

# **THIS CIRCULAR AND ITS ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION.**

This Circular does not take into account the investment objectives, financial situation or needs of any particular person. If you are in any doubt as to the action you should take, you are recommended to seek your own financial or tax advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant, tax advisor or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 ("FSMA") if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

If you sell or have sold or otherwise transferred all of your Existing Ordinary Shares, please send this Circular and the Form of Proxy as soon as possible to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Existing Ordinary Shares, please consult the bank, stockbroker or other agent through whom the sale or transfer was effected. However, neither this Circular nor the Form of Proxy should be forwarded to or sent in or into any jurisdiction in which to do so would constitute a breach of the relevant laws of such jurisdiction.

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## **REDROW PLC**

(incorporated and registered in England and Wales with registered number 02877315)

### **Proposed Return of Cash to Shareholders of 30 pence per Existing Ordinary Share by way of a B Share Scheme and a related 20 for 21 Share Consolidation**

#### **Circular to Shareholders and Notice of General Meeting**

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This Circular should be read as a whole. Your attention is drawn to the letter from your Chairman which is set out in Part I of this Circular and which contains the recommendation of the Board that you vote in favour of the Resolutions to be proposed at the General Meeting referred to below. The Resolutions will be voted on by taking a poll.

You should note that the B Share Scheme and Share Consolidation are conditional upon, among other things, the approval by the Shareholders of the Resolutions.

This Circular contains notice of a General Meeting of the Company to be held at Redrow House, St David's Park, Ewloe, Flintshire CH5 3RX at 10.00 a.m. on Wednesday 27 March 2019. A Form of Proxy for use in connection with the Resolutions to be proposed at the General Meeting is enclosed.

Whether or not you intend to attend the General Meeting in person, holders of Existing Ordinary Shares are requested to complete the Form of Proxy in accordance with the instructions printed on it and return it so as to be received by the Company's registrar, Computershare Investor Services PLC of The Pavilions, Bridgwater Road, Bristol BS99 7NH, as soon as possible but, in any event, so as to arrive no later than 10.00 a.m. on Monday 25 March 2019. Completion and return of a Form of Proxy will not preclude you from attending and voting in person at the General Meeting if you wish to do so and are so entitled.

Application will be made to the UK Listing Authority and the London Stock Exchange, respectively, for the New Ordinary Shares resulting from the proposed Share Consolidation to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities in place of the Existing Ordinary Shares. It is expected that dealings in the Existing Ordinary Shares will continue until 4.30 p.m. on Friday 5 April 2019 and that Admission of the New Ordinary Shares will become effective and dealings in them will commence on the London Stock Exchange at 8.00 a.m. on Monday 8 April 2019.

No application will be made to the UK Listing Authority or to the London Stock Exchange for any of the B Shares to be admitted to the Official List or to trading on the London Stock Exchange's main market for listed securities, nor will the B Shares be listed or admitted to trading on any other recognised investment exchange. The B Shares will not be transferable, save in the very limited circumstances set out in Article 4A.8 of Part III of this Circular.

Barclays, which is authorised by the PRA and regulated by the FCA and PRA in the United Kingdom, is acting exclusively for the Company and for no one else in connection with the matters referred to in this Circular and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the matters referred to in this Circular. Neither Barclays, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Barclays in connection with this Circular, any statement contained herein or otherwise.

This Circular does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security. This Circular does not constitute an invitation to participate in the B Share Scheme in or from any jurisdiction in or from which, or to or from whom, it is unlawful to make such offer under applicable securities laws or otherwise or where such offer would require a prospectus to be published. Neither this Circular, nor any other document issued in connection with the proposed return of cash to Shareholders, may be issued or distributed to any person except under circumstances which do not constitute an offer to the public under applicable securities laws. This document does not constitute a prospectus. The attention of Overseas Shareholders is drawn to paragraph 9 of Part II of this Circular.

No person has been authorised to give any information or make any representations other than those contained in this Circular and, if given or made, such information or representations must not be relied on as having been so authorised. The delivery of this Circular shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Circular or that the information in it is correct as at any subsequent time to its date.

The contents of this document are not to be construed as legal, business or tax advice. Each Shareholder should consult their own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively.

## **PRESENTATION OF FINANCIAL INFORMATION**

Percentages may have been rounded and accordingly may not add up to 100 per cent. Certain financial data has been rounded and, as a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

## **DEFINITIONS**

Capitalised terms have the meanings ascribed to them in the "Definitions" section of this Circular.

