

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

If you have sold or otherwise transferred all of your Ordinary Shares, please immediately forward this Document and the accompanying Form of Proxy (but not, if relevant, the personalised Tender Form) to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, this Document should not be mailed, distributed, sent, forwarded to or transmitted in or into any Restricted Jurisdiction. If you have sold only part of your holding of your Ordinary Shares, please contact your stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

The Tender Offer is not being made, directly or indirectly, in any Restricted Jurisdiction and neither this Document nor the accompanying documents may be distributed or sent in or into or from any Restricted Jurisdiction and doing so may render invalid any purported tender. Any person (including, without limitation, custodians, nominees and trustees) who may have a contractual or legal obligation to forward this Document and/or the accompanying documents should read the paragraph headed "Overseas Shareholders" in Part 2 of this Document before taking any action.

Before making any decision in connection with the Tender Offer you are strongly advised to read the whole of this Document.

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## **SAFELAND PLC**

*(incorporated and registered in England and Wales under the Companies Act 1985 with registration number 02012015)*

### **Proposed Tender Offer to purchase up to 2,974,139 Ordinary Shares at the Tender Price Proposed cancellation of admission of the Ordinary Shares to trading on AIM and Notice of General Meeting**

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The proposals described in this Document are conditional, *inter alia*, on the approval of the Shareholders at the General Meeting by the passing of the Resolutions. Notice of the General Meeting of the Company to be held at the Company's offices at 1a Kingsley Way, London N2 0FW on 1 May 2019 at 10.00 a.m. accompanies this Document, together with a Form of Proxy for use at the General Meeting. Whether or not you propose to attend the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and return it, duly signed, together with any power of attorney under which it is executed to the Company's registrars, Link Asset Services, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible but in any event, to be valid, it must be completed and returned so as to arrive not later than 10.00 a.m. on 29 April 2019. Completion and return of a Form of Proxy will not preclude a member from attending and voting at the meeting should they wish.

The Tender Offer will close at 1.00 p.m. on 7 May 2019. The Record Date for participation in the Tender Offer is close of business on 7 May 2019 and the Tender Offer will only be available to Shareholders on the Register at that time and date.

If you wish to tender Ordinary Shares for purchase by the Company pursuant to the Tender Offer and you hold your Ordinary Shares in certificated form, the Tender Form must be completed, signed and returned as soon as possible and, in any event, so as to be received by post or by hand (during normal business hours only) at the offices of the Company's receiving agent, Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, not later than 1.00 p.m. on 7 May 2019.

If you wish to tender Ordinary Shares for purchase by the Company pursuant to this Tender Offer and you hold your Ordinary Shares in uncertificated form (that is, in CREST), you must make your tender electronically through CREST so that the relevant TTE instruction(s) settle(s) no later than 1.00 p.m. on 7 May 2019.

This Document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “forecasts”, “plans”, “prepares”, “anticipates”, “projects”, “expects”, “intends”, “may”, “will”, “seeks”, “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Document and include statements regarding the Company’s and the Directors’ intentions, beliefs or current expectations concerning, amongst other things, the Company’s prospects, growth and strategy. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company’s actual performance, achievements and financial condition may differ materially from those expressed or implied by the forward-looking statements in this Document. In addition, even if the Company’s results of operations, performance, achievements and financial condition are consistent with the forward-looking statements in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Any forward-looking statements that the Company makes in this Document speak only as of the date of such statement and (other than in accordance with their legal or regulatory obligations) neither the Company nor any of its associates, directors, officers or advisers undertakes any obligation to update such statements. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

2019

Announcement of the Cancellation and Tender Offer	7.00 a.m. on 8 April
Posting of this Document, the Tender Forms and Forms of Proxy	8 April
Tender Offer opens and notice of the Cancellation provided to the London Stock Exchange	8 April
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 29 April
Time and date of General Meeting	10.00 a.m. on 1 May
Announcement of result of General Meeting	by 6.00 p.m. on 1 May
Latest time and date for receipt of Tender Forms and TTE instructions	1.00 p.m. on 7 May
Record Date for Tender Offer	close of business on 7 May
Announcement of results of Tender Offer	8 May
Expected last day of dealings in Ordinary Shares on AIM	9 May
Expected time and date of Cancellation	7.00 a.m. on 10 May
Creation of assured payment obligations for Tender Offer proceeds for uncertificated Ordinary Shares	by 20 May
Despatch of cheques for Tender Offer proceeds and balance share certificates for certificated Ordinary Shares	by 20 May

### Notes:

1. The dates and times specified are subject to change and will be notified by the Company through a Regulatory Information Service. All references to time are to UK time.
2. Each of Cancellation and the Tender Offer requires the approval of not less than 75 per cent. of the votes cast by Shareholders at the General Meeting.
3. References to close of business in this Document shall refer to such time as the reconciliation exercise within CREST has been completed for that day.

## DIRECTORS AND ADVISERS

<b>Directors</b>	Larry Lipman <i>Managing Director</i> Errol Lipman <i>Executive Director</i> Edward Young <i>Non-Executive Director</i>
<b>Registered office and principal place of business</b>	1a Kingsley Way London N2 0FW
<b>Nominated adviser and broker to the Company</b>	Stockdale Securities Limited 100 Wood Street London EC2V 7AN
<b>Legal adviser to the Company</b>	Trowers & Hamblins LLP 3 Bunhill Row London EC1Y 8YZ
<b>Registrar</b>	Link Asset Services The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
<b>Receiving Agent and Escrow Agent</b>	Link Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU

## PART 1

### LETTER FROM THE MANAGING DIRECTOR OF THE COMPANY

# SAFELAND PLC

*Directors:*

Larry Lipman (*Managing Director*)  
Errol Lipman (*Executive Director*)  
Edward Young (*Non-Executive Director*)

*Registered Office:*

1a Kingsley Way  
London N2 0FW

8 April 2019

*To the holders of Ordinary Shares and, for information purposes only, to option holders*

**Proposed Tender Offer to purchase up to 2,974,139 Ordinary Shares at the Tender Price**  
**Proposed cancellation of admission of the Ordinary Shares to trading on AIM**  
**and**  
**Notice of General Meeting**

Dear Shareholder

#### **1. Introduction**

The Company announced earlier today its proposals to:

- cancel the admission of its Ordinary Shares to trading on AIM; and
- provide Shareholders who do not wish to remain as Shareholders after the Cancellation has taken place with an opportunity to realise their investment in the Company by accepting the Tender Offer pursuant to which the Company will, conditionally, offer to purchase up to 2,974,139 Ordinary Shares at the Tender Price of 42.5 pence per Ordinary Share, being the closing mid-market price per Ordinary Share on 5 April 2019 (being the last practicable date prior to the publication of this Document).

The Cancellation and the Tender Offer are conditional, among others, upon all of the Resolutions being passed at the General Meeting to be held at 10.00 a.m. on 1 May 2019, notice of which is set out at the end of this Document.

This letter sets out the reasons for, and implications of, the Cancellation and provides further details on each of the Cancellation and the Tender Offer as well as an update on current trading.

