more than 50 per cent. of the Company's shares capable of being voted on such a Waiver Resolution confirm in writing that they approve the proposed waiver and would vote in favour of a Waiver Resolution were one to be put to the Shareholders at a general meeting.

#### *Confirmations and acknowledgements*

Independent Shareholders holding more than 50 per cent. of the Company's Ordinary Shares capable of being voted on a resolution to approve a Waiver Resolution, being Jupiter Asset Management Limited and Schroder Investment Management Limited, have confirmed the following:

- they are beneficial owners of 3,049,208 Ordinary Shares in the issued share capital of the Company, representing at the date hereof 42.1 per cent. of the Company's issued share capital carrying voting rights (and 59.5% of the Ordinary Shares capable of being voted on a resolution to approve a Waiver Resolution) and have absolute discretion over the manner in which these Ordinary Shares are voted. These Ordinary Shares are held free of all liens, pledges, charges and encumbrances;
- that (a) save for the fact that they are Shareholders, there is no connection between any Independent Shareholder and the Concert Party; (b) they do not have any interest or potential interest, whether commercial, financial or personal, in the outcome of the Tender Offer; and (c) they are an Independent Shareholder of the Company as defined above; and
- that, in connection with the Tender Offer: (a) they consent to the Panel granting a waiver from the obligation for the Concert Party to make a Rule 9 offer to the Shareholders; (b) they consent to the Panel dispensing with the requirement that the waiver from such obligation be conditional on a Waiver Resolution being approved by Independent Shareholders of the Company at a general meeting; and (c) they would vote in favour of a Waiver Resolution to waive the obligation for the Concert Party to make a Rule 9 Offer upon completion of the Tender Offer, if a Waiver Resolution were to be put to the Independent Shareholders of the Company at a general meeting.

In giving the confirmations referred to above, the Independent Shareholders have acknowledged:

- that the Panel will approve the waiver from the obligation for the Concert Party to make a Rule 9 Offer without the requirement for the waiver having to be approved by Independent Shareholders of the Company at a general meeting;
- that if no general meeting is held to approve the Waiver Resolution to waive the obligation for the Concert Party to make a Rule 9 Offer:
  - i. there will not be an opportunity for any other person to make any alternative proposal to the Company conditional on such Waiver Resolution not being approved by Independent Shareholders of the Company;
  - ii. there will not be an opportunity for other Shareholders to make known their views on the Tender Offer; and
  - iii. there will be no requirement for the Company either (i) to obtain and make known to its Shareholders competent independent advice under Rule 3 of the Code on the Tender Offer and the waiver of the obligation for the Concert Party to make a Rule 9 offer; or (ii) to publish a circular to Shareholders of the Company in compliance with Appendix 1 of the Code in connection with this matter.

The Board has consulted with the Panel which has agreed that it will waive any obligation on the Concert Party to make a general offer under Rule 9 and Rule 37 of the Code as a result of the Tender Offer and, provided that the holders of a majority of the Ordinary Shares, held by Independent Shareholders, confirm in writing that they would approve the Rule 9 Waiver, if a resolution to approve the Rule 9 Waiver were put to the Independent Shareholders at the General Meeting.

The holders of a majority of Ordinary Shares, held by Independent Shareholders, have given that written confirmation and the Board has also now received the Panel's confirmation that the Panel has granted a waiver of the obligation on the Concert Party to make a general offer under Rule 9 and Rule 37 of the Code to the extent that such obligation would otherwise arise as a result of the Tender Offer.

## **Important notice**

### **Disclaimer**

The information contained within this Announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (Regulation 596/2014) as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this Announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.

The information in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

Peel Hunt LLP is acting for Colefax Group plc in relation to the Tender Offer and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to the customers of Peel Hunt LLP nor for providing any advice in relation to the Tender Offer.

This announcement does not constitute, or form any part of, any offer for or invitation to sell or purchase any securities, or any solicitation of any offer for securities in any jurisdiction. Any acceptance or other response to the Tender Offer should be made only on the basis of information contained or referred to in the Circular which will shortly be available on the Company's investor relations website <http://www.colefaxgroupplc.com> and the personalised Tender Offer Application Form which will be sent to Shareholders who hold Shares in certificated form (i.e. not in CREST). The Circular and Tender Offer Application Form will contain important information including the full terms and conditions of the Tender Offer and how it may be accepted. Shareholders are urged to read the Circular and, where applicable, the Tender Offer Application Form, carefully.

The Tender Offer is not being made in or into, and is not capable of acceptance in or from, the United States, Canada, Australia, New Zealand, the Republic of South Africa or Japan. Custodians, nominees and trustees should observe these restrictions and should not send or distribute documents in or into the United States, Canada, Australia, New Zealand, the Republic of South Africa or Japan.

The timetable for the Tender Offer may be influenced by a range of circumstances such as market conditions. There is no guarantee that the Tender Offer will occur and Shareholders should not base their financial decisions on the Company's intentions in relation to the Tender Offer at this stage.