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## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Latest time and date for receipt of Forms of Proxy and CREST Proxy Instructions	10.00 a.m. on Monday 25 March 2019
<b>General Meeting</b>	<b>10.00 a.m. on Wednesday 27 March 2019</b>
Latest time and date for dealings in Existing Ordinary Shares	4.30 p.m. on Friday 5 April 2019
<b>Record Time</b>	<b>6.00 p.m. on Friday 5 April 2019</b>
Existing Ordinary Share register closed and Existing Ordinary Shares disabled in CREST	6.00 p.m. on Friday 5 April 2019
Record time for entitlement to B Shares and the Share Consolidation	6.00 p.m. on Friday 5 April 2019
Cancellation of listing of Existing Ordinary Shares	before 8.00 a.m. on Monday 8 April 2019
<b>Admission Date</b>	<b>8.00 a.m. on Monday 8 April 2019</b>
New Ordinary Shares admitted to the Official List and to trading on the London Stock Exchange	8.00 a.m. on Monday 8 April 2019
B Shares issued equal to number of Existing Ordinary Shares held at the Record Time	8.00 a.m. on Monday 8 April 2019
CREST accounts credited with New Ordinary Shares	8.00 a.m. on Monday 8 April 2019
Barclays makes the B Share Purchase Offer by means of a Regulatory Information Service announcement	8.00 a.m. on Tuesday 9 April 2019
Purchase of B Shares by Barclays to be completed and Barclays to be registered as the holder of such B Shares	Tuesday 9 April 2019
Single B Share Dividend paid and B Shares automatically reclassified as Deferred Shares	Tuesday 9 April 2019
Company repurchases and cancels Deferred Shares	Tuesday 9 April 2019
Despatch of share certificates in respect of New Ordinary Shares	Tuesday 16 April 2019
Despatch of payments and CREST accounts credited in respect of proceeds from sale of fractional entitlements arising as a result of the Share Consolidation	Tuesday 16 April 2019
Despatch of payments and CREST accounts credited in respect of proceeds from the sale of the B Shares following the B Share Purchase Offer	Tuesday 16 April 2019

### Notes

- (1) If any of the above times or dates should change, the revised times and/or dates will be notified to Shareholders by an announcement through a Regulatory Information Service.
- (2) References to time in this document are to London time.
- (3) All events in the above timetable following the holding of the General Meeting are conditional on the passing of the Resolutions at such meeting and all events in the above timetable following the Admission Date are conditional upon Admission.

## PART I

## Letter from the Chairman

## DIRECTORS

Steve Morgan (*Chairman*)  
 John Tutte (*Group Chief Executive*)  
 Barbara Richmond (*Group Finance Director*)  
 Nick Hewson (*Senior Independent Director*)  
 Sir Michael Lyons (*Non-executive Director*)  
 Vanda Murray (*Non-executive Director*)

## REGISTERED OFFICE

Redrow House  
 St. David's Park  
 Flintshire  
 CH5 3RX

7 March 2019

Dear Shareholder,

**Proposed Return of Cash to Shareholders of 30 pence per Existing Ordinary Share  
 by way of a B Share Scheme and 20 for 21 Share Consolidation**

**1. Introduction**

On 6 February 2019, the Company announced that it intended to return approximately £111 million to Shareholders alongside an interim dividend of 10p per Existing Ordinary Shares. I am now writing to you with full details of the Return of Cash and to seek your approval of the Resolutions required to be passed to implement it.

**2. Background to and reasons for the Return of Cash**

Since I returned to the business in 2009, we have successfully executed our strategy to grow the business and improve profitability. In recent years we have been able both to continue this growth and generate substantial amounts of cash. As a result, in the 2018 financial year we increased our dividend payout ratio to 33%, which the Board believes to be an appropriate and sustainable level for the business.

In view of the ongoing success of the business we recently completed a review of the Group's medium term cash requirements. The review concluded that the Group has a strong balance sheet which will be to its advantage through the economic cycle. In addition, the Group continues to generate substantial amounts of cash as evidenced by the net cash inflow of £174 million over the 18 months to 31 December 2018, which resulted in a £101 million net cash position at that date. Consequently the Board believes it is appropriate to return this surplus capital of approximately £111 million to Shareholders.

We believe the Return of Cash balances our ambitions to maximise Shareholder returns while operating the business in a prudent manner and maintaining financial flexibility. As the Group continues to execute its strategy, the Board intends to return future capital surpluses to Shareholders which are over and above the Group's internal cash needs both to deliver that strategy and to sustain its normal 33% dividend payout ratio, as appropriate in light of the prevailing economic conditions.

The Return of Cash amounts to 30 pence per Existing Ordinary Share and is to be implemented using the B Share Scheme. This structure has been chosen because it enables all Shareholders to participate equally in the Return of Cash in proportion to the size of their existing holdings in the Company and is expected

to provide capital treatment for the majority of United Kingdom tax resident Shareholders.

To maintain comparability, so far as possible, between the market price per Existing Ordinary Share before and after the Return of Cash, and to reflect the value that will be returned to Shareholders, the B Share Scheme will be accompanied by the Share Consolidation.

The details and terms of the B Share Scheme and the Share Consolidation are summarised in Part II of this Circular.