#### **2. Cancellation**

##### ***Background to, and reasons for, the Cancellation***

The Managing Director's Statement of 20 August 2018 published in the Company's Report and Financial Statements for the year ended 31 March 2018 noted that whilst the Company continued to seek out value adding opportunities, the generally negative environment with little current opportunity suggested that it would be prudent for the Board to review the Company's cost base, including the value of maintaining the Company's AIM quotation. The Board has now conducted this review and concluded that Cancellation is in the best interests of the Company and its Shareholders as a whole. In reaching this conclusion, the Directors have considered, among others, the following principal factors:

- the considerable costs, management time and the legal and regulatory burden associated with maintaining the Company's admission to trading on AIM are, in the Directors' opinion, materially disproportionate to the benefits to the Company and Cancellation will enable the Company to reduce significantly administrative costs;

- with regard to the costs, in particular, even though these have been, so far as reasonably possible, controlled and minimised by the Company, the Directors believe that these funds could be better utilised for the benefit of the Company; and
- the shareholding structure of the Company is such that it has a limited free float and liquidity in the Ordinary Shares, with the consequence that the AIM quotation does not offer investors the opportunity to trade in meaningful volumes or with frequency within an active market.

Following careful consideration, the Directors believe that it is in the best interests of the Company and Shareholders to seek Cancellation at the earliest opportunity.

### ***Process for the Cancellation***

Under the AIM Rules, it is a requirement that Cancellation must be approved by not less than 75 per cent. of votes cast by Shareholders at a general meeting. Accordingly, the Notice of General Meeting set out at the end of this Document contains a special resolution to approve the Cancellation (please refer to Resolution 1).

Furthermore, Rule 41 of the AIM Rules requires any AIM company that wishes the London Stock Exchange to cancel the admission of its shares to trading on AIM to notify shareholders and to separately inform the London Stock Exchange of its preferred cancellation date at least 20 Business Days prior to such date. In accordance with AIM Rule 41, the Directors have notified the London Stock Exchange of the Company's intention, subject to Resolution 1 being passed at the General Meeting, to cancel the Company's admission of the Ordinary Shares to trading on AIM on 10 May 2019. Cancellation will not take effect until at least five clear Business Days have passed following the passing of Resolution 1. If the Resolution 1 is passed at the General Meeting, it is proposed that the last day of trading in Ordinary Shares on AIM will be 9 May 2019 and that Cancellation will take effect at 7.00 a.m. on 10 May 2019.

### ***Principal effects of Cancellation***

The principal effects that Cancellation will have on Shareholders include the following:

- there will no longer be a formal market mechanism enabling Shareholders to trade their Ordinary Shares on AIM (or any other recognised market or trading exchange);
- while the Ordinary Shares will remain freely transferable and a matched bargain facility is intended to be set up following Cancellation (see below for further details), the Ordinary Shares may be more difficult to sell compared to shares of companies traded on AIM (or any other recognised market or trading exchange);
- it may be more difficult for Shareholders to determine the market value of their investment in the Company at any given time;
- the Company will no longer be required to comply with the AIM Rules (and accordingly, Shareholders will no longer be afforded the protections given by the AIM Rules). In particular:
  - the Company will not be bound to make any public announcements of material events, or to announce interim or final results, comply with any of the corporate governance practices applicable to AIM companies, announce substantial transactions and related party transactions, or comply with the requirement to obtain shareholder approval for reverse takeovers and fundamental changes in the Company's business;
  - Stockdale Securities Limited will cease to be the Company's nominated adviser and broker and the Company will cease to retain a nominated adviser and broker;
- the Company will no longer be subject to the Market Abuse Regulation regulating inside information;
- the Company will no longer be subject to the Disclosure Guidance and Transparency Rules and will therefore no longer be required to publicly disclose major shareholdings in the Company;
- whilst the Company's CREST facility will remain in place following the Cancellation, the Company's CREST facility may be cancelled in the future and, although the Ordinary Shares will remain transferable, they may cease to be transferable through CREST. In this instance, Shareholders who hold Ordinary Shares in CREST will receive share certificates; and

- Cancellation might have either positive or negative taxation consequences for Shareholders (Shareholders who are in any doubt about their tax position should consult their own professional independent adviser immediately).

**The above considerations are not exhaustive and Shareholders should seek their own independent advice when assessing the likely impact of Cancellation on them.**

Following Cancellation:

- the Company will remain a public company registered with the Registrar of Companies in England and Wales in accordance with and subject to the Companies Act 2006. The Board will consider re-registering the Company as a private company in due course and will update the Shareholders further on this matter as appropriate;
- the Takeover Code will continue to apply to the Company (although it should also be noted that as the Major Shareholders own in excess of 50 per cent. of the existing Ordinary Shares, they are free to acquire further Ordinary Shares without incurring any obligation under Rule 9 of the Takeover Code);
- the Board intends to continue to maintain the Company's website (<https://safeland.co.uk/>) and to post updates on that website from time to time, although as described above, Shareholders should be aware that there will be no obligation on the Company to include the information required under Rule 26 of the AIM Rules or to update the website as required by the AIM Rules; and
- the Board confirms that there is currently no intention to change the existing Directors.

### ***Matched bargain facility***

Shareholders should note that they are able to trade in the Ordinary Shares on AIM prior to Cancellation.

The Board is aware that Cancellation, should it be approved by Shareholders at the General Meeting, would make it more difficult for Shareholders to buy and sell Ordinary Shares should they wish to do so. Therefore, the Company has made arrangements for a matched bargain facility to assist Shareholders to trade in the Ordinary Shares to be put in place from the day of Cancellation.

Following Cancellation becoming effective, the Company is appointing Asset Match Limited ("**Asset Match**") to facilitate trading in the Ordinary Shares. Asset Match, a firm authorised and regulated by the Financial Conduct Authority, will operate an electronic off-market dealing facility for the Ordinary Shares. This facility will allow Shareholders to trade their Ordinary Shares by matching buyers and sellers through quarterly auctions. Shareholders will continue to be able to hold their shares in uncertificated form (i.e. in CREST) and should check with their stockbroker that they are able to trade in unquoted shares.

The Asset Match trading facility operates under its own code of practice which governs the behaviour of participants and the running of the auctions. Asset Match operates an open auction system where volumes of bids and offers at different prices are displayed on its website. The platform uses a non-discretionary algorithm that determines a "fair" share price based on supply and demand and allocates transactions accordingly. Bids and offers may be made, amended or withdrawn at any time before the end of the quarterly period. Shareholders wanting to trade shares through Asset Match must do so through a stockbroker. The preferred broker is The Share Centre [www.share.com](http://www.share.com). Full details of Asset Match can be found at [www.assetmatch.com](http://www.assetmatch.com).

Shareholders should note that there can be no guarantee that the matched bargain facility will remain available on a continuous basis or at all.

### **3. The Tender Offer**

The Board recognises that not all Shareholders will wish to continue to own Ordinary Shares in the Company following Cancellation. Eligible Shareholders will therefore have the opportunity to tender, pursuant to the Tender Offer some or all of their Ordinary Shares at the Record Date.

At the Company's 2018 annual general meeting, the Shareholders authorised the Company to make market purchases of up to 2,234,616 Ordinary Shares. Of that authority, the Company has purchased, in aggregate, 125,285 Ordinary Shares (as announced in November 2018), leaving it with authority to purchase a further 2,109,331 Ordinary Shares.



There are currently 14,782,095 Ordinary Shares in issue, and the Major Shareholders own 11,807,956 Ordinary Shares, representing approximately 79.88 per cent. of the Company's issued share capital. As described in paragraph 7 below, the Major Shareholders have irrevocably undertaken not to participate in the Tender Offer. In order for the Tender Offer to allow all remaining Shareholders the opportunity to tender all of their Ordinary Shares, Resolution 2 has been proposed, which, if passed, will provide the Company with the authority to make market purchases of an additional 864,808 Ordinary Shares.

Under the terms of the Tender Offer, Eligible Shareholders are entitled to tender some or all of the Ordinary Shares held by them on the Record Date.