For the avoidance of doubt, the B Share Scheme is separate to, and excluded from, the Company's dividend reinvestment plan.

The purpose of this document is to provide Shareholders with further information relating to the B Share Scheme and related Share Consolidation and to give notice of the General Meeting at which certain Resolutions will be considered and, if thought fit, passed to allow the B Share Scheme and Share Consolidation to proceed. This Circular also explains why the Board considers the Resolutions proposed to be in the best interests of the Company and the Shareholders as a whole. **Accordingly, the Board unanimously recommends that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as each Director intends to do in respect of his or her own beneficial holdings.**

Yours faithfully

Steve Morgan

Chairman

**PART II****Details of the B Share Scheme and Share Consolidation****1. B Share Scheme**

The B Share Scheme is the way in which the Company proposes to effect the Return of Cash to Shareholders. This will involve the allotment and issue of B Shares to Shareholders and the subsequent purchase of the B Shares by Barclays pursuant to the B Share Purchase Offer (described in paragraph 4 of this Part II). This will be accompanied by the Share Consolidation (described in paragraph 6 of this Part II).

The exact aggregate amount to be returned under the B Share Scheme will depend on the number of Existing Ordinary Shares in issue at the Record Time. However, based on the number of Existing Ordinary Shares in issue as at close of business on the Latest Practicable Date and the proposal to return 30 pence per Existing Ordinary Share, the aggregate amount to be returned under the B Share Scheme is expected to be approximately £111 million.

**2. Conditions to the implementation of the B Share Scheme**

The B Share Scheme is conditional on:

- (A) approval by Shareholders of Resolutions 1, 2 and 3 to be proposed at the General Meeting; and
- (B) Admission.

If these conditions are not satisfied by 8.00 a.m. on the Admission Date, neither the B Share Scheme nor the Share Consolidation will take effect.

**3. Allotment and issue of B Shares**

Each Shareholder will receive one B Share for each Existing Ordinary Share held at the Record Time. The rights and restrictions attached to the B Shares are set out in Part III of this Circular.

It is proposed that the Company will capitalise a sum of approximately £369,800 standing to the credit of the Company's share premium account in order to pay up in full the B Shares with a nominal value of 0.1 pence each.

The exact number of B Shares to be issued will be equal to the number of Existing Ordinary Shares in issue at the Record Time (excluding any held in treasury by the Company). As at close of business on the Latest Practicable Date there were 369,799,938 Existing Ordinary Shares in issue and the Company does not, as at close of business on the Latest Practicable Date, hold any shares in treasury.

The B Shares will not be admitted to listing on the Official List or admitted to trading on the London Stock Exchange's main market for listed securities, nor will they be listed or admitted to trading on any other recognised investment exchange. The B Shares will not be transferable, save in the limited circumstances set out in Article 4A.8 of Part III of this Circular.

No share certificates will be issued in respect of the B Shares.

The Return of Cash under the B Share Scheme is separate from and will not affect the Company's dividend policy. Any future interim or final dividends declared by the Company will be in

addition to the Return of Cash under the B Share Scheme. Accordingly, payment of the interim dividend for the current financial year to all Shareholders is expected to proceed on 9 April 2019 with a record date of 8 March 2019. Assuming the Resolutions are passed at the General Meeting and the B Share Scheme and related Share Consolidation are implemented, any future dividend, other than the interim dividend for the current financial year, will be paid per share on the number of New Ordinary Shares held by each Shareholder after the Share Consolidation.

**4. Terms of the B Share Purchase Offer**

On and subject to the terms set out in this Circular, it is expected that Barclays (acting as principal, and not as agent, nominee or trustee for the Company) shall make the B Share Purchase Offer to purchase all of the B Shares for an amount of 30 pence per B Share, free of all expenses and commissions.

Once Shareholders have approved the B Share Scheme as described in this Circular by the passing of the Resolutions, under the Company's new articles of association to be adopted with effect from Admission (the "New Articles") each of the Directors and the Company Secretary will be authorised on behalf of each Shareholder to do all acts and things which they consider necessary or desirable to accept the B Share Purchase Offer. No individual Shareholder will be able to accept or reject the B Share Purchase Offer with respect to the B Shares that such Shareholder has received pursuant to the B Share Scheme.