The Tender Offer will close at 1.00 p.m. on 7 May 2019.

The Tender Price will be paid to Eligible Shareholders in Sterling and will be effected by the despatch of cheques or the crediting of CREST accounts as appropriate.

The Tender Offer is not being made available to Shareholders with a registered address in a Restricted Jurisdiction. Overseas Shareholders should note that they should satisfy themselves that they have fully observed any applicable legal requirements under the laws of their relevant jurisdiction if they tender Ordinary Shares in the Tender Offer. The attention of Shareholders with registered addresses outside the United Kingdom is drawn to the paragraph headed "Overseas Shareholders" in Part 2 of this Document.

Eligible Shareholders who hold Ordinary Shares in certificated form will also find accompanying this Document a personalised Tender Form for use in connection with the Tender Offer. Eligible Shareholders who wish to tender some or all of the Ordinary Shares registered in their name on the Record Date should complete the Tender Form in accordance with the instructions printed thereon and in Part 2 of this Document and return it by post or by hand (during normal business hours) to Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU by no later than 1.00 p.m. on 7 May 2019. Shareholders who hold Ordinary Shares in certificated form should also return their share certificate(s) in respect of the Ordinary Shares tendered with the Tender Form.

Shareholders whose Ordinary Shares are held in uncertificated form who wish to participate in the Tender Offer should send the TTE instruction through CREST so as to settle by no later than 1.00 p.m. on 7 May 2019. Such Shareholders should comply with those procedures set out in Part 2 of this Document in respect of transferring uncertificated Shares to escrow through CREST.

Further details of the terms and conditions of the Tender Offer and how an Eligible Shareholder is able to tender Ordinary Shares are set out in Part 2 of this Document.

#### **4. Current trading**

During the year ended 31 March 2019, the Group sold five investment properties in North London for an aggregate book loss of approximately £0.145 million.

The Group took possession of four houses as part and final consideration for the sale of the Chandos Tennis Club. The consideration payable for the sale of the tennis club in 2014 comprised £4.0 million in cash (which was received in 2014) and the balance was to be satisfied by way of transfer to the Company of four detached houses (valued at the time by the Company's directors, in aggregate, at £9.2 million) in the completed development. The Group has sold two of the houses for a total of £2.1 million each after fees. The other two houses have been let to third parties at an aggregate annual rental of £0.28 million.

All three houses in the Edeleny Close development and all eighteen apartments in the Raglan Hall development have been let to third parties at an annual rent of £0.525 million.

In October 2018, the Group acquired North Downs Golf Club ("North Downs" or the "Club") based in Woldingham, Surrey. North Downs is a well-established 18-hole golf course with a 664 square metre clubhouse together with a golf shop and reception. The total consideration payable for this freehold property was £1.065 million in cash. The Company intends to invest in developing the Club's existing facilities to enhance the Club's appeal to both existing and new members.

In November 2018, the Group acquired Market Walk, a shopping mall in Northampton, for £0.646 million plus fees in cash.

The site at 12 – 18 High Road, East Finchley on which planning permission was granted, continues to be held for either onward sale or development.

Current trading continues to be constrained by the current economic conditions and political outlook. While the Company continues to pursue acquisition opportunities, the Directors believe that the cautious environment verges on stagnation which may continue for some time.

## **5. Actions to be taken**

### ***General Meeting***

Each of Cancellation and the Tender Offer requires, amongst others, the passing of the Resolutions at the General Meeting. Notice of the General Meeting to be held at the Company's offices at 1a Kingsley Way, London N2 0FW on 1 May 2019 at 10.00 a.m. is set out at the end of this Document. Whether or not you propose to attend the General Meeting, you are requested to complete the Form of Proxy in accordance with the instructions printed thereon and return it, duly signed, together with any power of attorney under which it is executed, as soon as possible but in any event so as to arrive not later than 10.00 a.m. on 29 April 2019. Completion and return of a Form of Proxy will not preclude a member from attending and voting at the General Meeting should they wish.

If you are a Shareholder, but not an Eligible Shareholder (and therefore no Tender Form is enclosed), you are nevertheless entitled to attend and/or vote on the Resolutions at the General Meeting.

### ***Tender Offer***

Eligible Shareholders who do wish to participate in the Tender Offer should complete or return a Tender Form or submit a TTE instruction in CREST as described in paragraph 3 above.

Eligible Shareholders are not obliged to tender any Ordinary Shares and if they do not wish to participate in the Tender Offer, they do not need to take further action.

## **6. Taxation**

A summary of certain tax considerations for Eligible Shareholders under English law in relation to the Tender Offer is set out in Part 3 of this Document.

Shareholders are strongly advised to obtain their own tax advice. If a Shareholder is in any doubt as to their tax position they should consult an appropriate financial, investment or taxation adviser.

## **7. Irrevocable Undertakings**

The Board has received irrevocable undertakings from the Major Shareholders (together, representing approximately 79.88 per cent. of the Ordinary Shares), to vote in favour of the Resolutions and not to participate in the Tender Offer. Accordingly, if the Tender Offer is accepted in full, their aggregate shareholdings in the Company will increase to 100 per cent.

## **8. Recommendation**

The Board considers that the Tender Offer and Cancellation to be in the best interests of Shareholders as a whole. Accordingly, the Board recommends that Shareholders vote in favour of the Resolutions, as they have undertaken to do in respect of their own holdings of Ordinary Shares and Ordinary Shares under their control representing, in aggregate, approximately 79.88 per cent. of the issued share capital of the Company.

The Board is making no recommendation to Shareholders in relation to participation in the Tender Offer. Whether or not Shareholders decide to tender their Ordinary Shares will depend, amongst other things, on their own individual circumstances, including their own tax position. Shareholders are recommended to consult an appropriately authorised independent adviser in determining whether or not to participate in the Tender Offer and to the extent of such participation.

Yours sincerely

**Larry Lipman**  
*Managing Director*

## PART 2

### TERMS AND CONDITIONS OF THE TENDER OFFER

#### 1. Terms and Conditions

- 1.1 The Tender Offer is conditional on:
  - (a) the Resolutions being duly passed;
  - (b) the Directors being satisfied, in light of the number of Ordinary Shares tendered pursuant to the Tender Offer, that immediately following the payment of the Tender Price in respect thereof the Company will have sufficient distributable profits to satisfy payment of the aggregate Tender Price; and
  - (c) the Directors being satisfied that the Tender Offer remains in the interests of the Company and/or the Shareholders as a whole.
- 1.2 Each Eligible Shareholder is entitled, subject to the terms and conditions set out in this Part 2, to tender all of the Ordinary Shares held by the Eligible Shareholder on the Record Date.
- 1.3 All Ordinary Shares tendered by Shareholders under the Tender Offer will be tendered at the Tender Price. Ordinary Shares may not be tendered at any other price.
- 1.4 To the extent that the total aggregate consideration payable to an Eligible Shareholder under the Tender Offer would require that Shareholder to be paid a fraction of a penny, the amount of that consideration shall be rounded down to the nearest whole penny.
- 1.5 Tender Forms which have been, or are deemed to be, validly and properly completed and received by the Receiving Agent prior to 1.00 p.m. on 7 May 2019 will become irrevocable at such time as they are received.
- 1.6 The Tender Offer will close at 1.00 p.m. on 7 May 2019 and no Tender Forms or TTE instructions received after that time will be accepted in whole or in part.
- 1.7 Ordinary Shares successfully tendered will be purchased by the Company fully paid and free from all liens, charges, equitable interests and encumbrances and with all rights attaching to the same and will not rank for any future dividends or other distributions.
- 1.8 All tenders in respect of Ordinary Shares held in certificated form must be made on the accompanying Tender Form duly completed in accordance with the instructions set out below and in the Tender Form. Share certificate(s) and/or other document(s) of title must be submitted with the Tender Form. If applicable, a balance certificate in respect of the remaining unsold Ordinary Shares will be sent by first class post to the Shareholder after completion of the Tender Offer.
- 1.9 All tenders in respect of Ordinary Shares held in uncertificated form (that is, in CREST) must be made by the input and settlement of a TTE instruction in CREST.
- 1.10 The Tender Offer and all tenders and Tender Forms will be governed by and construed in accordance with English law. Delivery of a Tender Form or the input of a TTE instruction in CREST, as applicable, will constitute submission to the exclusive jurisdiction of the courts of England.
- 1.11 It is expected that the results of the Tender Offer will be announced on 8 May 2019.
- 1.12 The decision of the Directors as to the results of the Tender Offer shall be final and binding on all Eligible Shareholders.
- 1.13 All questions as to the number of Ordinary Shares tendered, and the validity, form, eligibility (including the time of receipt) and acceptance for payment of any tender of Ordinary Shares will be determined by the Board, in its sole and absolute discretion, which determination shall be final and binding on all of the parties (except as otherwise required under applicable law).

- 1.14 The Company reserves the absolute right to reject any or all tenders it determines not to be in proper form or the acceptance of payment for which may, in the opinion of the Company, be unlawful. The Company also reserves the absolute right to waive any of the terms or conditions of the Tender Offer and any defect or irregularity in the tender of any particular Ordinary Shares. No tender of Ordinary Shares will be deemed to be validly made until all defects or irregularities (if any) have been cured or waived. In the event of a waiver, the consideration under the Tender Offer will not be despatched until after the Tender Form is complete in all respects and the share certificates and/or other document(s) of title satisfactory to the Company have been received or until after the relevant TTE instruction has settled (as the case may be).
- 1.15 Ordinary Shares will be purchased by the Company under the Tender Offer free of commissions and dealing charges.
- 1.16 The failure of any Eligible Shareholder to receive a copy of this Document or, for a person who holds his Ordinary Shares in certificated form, the Tender Form shall not invalidate any aspect of the Tender Offer. None of the Company, Receiving Agent or any other person will incur any liability in respect of any person failing to receive this Document and/or the Tender Form.

## **2. Tender Procedure**

### **2.1 Ordinary Shares held in certificated form (that is, not in CREST)**

To tender your Ordinary Shares held in certificated form you must complete the Tender Form. The completed Tender Form should either be sent by post or delivered by hand (during normal business hours only) to the offices of the Receiving Agent, Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible and, in any event, so as to be received not later than 1.00 p.m. on 7 May 2019. No tenders received after that time will be accepted subject to the absolute discretion of the Board. No acknowledgement of receipt of documents will be given. The completed and signed Tender Form should be accompanied, where possible, by the relevant share certificate(s) and/or other document(s) of title.

If your share certificate(s) and/or other document(s) of title is/are not readily available (for example, if they are with your stockbroker, bank or other agent) or are lost, the Tender Form should nevertheless be completed, signed and returned as described above so as to be received by the Receiving Agent, Link Asset Services, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not later than 1.00 p.m. on 7 May 2019, together with any share certificate(s) and/or documents(s) of title that you may have available with a note of explanation stating that you have lost one or more of your share certificate(s) and/or other document(s) of title.

In respect of those Ordinary Shares for which your share certificate(s) is/are lost, you should complete a letter of indemnity, which can be obtained by contacting the Receiving Agent by telephone on the helpline number below. This indemnity should be returned as described above so as to be received not later than 1.00 p.m. on 7 May 2019. Do not wait to receive your letter of indemnity before submitting your Tender Form. The Directors reserve the right to accept a tender of Ordinary Shares in respect of which neither share certificate(s) nor a letter of indemnity have been received.

Where you have returned a letter of indemnity in respect of unavailable share certificate(s) and you subsequently find or obtain the relevant share certificate(s), you should immediately send the share certificate(s) by post or (during normal business hours only) by hand to the Receiving Agent, as described above.

If an Eligible Shareholder does not deliver his share certificate(s) 1.00 p.m. on 7 May 2019, the Company may deem (in its absolute discretion) that such Eligible Shareholder has only tendered the number of Ordinary Shares in respect of which share certificate(s) have been received.

After the completion of the Tender Offer, new share certificates will be issued to each Eligible Shareholder who, following their participation, in the Tender Offer, continues to hold Ordinary Shares to reflect their reduced holding of Ordinary Shares. If the Tender Offer does not become unconditional and lapses, Tender Forms, share certificate(s) and other document(s) of title will be returned to Eligible Shareholders by post not later than 14 days after the date of such lapse.

If you hold Ordinary Shares in certificated form but under different designations, you should complete a separate Tender Form, as appropriate, in respect of each designation. If you require additional Tender Forms please contact the Receiving Agent by telephone on the helpline number below.

If you are in any doubt as to the procedure for tendering Ordinary Shares please contact the Receiving Agent, Link Asset Services on 0371 664 0321. Lines are open from 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday excluding public holidays in England and Wales.

Calls are charged at the standard geographic rate and will vary by provider. Calls to the helpline from outside the UK will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Tender Offer or give any financial, legal or tax advice.

## 2.2 Ordinary Shares held in uncertificated form (that is, in CREST)

If you hold Ordinary Shares in uncertificated form (that is, in CREST) you may tender such Ordinary Shares by submitting a TTE instruction in accordance with the procedure set out in paragraph 2.3 below and, if those Ordinary Shares are held under different member account IDs, you should send a separate TTE instruction and Tender Form for each member account ID.

To tender Ordinary Shares in uncertificated form you should not submit a Tender Form but you should take (or procure the taking of) the action set out below to transfer (by means of a TTE instruction) the number of Ordinary Shares which you wish to tender under the Tender Offer to the appropriate escrow account, specifying the Receiving Agent (in its capacity as a CREST participant under the relevant participant ID(s) and member account ID(s) referred to below) as the Escrow Agent, as soon as possible and in any event so that the TTE instruction settles by no later than 1.00 p.m. on 7 May 2019. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) and you should therefore ensure you time the input of any TTE instructions accordingly.

An Electronic Tender shall constitute an offer to sell the number of Ordinary Shares at the Tender Price on the terms of the Tender Offer, by transferring such shares to the escrow account detailed at paragraph 2.3 below.

If you are a CREST sponsored member, you should refer to your CREST sponsor before taking any action. Your CREST sponsor will be able to confirm details of your participant ID and the member account ID under which your Ordinary Shares are held. In addition, only your CREST sponsor will be able to send the TTE instruction to Euroclear in relation to the Ordinary Shares which you wish to tender.

After settlement of a TTE instruction, you will not be able to access in CREST for any transaction or charging purposes the Ordinary Shares the subject of such TTE instruction, notwithstanding that they will be held by Receiving Agent as the Escrow Agent until completion or lapsing of the Tender Offer. If the Tender Offer becomes unconditional and the relevant tender is accepted, the Escrow Agent will transfer the Ordinary Shares to the Company for cancellation.

You are recommended to refer to the CREST manual published by Euroclear for further information on the CREST procedures outlined below. This can be found on the Euroclear website at [www.euroclear.com](http://www.euroclear.com).