The following terms will apply to the B Share Purchase Offer:

- (A) no contract between a Shareholder and Barclays will arise in relation to the sale and purchase of any B Shares, or under which Barclays may (subject to conditions or otherwise) become entitled or obliged to purchase any B Shares under the B Share Purchase Offer, unless and until Barclays (acting as principal, and not as agent, nominee or trustee for the Company) makes the B Share Purchase Offer, which is expected to be by way of an announcement through a Regulatory Information Service on 9 April 2019, on which date the Directors or the Company Secretary shall accept the B Share Purchase Offer on behalf of the Shareholders. Under the New Articles, each of the Directors and the Company Secretary is authorised on behalf of each Shareholder to execute all documents and do all acts and things in the name of each holder of B Shares or otherwise on behalf of each such holder of B Shares which such director or secretary shall in their absolute discretion consider necessary or desirable to accept the B Share Purchase Offer. The obligation of Barclays to make the B Share Purchase Offer is conditional upon the satisfaction, or waiver by Barclays, of a number of conditions which are summarised in paragraph 5 of this Part II. In addition, under the terms of the Purchase Offer Deed, Barclays shall only be obliged to make the B Share Purchase Offer if the Company serves

written notice on Barclays by 6.00 p.m. on 10 April 2019 (or such other time and/or dates as Barclays and the Company may agree in writing);

- (B) acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder will irrevocably authorise the Company, or any officer or employee of the Company for the time being, or Barclays, or any director of Barclays for the time being, on that Shareholder's behalf and in his, her or its name, to exercise all rights, powers and privileges attached to the B Shares or otherwise capable of being exercised by that Shareholder in respect of the B Shares to give effect to the B Share Scheme and to do all acts and things and to execute all such deeds, transfers and other documents as such person shall consider necessary to give effect to the same;
- (C) acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder and all contracts and matters (whether contractual or non-contractual) resulting therefrom will be governed by and construed in accordance with English law. Acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder constitutes that Shareholder's submission, in relation to all matters arising out of or in connection with such acceptance and the exercise of the powers of attorney or agent appointed thereunder, to the exclusive jurisdiction of the English courts;
- (D) upon acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder, the Shareholder represents and warrants that he, she or it has full power and authority to tender, sell, assign and transfer his, her or its holding of B Shares and that Barclays will acquire such B Shares free and clear from all liens, charges, restrictions, claims, equitable interests and encumbrances and together with all rights attaching thereto. In addition, by the acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder, the Shareholder:
- (i) agrees that he, she or it will do all other things and execute any additional documents which may be necessary or, in the opinion of Barclays, desirable to effect the purchase of such B Shares by Barclays; and
- (ii) acknowledges that Barclays shall have no liability whatsoever to such Shareholder in respect of acts done or omitted to be done by it on behalf of such Shareholder in connection with the acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of that Shareholder;
- (E) each Shareholder irrevocably represents, warrants, undertakes and agrees to and with the Company and Barclays that such Shareholder has observed the laws of all relevant territories, obtained any requisite governmental or other consents, complied with all

requisite formalities and paid any issue, transfer or other taxes due from such Shareholder in any territory in connection with the acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of that Shareholder (or any transaction resulting therefrom) and such Shareholder has not taken or omitted to take any action which may result in the Company, Barclays or any other person acting in breach of the legal or regulatory requirements of any territory in connection with the B Share Scheme or the acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of that Shareholder (or any transaction resulting therefrom);

- (F) no authority conferred or agreed to by the acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder shall be affected by, and all such authority shall survive, the death or incapacity of that Shareholder. All obligations of such Shareholder shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder;
- (G) by the acceptance of the B Share Purchase Offer by the Directors or the Company Secretary on behalf of a Shareholder, the Shareholder agrees and undertakes that any transfer, sale, assignment or other disposal of any B Share subject to the B Share Purchase Offer by or on behalf of such Shareholder shall be: (a) effected in accordance with the New Articles; and (b) on terms that each such B Share is transferred, sold, assigned or otherwise disposed of on and subject to the terms of the B Share Purchase Offer (including, for the avoidance of doubt, such Shareholder's grant of a power of attorney on the terms set out in paragraph (B) above); and
- (H) Barclays may assign to any member of the Barclays Group or to the Company any covenants, representations and warranties in respect of the B Shares purchased or agreed to be purchased by it.

#### *Single B Share Dividend*

The Single B Share Dividend is expected to be paid to Barclays on 9 April 2019 for an amount of 30.15 pence per B Share, equal to the amount of 30 pence per B Share paid by Barclays pursuant to the B Share Purchase Offer plus the amount of stamp duty or SDRT arising on such purchase. Each B Share purchased by Barclays (acting as principal and not as agent, nominee or trustee for the Company) under the B Share Purchase Offer will, once the Single B Share Dividend has been paid on it, automatically be reclassified as a Deferred Share. It is intended that the Deferred Shares held by Barclays following the B Share Purchase Offer will be acquired by the Company from Barclays for an aggregate consideration of one penny and immediately cancelled.

In the unlikely event that the Single B Share Dividend is not paid by the Company to Barclays by 6.00 p.m. on the first Business

**PART II****Details of the B Share Scheme and Share Consolidation continued**

Day after the B Share Purchase Completion, under the Option Agreement, (i) the Company has granted to Barclays a put option which, on exercise, will oblige the Company to purchase from Barclays all the B Shares purchased by Barclays pursuant to the B Share Purchase Offer and (ii) Barclays has granted the Company a call option which, on exercise, will oblige Barclays to sell to the Company all the B Shares purchased by Barclays pursuant to the B Share Purchase Offer. The price payable on exercise of either option will be an amount equivalent to that which would have been payable under the Single B Share Dividend.

*Default Dividend*

The B Share Purchase Offer is subject to certain conditions and, although it is expected that Barclays will purchase the B Shares under the B Share Purchase Offer, there can be no guarantee that it will do so. In the unlikely event that the B Shares are not purchased by Barclays by 6.00 p.m. on 11 April 2019, it is expected that the Default Dividend will be paid on each such B Share. For the avoidance of doubt, each Shareholder will have no right to choose to decline the B Share Purchase Offer, and to receive the Default Dividend or the Single B Share Dividend, instead of the purchase price due to them under the B Share Purchase Offer.

Once the Default Dividend is paid on the Default Payment Date, the B Shares will be automatically reclassified as Deferred Shares. The Deferred Shares will carry extremely limited rights as more fully described in Part VI of this Circular. A Default Dividend will be taxed, in the hands of United Kingdom tax resident Shareholders, in the same way as any other dividend income from the Company, rather than providing capital treatment.

The Company may purchase all Deferred Shares held by Shareholders following the payment of the Default Dividend at any time for an aggregate consideration of one penny. To achieve this, it is currently expected that the Company, on behalf of all Shareholders who hold Deferred Shares at the relevant time, would execute a transfer of all such Deferred Shares to Barclays for an aggregate consideration of one penny and such Deferred Shares would be acquired by the Company from Barclays under the Option Agreement for an aggregate consideration of one penny. The Deferred Shares would then be cancelled. In view of the negligible amount of the aggregate consideration, no stamp duty or SDRT will be chargeable on the transfer of these Deferred Shares either from Shareholders to Barclays or from Barclays to the Company, and Shareholders will not be entitled to have any part of this consideration paid to them.

Details of the agreements relating to the B Share Purchase Offer are set out below.

**5. Agreements in relation to the B Share Purchase Offer**

The following agreements have been entered into in relation to the B Share Purchase Offer:

*Purchase Offer Deed*

On 7 March 2019, the Company entered into the Purchase Offer Deed with Barclays. Under the Purchase Offer Deed, Barclays has agreed that it will, as principal (and not as agent, nominee or trustee for the Company), make an off-market offer to purchase the B Shares from Shareholders. Under the New Articles, each of the Directors and the Company Secretary is authorised on behalf of each Shareholder to execute all documents and do all acts and things in the name of each holder of B Shares or otherwise on each such Shareholder's behalf which such Director or the Company Secretary shall in their absolute discretion consider necessary or desirable in order to accept the B Share Purchase Offer. As such, once Shareholders have approved the steps to be taken by the Company and the Directors for the purposes of implementing the B Share Scheme and the Share Consolidation by the passing of the Resolutions, it is the Directors who will determine whether or not Shareholders sell their B Shares to Barclays pursuant to the B Share Purchase Offer, and no Shareholder will separately be able to take a decision to sell or not to sell the B Shares it receives.

The B Share Purchase Offer will be made in the manner and on the terms set out in this Circular and the Purchase Offer Deed. The obligation of Barclays to make the B Share Purchase Offer is conditional upon the satisfaction, or waiver by Barclays, of a number of conditions, including: (i) the passing of Resolutions 1, 2 and 3 without amendment other than as agreed between Barclays and the Company; (ii) the execution by the Company of the Option Agreement; (iii) the execution by the Company and the Escrow Agent of, and their compliance with the terms of, the Escrow Agreement, including the payment by the Company into the escrow account(s) of the Escrow Amounts; (iv) the allotment and issue of the B Shares in accordance with this Circular; and (v) the Company having sufficient distributable reserves (a) to pay the Single B Share Dividend and purchase the Deferred Shares, or (b) to the extent that the Single B Share Dividend is not paid by 6.00 p.m. on the first Business Day after B Share Purchase Completion and an Option Exercise Notice under the Option Agreement is validly served, to purchase the B Shares, each in accordance with this Circular.

The Purchase Offer Deed is also conditional upon Barclays not having exercised its right to terminate the Purchase Offer Deed before making the B Share Purchase Offer. Such termination right is exercisable upon the occurrence of certain events, including: (i) material failure by the Company to comply with its obligations under the Purchase Offer Deed, the Option Agreement or this Circular; (ii) material breach by the Company of the representations, warranties and/or undertakings given to Barclays under the Option Agreement and/or the Purchase Offer Deed; (iii) material disruption in financial markets; and (iv) an actual or prospective material adverse change affecting the Company.



### *Option Agreement*

On 7 March 2019, the Company entered into the Option Agreement with Barclays.