**You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST sponsor) to enable a TTE instruction relating to your Ordinary Shares to settle prior to 1.00 p.m. on 7 May 2019. In this connection you are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.**

### 2.3 **Electronic Tenders**

To tender Ordinary Shares in uncertificated form you should send (or if you are a CREST sponsored member, procure your sponsor sends) to Euroclear a TTE instruction in relation to such Ordinary Shares. A TTE instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following additional details:

- (a) the number of Ordinary Shares in respect of which you wish to tender and which are to be transferred to an escrow account;
- (b) your member account ID;
- (c) your participant ID;
- (d) the participant ID of the Escrow Agent, Link Asset Services, in its capacity as a CREST receiving agent. This is RA10;
- (e) the member account ID of the Escrow Agent, Link Asset Services. For the purposes of the Tender this is 20132SAF;
- (f) the corporate action ISIN number for the Tender Offer, which is GB0007667008;
- (g) the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. on 7 May 2019;
- (h) input with standard delivery instruction of priority 80;
- (i) the corporate action number for the Tender Offer. This is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- (j) the contact name and telephone number inserted in the shared note field.

You are recommended to refer to the CREST Manual for further information on the CREST procedures outlined above.

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

### 2.4 **Deposits of Ordinary Shares into, and withdrawals of Ordinary Shares from, CREST**

Normal CREST procedures (including timings) apply in relation to any Ordinary Shares that are, or are to be, converted from uncertificated to certificated form, or from certificated to uncertificated form, during the course of the Tender Offer (whether such conversion arises as a result of a transfer of Ordinary Shares or otherwise). Eligible Shareholders who are proposing to convert any such Ordinary Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Ordinary Shares as a result of the conversion to take all necessary steps in connection with such person's participation in the Tender Offer (in particular, as regards delivery of share certificates and/or other documents of title or transfers to an escrow balance as described above) prior to 1.00 p.m. on 7 May 2019.

If you are in any doubt as to how to complete the Tender Form or as to the procedure for making an Electronic Tender, please contact the Receiving Agent, Link Asset Services, on 0371 664 0321. Lines are open from 9.00 a.m. to 5.30 p.m. (London time) Monday to Friday excluding public holidays in England and Wales. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Tender Offer nor give any financial, legal or tax advice. You are reminded that, if you are a CREST sponsored member, you should contact your CREST sponsor before taking any action.

Eligible Shareholders should note that once tendered, Ordinary Shares may not be sold, transferred, charged or otherwise disposed of.

### 3. Effect of Tender

Each Eligible Shareholder by whom, or on whose behalf, a Tender Form or TTE instruction is executed irrevocably undertakes, represents, warrants and agrees to and with the Company and the Receiving Agent (so as to bind him, his personal or legal representatives, heirs, successors and assigns) that:

- (a) in respect of an Eligible Shareholder:
  - i by whom, or on whose behalf, a Tender Form is executed, the execution of the Tender Form and submission of valid share certificate(s) or document(s) shall constitute an offer to sell to the Company at the Tender Price the number of Ordinary Shares specified on the Tender Form (or deemed to be inserted), in each case on and subject to the terms and conditions set out and referred to in this Document and that, once lodged, such offer shall be irrevocable;
  - ii by whom, or on whose behalf, a Tender Form is executed, the execution of the Tender Form shall constitute an offer to sell to the Company at the Tender Price, the number of Ordinary Shares specified on the Tender Form (or deemed to be inserted) in each case on and subject to the terms and conditions set out and referred to in this Document and that, once lodged, such offer shall be irrevocable notwithstanding that valid share certificate(s) or documents have not been submitted; and an appropriate indemnity in favour of the Company shall be completed and executed by or on behalf of the Shareholder (or by an attorney pursuant to sub-paragraph 3(c));
  - iii by whom, or on whose behalf an Electronic Tender is made, the input of the TTE instruction shall constitute an offer to sell to the Company at the Tender Price, the number of Ordinary Shares specified on the TTE instruction (or deemed to be inserted) in each case on and subject to the terms and conditions set out and referred to in this Document and that once the TTE instruction has been received and the TTE instruction has settled, such tender shall be irrevocable;
- (b) such Eligible Shareholder has full power and authority to tender, sell, assign or transfer the Ordinary Shares in respect of which such offer is accepted (together with all rights attaching thereto) and when the same are purchased under the Tender Offer the Company will acquire such Ordinary Shares with full title guarantee and free from all liens, charges, encumbrances, equitable interests, rights of pre-emption or other third party rights of any nature together with all rights attaching thereto;
- (c) the execution of the Tender Form or the input of the TTE instruction (as appropriate) will, subject to the Tender Offer becoming unconditional, constitute the irrevocable appointment of any director or officer of the Company, or other person(s) nominated by the Company, as such Eligible Shareholder's attorney and/or agent ("**attorney**") and an irrevocable instruction and authorisation for the attorney to complete and execute all or any instruments of transfer and/or other documents at the attorney's discretion in relation to the Ordinary Shares being tendered by that Eligible Shareholder (including any indemnity for share certificate(s) which should have been submitted with the Tender Form) and to deliver such instrument(s) of transfer and/or other documents at the discretion of the attorney, together with the share certificate(s) and/or any other document(s) relating to such Ordinary Shares, for registration on the Tender Offer becoming unconditional and to do all such other acts and things as may, in the opinion of such attorney, be necessary or expedient for the purpose of, or in connection with, the Tender Offer;
- (d) such Eligible Shareholder agrees to ratify and confirm each and every act or thing which may be done or effected by such attorney and/or by the Company or any of its directors in the proper exercise of its or his powers and/or authorities hereunder;
- (e) such Eligible Shareholder shall do all such things and acts as shall be necessary or expedient and execute any additional documents deemed by the Company to be desirable to complete the Company's purchase of Ordinary Shares pursuant to the Tender Offer and/or to perfect any of the authorities expressly given hereunder;
- (f) the creation of an assured payment obligation in favour of an Eligible Shareholder's payment bank in accordance with the CREST assured payment arrangements as referred to in paragraph 4 (headed "Purchase of Ordinary Shares and Settlement") in this Part 2 will, to the extent of the obligations so created, discharge fully any obligation of the Company to pay to such Eligible Shareholder the cash consideration to which he is entitled pursuant to the Tender Offer;