Under the Option Agreement, if the Single B Share Dividend has not been paid by the Company to Barclays by 6.00 p.m. on the first Business Day after B Share Purchase Completion (and the B Shares not therefore having been automatically reclassified as Deferred Shares), and conditional on B Share Purchase Completion and Barclays being registered as the holder of the B Shares, the Company has granted a put option to Barclays which, on exercise, will oblige the Company to purchase from Barclays the B Shares purchased by Barclays pursuant to the B Share Purchase Offer, at an aggregate price of (i) 30 pence per B Share multiplied by the number of B Shares purchased plus (ii) an amount equal to any stamp duty or SDRT payable by Barclays as a result of its purchase of the B Shares pursuant to the B Share Purchase Offer (the “**Option Price**”). Also under the Option Agreement, Barclays has granted the Company a call option which, on exercise, will oblige Barclays to sell to the Company the B Shares purchased by Barclays pursuant to the B Share Purchase Offer at the Option Price. It is currently expected that the put option and call option under the Option Agreement will not be exercised and that instead the Single B Share Dividend will be paid to Barclays (in an amount equal to that payable under the options), following which each B Share purchased by Barclays under the B Share Purchase Offer will be automatically reclassified as a Deferred Share and then be purchased by the Company from Barclays for an aggregate consideration of one penny and cancelled.

In the event that B Share Purchase Completion does not occur by 6.00 p.m. on 11 April 2019 and the Company instead pays the Default Dividend on the B Shares, Barclays has undertaken under the Option Agreement to purchase, on such date(s) as may be specified by the Company and for an aggregate consideration of one penny, all the Deferred Shares not already held by it and then in issue into which B Shares have been automatically reclassified as a result of the Default Dividend being paid. Barclays has also undertaken to sell any Deferred Shares which it holds (whether those Deferred Shares arise as a result of the B Share Purchase Offer followed by payment of the Single B Share Dividend, or as a result of payment by the Company of the Default Dividend) to the Company, as soon as reasonably practicable thereafter, for an aggregate consideration of one penny.

### *Escrow Agreement*

The Company has also entered into the Escrow Agreement relating to the transfer of the amounts payable in respect of the Single B Share Dividend or the Option Price, as applicable.

## **6. Share Consolidation**

It is expected that, as a result of the decrease in the value of the Company’s net assets due to the Return of Cash, there would, without a consolidation of the Company’s ordinary share capital, be a corresponding decrease in the market price of the Existing Ordinary Shares. Accordingly, to maintain comparability,

so far as possible, between the market price per Ordinary Share before and after the issue of the B Shares and the Return of Cash, a consolidation of the Company’s ordinary share capital is proposed. This allows comparability of share prices and per share financial metrics (including dividends, net assets and earnings) with prior financial periods. The Share Consolidation involves a reduction of the total number of Ordinary Shares in issue by the consolidation of the Existing Ordinary Shares (which have a nominal value of 10 pence each) into a smaller number of New Ordinary Shares, each at a nominal value of 10 ½ pence per New Ordinary Share.

As a result of the Share Consolidation, each Shareholder will receive a number of New Ordinary Shares at an expected ratio of 20 New Ordinary Shares for every 21 Existing Ordinary Shares held at the Record Time.

The Return of Cash of £111 million represents approximately 4.72 per cent. of the Company’s market capitalisation (based on the closing market price of 635 pence per Existing Ordinary Share as at close of business on Monday 4 March 2019) and the Share Consolidation will reduce the number of Ordinary Shares in issue by a similar percentage.

Although the number of Ordinary Shares in issue will decrease, each Shareholder will still own the same proportion of the issued share capital of the Company as immediately before the Share Consolidation, subject to fractional entitlements. The value of a Shareholder’s holding in the Company immediately following the Share Consolidation, when added to the cash payment received as a result of the Return of Cash, will be the same as the value of its holding in the Company immediately before the Share Consolidation (subject to any fluctuations in the market price of the Ordinary Shares).

Following the Share Consolidation, it is expected that the Company’s total issued share capital would comprise 352,190,420 New Ordinary Shares. The New Ordinary Shares will be equivalent in all material respects to the Existing Ordinary Shares (including as to dividend, voting and other rights), with the exception of the difference in nominal value and the New Ordinary Shares being subject to the rights of the B Shares.

Application will be made for the New Ordinary Shares to be admitted to the Official List and to trading on the London Stock Exchange’s main market for listed securities with a premium listing, with Admission expected to take place and dealings expected to commence at 8.00 a.m. on the Admission Date. The Company will apply for the New Ordinary Shares under the ISIN GB00BG11K365 to be admitted to CREST with effect from Admission so that general market transactions in the New Ordinary Shares may be settled within the CREST system.