- (g) on execution each Tender Form takes effect as a deed;
- (h) in respect of Ordinary Shares held in uncertificated form, the input of a TTE instruction constitutes the irrevocable appointment of Link Asset Services, as the Eligible Shareholder's Escrow Agent (with power to delegate to any director of the Receiving Agent) and an irrevocable instruction and authority to the Escrow Agent: (i) subject to the Tender Offer becoming unconditional, to transfer to itself by means of CREST the Ordinary Shares in respect of which the Tender Offer has been accepted (but not exceeding the number of Ordinary Shares which have been tendered pursuant to the Tender Offer); and (ii) if the Tender Offer does not become unconditional and lapses or has been terminated, or there are Ordinary Shares which have not been accepted under the Tender Offer, to give instructions to Euroclear, as promptly as practicable after the lapsing of the Tender Offer, to transfer all such Ordinary Shares to the original available balances from which those Ordinary Shares came;
- (i) that, subject to the Tender Offer becoming unconditional, the execution of a Tender Form or the inputting of a TTE instruction (as appropriate), constitutes an irrevocable authorisation and request:
  - i if the Ordinary Shares concerned are in certificated form, to the Company to procure the despatch by first class post of a cheque drawn in Sterling at a branch of a UK clearing bank for the cash consideration to which a tendering Eligible Shareholder is entitled, at the risk of such Shareholder, to the registered holder(s); and
  - ii if the Ordinary Shares are in uncertificated form, to the Company to procure the creation of an assured payment obligation in favour of the payment bank of the tendering Shareholder in accordance with the CREST assured payment arrangements in respect of the cash consideration to which such Eligible Shareholder is entitled;
- (j) such Eligible Shareholder, if an Overseas Shareholder, has fully observed and complied with any applicable legal requirements so that the invitation under the Tender Offer may be lawfully made to him under the laws of the relevant jurisdiction;
- (k) such Eligible Shareholder is not a resident of any Restricted Jurisdiction, does not hold any Ordinary Shares which he has tendered on behalf of a resident of any Restricted Jurisdiction and has not received or sent copies or originals of this Document, the Tender Form or any related document in, into or from any Restricted Jurisdiction and has not otherwise utilised in connection with the Tender Offer directly or indirectly, the mails of or any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone and Internet) of interstate or foreign commerce of, or any facility of a national securities exchange of, any Restricted Jurisdiction, the Tender Form has not been mailed or otherwise been sent in, into or from any Restricted Jurisdiction and such Eligible Shareholder is tendering Ordinary Shares pursuant to the Tender Offer from outside the Restricted Jurisdiction and such Eligible Shareholder is not an agent or fiduciary acting on a non-discretionary basis for the principal who has given any instructions with respect to such Ordinary Shares;
- (l) that the execution of a Tender Form or the input of the TTE instruction (as appropriate) constitutes such Eligible Shareholder's submission to the jurisdiction of the courts England in relation to all matters arising out of or in connection with the Tender Offer or the Tender Form;
- (m) the execution of the Tender Form constitutes a warranty by such Eligible Shareholder that the information given by or on behalf of the Eligible Shareholder in the Tender Form will be true in all respects at the time the Company purchases the Ordinary Shares referred to in sub-paragraph 3(a) above as if it had been given afresh at such time and shall not be extinguished by such purchase;
- (n) a reference to a "Eligible Shareholder" includes a reference to the person or persons executing the Tender Form or inputting the TTE instruction and, in the event of more than one person executing a Tender Form or inputting the TTE instruction, will apply to them jointly and severally; and
- (o) all documents and payments sent to, from, by or on behalf of an Eligible Shareholder are sent entirely at their own risk.

#### **4. Purchase of Ordinary Shares and settlement**

Unless the Tender Offer is terminated, the outcome of the Tender Offer is expected to be announced by no later than 6.00 p.m. on 8 May 2019.

To the extent that the total aggregate consideration payable to a Eligible Shareholder under the Tender Offer would require that Shareholder to be paid a fraction of a penny, the amount of that consideration shall be rounded down to the nearest whole penny.

The payment of any consideration for Ordinary Shares pursuant to the Tender Offer will be made only after the relevant TTE instruction has settled (in the case of CREST transfers) or (as may be the case) timely receipt by the Receiving Agent of share certificate(s) and/or other documents of title, a properly completed and duly executed Tender Form and any other documents required by the Tender Form (in the case of Ordinary Shares held in certificated form).

Delivery of cash for the Ordinary Shares to be purchased by the Company pursuant to the Tender Offer will be made by the Receiving Agent. Under no circumstances will interest be paid on the cash to be paid by the Company notwithstanding any delay in making such payment.

If any tendered Ordinary Shares are not purchased by the Company pursuant to the terms of the Tender Offer, in the case of Ordinary Shares held in certificated form relevant share certificates evidencing any such Ordinary Shares and/or other documents of title will be returned or sent as promptly as practicable without expense to, but at the risk of, the Eligible Shareholders tendering their Ordinary Shares or in the case of Ordinary Shares held in uncertificated form (that is, in CREST), the Receiving Agent will provide instructions to Euroclear to transfer all such Ordinary Shares held in escrow balances by TFE instruction to the original available balances from which those Ordinary Shares came.

Settlement of the consideration to which any Eligible Shareholder is entitled pursuant to valid tenders accepted by the Company will be made as follows:

##### **4.1 Ordinary Shares in uncertificated form (that is, in CREST)**

Where an accepted tender relates to Ordinary Shares held by Eligible Shareholders in uncertificated form, the consideration will be paid in Sterling through CREST by the Receiving Agent (on behalf of the Company) procuring the creation of an assured payment obligation by 20 May 2019 in favour of the payment banks of tendering Eligible Shareholders in accordance with the CREST assured payment arrangements.

The Company reserves the right to settle all or any part of the consideration referred to in this sub-paragraph 4.1, for all or any tendering Eligible Shareholder(s), in the manner referred to in sub-paragraph 4.2 below if, for any reason, it wishes to do so.

##### **4.2 Ordinary Shares in certificated form**

Where an accepted tender relates to Ordinary Shares held by Eligible Shareholders in certificated form, cheques for the consideration will be despatched by 20 May 2019 by the Receiving Agent (on behalf of the Company) by first class post, at the risk of registered holder(s). All payments will be made in Sterling by cheque, drawn on a branch of a UK clearing bank at the risk of the person(s) entitled thereto.

#### **5. Overseas Shareholders**

5.1 The making of the Tender Offer in, or to persons resident in, jurisdictions outside the United Kingdom or custodians, nominees or trustees for persons who are citizens, residents or nationals of jurisdictions outside the United Kingdom may be prohibited or affected by the laws of the relevant overseas jurisdiction. Eligible Shareholders who are Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. It is the responsibility of any such Eligible Shareholder wishing to tender Ordinary Shares to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such jurisdiction. If you are in any doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

Any such Eligible Shareholder will be responsible for any such issue, transfer or other taxes by whomsoever payable and the Company and any person acting on their behalf shall be fully indemnified and held harmless by such Eligible Shareholder for any such issue, transfer or other taxes such person may be required to pay. No steps have been taken to register or qualify the Tender Offer or to authorise the extending of this Tender Offer or the distribution of this Document, the Tender Form and any related documents in any territory outside the United Kingdom.

- 5.2 In particular, the Tender Offer is not being made, directly or indirectly, in or into, or by the use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or any facility of a national securities exchange of the United States or in or into Canada, Australia, South Africa or Japan (the “**Restricted Jurisdictions**”), and Ordinary Shares cannot be tendered by any such use, means, instrumentality or facility or from within the United States. This includes, but is not limited to, post, facsimile transmission, telex, electronic mail and telephone. Accordingly, copies of this Document, the Tender Form and any related documents are not being and must not be mailed or otherwise distributed or sent in, into or from any of the Restricted Jurisdictions, including to Eligible Shareholders with registered addresses in any of the Restricted Jurisdictions or to persons who are custodians, nominees or trustees holding shares for person in any of the Restricted Jurisdictions. Persons receiving such documents (including, without limitation, custodians, nominees and trustees) should not distribute, send or mail them in, into or from, any of the Restricted Jurisdictions or use such mails or any such means, instrumentality or facility, in connection with the Tender Offer, and so doing may render invalid any purported tender under the Tender Offer. Persons wishing to tender under the Tender Offer should not use such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, relating to any tender under the Tender Offer. Envelopes containing Tender Forms should not be postmarked in any of the Restricted Jurisdictions or otherwise despatched from any of the Restricted Jurisdictions and all tendering Shareholders must provide addresses outside the Restricted Jurisdictions for the remittance of cash or return of any documents.
- 5.3 An Eligible Shareholder will be deemed not to have tendered Ordinary Shares pursuant to the Tender Offer if: (i) such Eligible Shareholder is unable to make the representations and warranties set out in paragraph 3 (headed “Effect of Tender”) in this Part 2; (ii) such Eligible Shareholder completes Box 4 of a Tender Form with an address in any of the Restricted Jurisdictions or has a registered address in any of the Restricted Jurisdictions; or (iii) the Tender Form received from him is in an envelope postmarked in, or which otherwise appears to the Company or its agents to have been sent from any of the Restricted Jurisdictions. The Board and its agents reserve the right, in their absolute discretion, to investigate in relation to any acceptance, whether the representations and warranties referred to in sub-paragraphs 3(j) and 3(k) of paragraph 3 (headed “Effect of Tender”) in this Part 2 given by any Eligible Shareholder are correct and, if such investigation is undertaken and as a result the Board determines (for any reason) that such representation and warranty is not correct, such acceptance shall not be valid. If, in connection with making the Tender Offer, notwithstanding the restrictions described above, any person (including, without limitation, custodians, nominees and trustees), whether pursuant to a contractual or legal obligation or otherwise, forwards this Document, the Tender Form or any related documents in, into or from any of the Restricted Jurisdictions, such person should:
- (a) inform the recipient of such fact;
  - (b) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
  - (c) draw the attention of the recipient to this paragraph 5 headed “Overseas Shareholders” in this Part 2.
- 5.4 The provisions in this paragraph 5 headed “Overseas Shareholders” and/or any other terms of the Tender Offer relating to Overseas Shareholders may be waived, varied or modified as regards a specific Eligible Shareholder or on a general basis by the Company in its absolute discretion but only if the Company is satisfied that such waiver, variation or modification will not constitute or give rise to breach of applicable securities or other laws. Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your professional adviser in the relevant territory.

## **6. Additional provisions**

All powers of attorney and authorities conferred by or referred to in this Document or the Tender Form are given by way of security for the performance of the obligations of the Eligible Shareholders concerned and irrevocable in accordance with section 4 of the Powers of Attorney Act 1971.

Any changes to the terms, or any extension or termination of the Tender Offer will be followed as promptly as practicable by a public announcement thereof by no later than 6.00 p.m. on the Business Day following the date of such changes. In this case, the definitions, times and dates mentioned throughout this Document shall be deemed to be adjusted accordingly. Such an announcement will be released to a Regulatory Information Service. References to the making of an announcement by the Company includes the release of an announcement on behalf of the Company to the press and delivery of, or telephone or facsimile or other electronic transmission of, such announcement to a Regulatory Information Service.

Except as contained in this Document, no person has been authorised to give any information or make any representations with respect to the Company or the Tender Offer and, if given or made, such other information or representations should not be relied on as having been authorised by the Company. Under no circumstances should the delivery of this Document or the delivery of any consideration pursuant to the Tender Offer create any implication that there has been no change in the assets, properties, business or affairs of the Company since the date of this Document.

The terms of the Tender Offer (including, without limitation, the times and dates referred to in this Document) may be varied, amended or modified by the Company if the Board believes (in its sole discretion) that any such variation, amendment or modification is either non-material in nature, correcting what it believes to be a manifest error or is otherwise in the interests of all Shareholders. Any such variation, amendment or modification will be publicly announced as soon as practicable by way of a Regulatory Information Service.

## **7. Further information**

Your attention is drawn to the information contained in the rest of this Document and the Tender Form and Form of Proxy which accompany this Document.

## PART 3

### TAX ASPECTS OF THE TENDER OFFER

#### 1. General

The following comments do not constitute tax advice and are intended only as a general guide to United Kingdom law as at the date of this circular and published practice of HM Revenue & Customs (**HMRC**) (which are both subject to change at any time, possibly with retrospective effect). They relate only to certain limited aspects of the United Kingdom taxation treatment of Shareholders and are intended to apply only to Shareholders who are resident in the United Kingdom for United Kingdom tax purposes and who are the absolute beneficial owners of their Ordinary Shares and who hold, and will hold, them as investments (and not as securities to be realised in the course of a trade). They may not apply to certain Shareholders, such as dealers in securities, insurance companies, trustees and collective investment schemes, Shareholders who are exempt from taxation and Shareholders who have (or are deemed to have) acquired their Ordinary Shares by virtue of an office or employment. Such persons may be subject to special rules. The position may be different for future transactions and may alter after the date of this Document.

**Any Eligible Shareholders who are in any doubt as to the tax implications of the Tender Offer should consult their own professional adviser without delay.**

#### 2. Tender offer

##### 2.1 Private Shareholders

The Tender Price on a Tender Offer will generally be divided into a capital element and a distribution element for United Kingdom tax purposes for the disposing Shareholder.

The capital element is determined, usually by agreement with HMRC, by looking at the prices at which the Company's shares have been issued. Broadly, the nominal value, and any premium on issue, will constitute the capital element of any share repurchase. As the Ordinary Shares have been issued over the years at different prices and the shares are unnumbered, it may be difficult to identify the issue price of the Ordinary Shares that are being purchased pursuant to the Tender Offer. In these circumstances, the tax legislation does not indicate how to assess what proportion of the purchase price should be treated as capital and what proportion should be treated as a distribution. However, HMRC have in practice accepted any reasonable allocation, the most appropriate method normally being to calculate an average issue price.

A charge to taxation on capital gains may arise on the capital element depending on that Shareholder's particular circumstances (including the availability of any exemptions, reliefs and allowable losses). The rate of any capital gains tax applying will depend on whether the individual is a basic rate or higher rate tax payer.

The balance of the Tender Price over the capital element will be treated as the income distribution element of the Tender Price. This element will be taxed as if it is a dividend when received by an individual Shareholder. Dividend income in excess of the tax-free dividend allowance of £2,000 (taken together with other dividends received) is taxed at the following rates: 7.5 per cent. (basic rate taxpayers); 32.5 per cent. (higher rate taxpayers); and 38.1 per cent. (additional rate taxpayers).

A buyback of shares can be potentially taxed entirely as capital if it falls within sections 1033 to 1045 of the Corporation Tax Act 2010. These provisions include a large number of very restrictive conditions relating to the Company and the Shareholder. Any Eligible Shareholder who is in any doubt as to the tax implications of the Tender Offer should consult their own professional adviser to understand if these provisions could apply.

## 2.2 **Corporate Shareholders**

The sale pursuant to the Tender Offer will be a disposal by the shareholder of its shares for the purposes of corporation tax on chargeable gains. Any gain will be subject to corporation tax on chargeable gains (at the current rate of 19 per cent.) with the entire Tender Price included in the consideration for the disposal of the Ordinary Shares for the purposes of corporation tax on chargeable gains (subject to any available relief or exemption). The distribution element of the Tender Price is in principle subject to corporation tax on income, although in practice it may well fall into one of the broad exemptions from tax applicable to distributions.

## 2.3 **Stamp Duty and Stamp Duty Reserve Tax**

Shareholders will have no liability to stamp duty or stamp duty reserve tax in respect of the sale of their Ordinary Shares pursuant to the Tender Offer.