Depending upon the price of an Existing Ordinary Share and the number of Existing Ordinary Shares in issue shortly before the date of the General Meeting, the ratio proposed above may no longer maintain comparability between the price of the Ordinary Shares before and after the issue of the B Shares. If this is the case, the Board may, at the General Meeting, propose

**PART II****Details of the B Share Scheme and Share Consolidation continued**

certain changes to Resolution 2 contained in the Notice of General Meeting so as to adjust the ratio to maintain, as far as possible, the comparability and may also propose certain consequential changes to Resolutions 4, 5 and 6 contained in the Notice of General Meeting. If such changes are to be proposed, notice will be given by issuing an announcement through the Regulatory Information Service of the London Stock Exchange.

Share certificates representing the New Ordinary Shares will be issued following the Share Consolidation and sent to Shareholders by 16 April 2019. Shareholders who hold their Existing Ordinary Shares in CREST will automatically have their New Ordinary Shares credited to their CREST account. The relevant CREST accounts will be credited at approximately 8.00 a.m. on the Admission Date.

**7. Fractional entitlements to New Ordinary Shares**

Unless a holding of Existing Ordinary Shares is exactly divisible by 21, a Shareholder will have a fractional entitlement to a New Ordinary Share following the Share Consolidation. These fractional entitlements will all be aggregated into New Ordinary Shares and sold in the market on behalf of the relevant Shareholders. Subject to the below, the net proceeds of sale (after deduction of all expenses and commissions incurred) will be distributed pro rata to relevant Shareholders. Cheques in respect of the net proceeds of sale will be despatched to relevant Shareholders or CREST accounts credited with the net proceeds, as appropriate, together with certificates for New Ordinary Shares, where applicable, by 16 April 2019. Should the cash consideration for any Shareholder's fractional entitlement be less than £5.00 (net of expenses), that Shareholder will have no entitlement or right to the proceeds of sale and so will not receive a cheque or have its CREST account credited in respect of that entitlement due to the administrative costs incurred in doing so; rather, the net proceeds will be retained by the Company.

If necessary, to ensure that a whole number of New Ordinary Shares is created following the implementation of the Share Consolidation, it is proposed that, in advance of the Record Time, the Company will issue up to 100 Ordinary Shares to the Employee Share Trust.

**8. Effect of B Share Scheme and Share Consolidation**

For illustrative purposes, examples of how the B Share Scheme and Share Consolidation would affect Shareholders are set out below.

<b>A. Number of Existing Ordinary Shares held at the Record Time</b>	<b>B. Number of New Ordinary Shares held after Share Consolidation</b>	<b>C. Proceeds under B Share Scheme</b>
1	0	£0.30
21	20	£6.30
100	95	£30.00
500	476	£150.00

Although the number of Ordinary Shares held by each Shareholder will be reduced, following the Return of Cash and Share Consolidation each Shareholder will continue to own the same proportion of the issued share capital of the Company as immediately before the Return of Cash and Share Consolidation, subject to fractional entitlements.

These examples do not show fractional entitlements, the value of which will depend on the market value of the New Ordinary Shares at the time of sale, as described in paragraph 7 above.

**9. Overseas Shareholders**

Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of other countries should consult their professional advisers to ascertain whether the issue, holding or disposal of the B Shares will be subject to any restrictions or require compliance with any formalities imposed by the laws or regulations of, or any body or authority located in, the jurisdiction in which they are resident or to which they are subject. In particular, it is the responsibility of any Overseas Shareholder to satisfy itself as to full observance of the laws of each relevant jurisdiction in connection with the B Share Scheme, including the obtaining of any government, exchange control or other consents which may be required, or the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties in such jurisdiction.

The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Neither this document nor any other document issued or to be issued by or on behalf of the Company in connection with the B Share Scheme constitutes an invitation, offer or other action on the part of the Company in any jurisdiction in which such invitation, offer or other action is unlawful.

**10. Group Employee Share Schemes and remuneration arrangements**

Under the Group Employee Share Schemes, the Company has granted options and awards over Existing Ordinary Shares at varying exercise prices and with varying vesting dates. Participants under the Group Employee Share Schemes are not the beneficial owners of Existing Ordinary Shares under those schemes (save where options are exercised before the Record

Time) and so will not participate in the B Share Scheme and Share Consolidation, other than in their separate capacity as Shareholders (if applicable). Where a participant under Group Employee Share Scheme has exercised an option or award before the Record Time, the participant will receive the B Shares and their Ordinary Shares will be subject to the Share Consolidation in the same way as other Shareholders.

It is intended that the Share Consolidation will ensure that the Return of Cash has a largely neutral outcome for participants under the annual bonus plan and the Group Employee Share Schemes, as options and awards over Existing Ordinary Shares will take effect as options and awards over the same number of New Ordinary Shares, which are expected to have approximately the same market value following the Share Consolidation as Existing Ordinary Shares, subject to market fluctuations. On this basis, it is anticipated that no adjustment will be made to the number of Ordinary Shares over which participants have options or awards, but that adjustments will be made to the performance targets under the LTIPs to neutralise the effect of the Return of Cash, thereby ensuring that the participants in those schemes are not disadvantaged by it.