## PART 4

### DEFINITIONS

In this Document, the Tender Form and the Form of Proxy the following definitions apply unless the context requires otherwise:

<b>AIM</b>	the market of that name operated by the London Stock Exchange
<b>AIM Rules</b>	the AIM Rules for Companies of the London Stock Exchange
<b>Board or Directors</b>	the board of directors of the Company from time to time
<b>Business Day</b>	a day, not being a public holiday, Saturday or Sunday on which clearing banks in London are open for business
<b>Cancellation</b>	the proposed cancellation of admission of the Ordinary Shares to trading on AIM as described in this Document
<b>certificated or in certificated form</b>	an Ordinary Share which is not in uncertificated form
<b>Company</b>	Safeland plc
<b>CREST</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations)
<b>CREST member</b>	a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)
<b>CREST participant</b>	a person who is, in relation to CREST, a system-participant (as defined in the CREST Regulations)
<b>CREST Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended, and any applicable rules made thereunder
<b>CREST sponsor</b>	a CREST participant admitted to CREST as a CREST sponsor being a sponsoring system-participant (as defined in the CREST Regulations)
<b>CREST sponsored member</b>	a CREST member admitted to CREST as a sponsored member
<b>Document</b>	this circular as circulated to the Shareholders of the Company
<b>Eligible Shareholder</b>	a Shareholder entitled to participate in the Tender Offer, being a shareholder who is on the Register on the Record Date save for: (i) Shareholders located in a Restricted Jurisdiction; and (ii) Shareholders who have irrevocably undertaken to the Company to refrain from tendering their Ordinary Shares pursuant to the Tender Offer
<b>Electronic Tender</b>	the inputting and settlement of a TTE instruction in accordance with the procedures set out in Part 2 of this Document which constitutes or is deemed to constitute a tender of Ordinary Shares pursuant to, and on the terms of, the Tender Offer as set out in this Document
<b>Euroclear</b>	Euroclear UK & Ireland Limited
<b>Form of Proxy</b>	the enclosed form of proxy for use by Shareholders in connection with the General Meeting

<b>General Meeting</b>	the general meeting of the Company notice of which is set out at the end of this Document
<b>Group</b>	the Company and its subsidiary undertakings (as defined in the Companies Act 2006)
<b>Link Asset Services</b>	a trading name for Link Market Services Limited
<b>London Stock Exchange</b>	London Stock Exchange plc
<b>Major Shareholders</b>	Larry Lipman, Errol Lipman and Safeland Holdings (2008) Corporation
<b>member account ID</b>	the identification code or number attached to any member account in CREST
<b>Ordinary Shares</b>	ordinary shares of £0.05 each in the capital of the Company
<b>Overseas Shareholders</b>	Eligible Shareholders who are citizens or nationals of, or resident in, jurisdictions outside the United Kingdom
<b>participant ID</b>	the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant
<b>Receiving Agent</b>	Link Asset Services
<b>Record Date</b>	close of business on 7 May 2019
<b>Register</b>	the register of members of the Company
<b>Registrar</b>	Link Asset Services
<b>Resolutions</b>	the resolutions to be proposed at the General Meeting
<b>Restricted Jurisdiction</b>	each of United States, Canada, Australia, South Africa or Japan and any other jurisdiction where the extension or acceptance of the Tender Offer, or where sending or making available information concerning the Tender Offer to Shareholders in such jurisdiction, would violate the laws or regulations of that jurisdiction or may result in a risk of civil, regulatory or criminal penalties if information concerning the Tender Offer is sent or made available to a Shareholder of that jurisdiction
<b>Regulatory Information Service</b>	has the meaning given to it in the AIM Rules
<b>Shareholders</b>	holders of Ordinary Shares
<b>Sterling</b>	the currency of the UK
<b>Takeover Code</b>	the City Code on Takeovers and Mergers
<b>Takeover Panel</b>	the Panel on Takeovers and Mergers
<b>Tender Form</b>	the tender form accompanying this Document for use by Eligible Shareholders who hold Ordinary Shares in certificated form in connection with the Tender Offer
<b>Tender Offer</b>	the invitation by the Company to Eligible Shareholders to tender Ordinary Shares for conditional purchase by the Company on the terms and subject to the conditions set out in this Document and the Tender Form



<b>Tender Price</b>	42.5 pence per Ordinary Share
<b>TFE instruction</b>	a transfer from escrow instruction (as defined by the CREST manual issued by Euroclear)
<b>TTE instruction</b>	a transfer to escrow instruction (as defined by the CREST manual issued by Euroclear)
<b>uncertificated or in uncertificated form</b>	recorded on the Register as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
<b>UK</b>	the United Kingdom of Great Britain and Northern Ireland

## NOTICE OF GENERAL MEETING

# SAFELAND PLC

*(Incorporated in England and Wales under the Companies Act 1985 with registration number 02012015)*

**NOTICE IS HEREBY GIVEN** that a general meeting of Safeland plc (the “**Company**”) will be held at 10.00 a.m. on 1 May 2019 at 1a Kingsley Way, London N2 0FW to consider and, if thought fit, approve the resolutions set out below.

### SPECIAL RESOLUTIONS

1. THAT, in accordance with Rule 41 of the AIM Rules for Companies, the cancellation of the admission to trading on AIM (the market of that name operated by London Stock Exchange plc) of the ordinary shares of £0.05 each in the capital of the Company (the “**Ordinary Shares**”) be and is hereby approved and the directors of the Company be authorised to take all actions reasonable or necessary to effect such cancellation.
2. THAT the Company be and is hereby authorised for the purpose of section 701 of the Companies Act 2006 to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of Ordinary Shares, on such terms and in such manner as the directors may from time to time determine, provided that:
  - (a) the maximum number of Ordinary Shares authorised to be purchased is 864,808 being such number of Ordinary Shares as represents approximately 5.85 per cent. of the issued ordinary share capital of the Company;
  - (b) the minimum price (exclusive of any expenses) which may be paid for any Ordinary Share shall be not less than 5 pence, being the nominal value of each Ordinary Share;
  - (c) the maximum price (exclusive of any expenses) which may be paid for any Ordinary Share shall be 42.5 pence;
  - (d) the authority conferred by this resolution shall be in addition to and not in substitution for any existing authority and shall lapse at the conclusion of the next annual general meeting of the Company unless such authority is renewed prior to such time; and
  - (e) the Company may make a contract to purchase Ordinary Shares under this authority before its expiry which will or may be executed wholly or partly thereafter and may make a purchase of Ordinary Shares in pursuance of any such contract as if such authority had not expired.

By order of the Board

**Stuart Black**  
*Company Secretary*

Date: 8 April 2019

*Registered Office: 1a Kingsley Way, London N2 0FW*

## Notes

1. A shareholder entitled to attend and vote at the General Meeting may appoint a proxy to attend, speak and vote instead of that shareholder. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share held by the appointing shareholder.
2. To be effective, the relevant proxy form must be completed and lodged with the Company's registrar, Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, no later than 48 hours before the meeting (excluding non-business days) together with the original of any power of attorney or other authority under which the form of proxy is signed. In the case of a corporation, the form of proxy must be executed under its common seal or under the hand of any officer or attorney duly authorised. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy. Completion and return of the relevant proxy form enclosed herewith will not prevent a shareholder from attending and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.
3. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his / her discretion. Your proxy will vote (or abstain from voting) as he / she thinks fit in relation to any other matter which is put before the meeting.
4. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) of the meeting by using the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Registrar (ID RA10) no later than 48 hours before the meeting (excluding non-business days). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (the "CREST Regulations").
5. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register in respect of the joint holding (the first-named being the most senior).
6. The Company, pursuant to Regulation 41 of the CREST Regulations, specifies that only those members registered in the Register at 10.00 a.m. on 29 April 2019 (or if the General Meeting is adjourned, members entered on the Register not later than 48 hours before the time fixed for the adjourned General Meeting) shall be entitled to attend, speak and vote at the General Meeting in respect of the number of Ordinary Shares registered in their name at that time. Changes to entries on the Register after 10.00 a.m. on 29 April 2019 shall be disregarded in determining the rights of any person to attend, speak or vote at the General Meeting.
7. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares. It is therefore no longer necessary to nominate a designated corporate representative.
8. Except as provided above, members who have general queries about the meeting should write to the Company Secretary at the address of our registered office. You may not use any electronic address provided either in this notice of General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