As at close of business on the Latest Practicable Date, the total number of unvested options and awards under the Group Employee Share Schemes was 4,871,320. In aggregate, these outstanding options and awards represented approximately 1.32 per cent. of the issued Existing Ordinary Shares of the Company. Following the implementation of the Return of Cash, and assuming no further shares or options are issued between close of business on the Latest Practicable Date and the Share Consolidation becoming effective, the outstanding options and awards will represent approximately 1.38 per cent. of the issued New Ordinary Shares of the Company.

#### *Shares held by the Employee Share Trust*

The Company has established an Employee Share Trust for the purpose of satisfying share options and awards under certain of the Group Employee Share Schemes. The Employee Share Trust holds Existing Ordinary Shares. Existing Ordinary Shares held by the Employee Share Trust will have the same rights under the B Share Scheme and Share Consolidation as Existing Ordinary Shares held by other Shareholders.

#### **11. Dealings and despatch of documents**

The B Share Scheme will be carried out by reference to holdings of Existing Ordinary Shares on the Company's register of members as at the Record Time.

It is expected that dealings and settlement within the CREST system of the Existing Ordinary Shares under ISIN GB0007282386 will continue until 4.30 p.m. on 5 April 2019 when, in the case of Existing Ordinary Shares held in certificated form, the register of members will be closed for transfers and no further transfers of Existing Ordinary Shares will be able to be made. The registration of uncertificated holdings in respect of Existing Ordinary Shares will be disabled in CREST at the Record Time.

In respect of New Ordinary Shares, Shareholders who hold their Existing Ordinary Shares in CREST will have their CREST accounts credited with the New Ordinary Shares under ISIN GB00BG1K365 at approximately 8.00 a.m. on the Admission Date. Shareholders holding New Ordinary Shares through the CREST system will not receive any share certificates.

With effect from Admission, share certificates in respect of Existing Ordinary Shares will cease to be valid. Share certificates in respect of New Ordinary Shares will only be issued following the Share Consolidation. It is therefore important that Shareholders holding certificate(s) in respect of Existing Ordinary Shares retain them until the New Ordinary Share certificates are despatched, which is expected to be by 16 April 2019. On receipt of share certificates in respect of New Ordinary Shares, certificates in respect of Existing Ordinary Shares should be destroyed.

No share certificates will be issued by the Company in respect of B Shares or Deferred Shares.

All share certificates and cheques will be sent by post, at the risk of the Shareholder(s) entitled thereto, to the registered address of the relevant Shareholder (or, in the case of joint Shareholders, to the address of the joint Shareholder whose name stands first in the register of members in respect of such joint shareholding).

#### **12. General Meeting**

The General Meeting will be held at Redrow House, St David's Park, Ewloe, Flintshire CH5 3RX at 10.00 a.m. on Wednesday 27 March 2019. A notice convening the General Meeting is set out at the end of this Circular.

Shareholders will find enclosed with this Circular a Form of Proxy for use at the General Meeting. Shareholders holding shares in CREST may appoint a proxy through a CREST Proxy Instruction.

Further details on proxy appointments and the action to be taken are set out in the Notice of General Meeting at the end of this Circular.

#### **13. Summary of the resolutions to be proposed at the General Meeting**

Six resolutions will be proposed at the General Meeting. Resolutions 1, 5 and 6 will be proposed as special resolutions, the passing of which requires at least 75 per cent. of the votes cast (whether in person or by proxy) to be in favour. Resolutions 2, 3 and 4 will be passed as ordinary resolutions, the passing of which requires a simple majority of votes cast to be in favour.

A summary of the resolutions is set out below:

##### *Resolution 1: To adopt the New Articles ("Resolution 1")*

This resolution is conditional on Admission occurring by 8.00 a.m. on the Admission Date. The Resolution proposes the adoption of the New Articles in order to implement the B Share Scheme. The New Articles will include the insertion into the Articles of Association of the rights and restrictions attaching to

**PART II****Details of the B Share Scheme and Share Consolidation continued**

the B Shares, as set out in Part III of this Circular. In addition, the New Articles will reflect the increase to the aggregate cap on the level of the ordinary remuneration of the Directors per annum. This increase was previously approved by means of an ordinary resolution passed by the Company's shareholders at the annual general meeting of the Company held on 9 November 2017.

*Resolution 2: To approve the B Share Scheme and the Share Consolidation ("Resolution 2")*

This Resolution is conditional on the passing of Resolution 1 and on Admission occurring by 8.00 a.m. on the Admission Date. A summary of the paragraphs comprising the Resolution follows below.

(A) This paragraph proposes to authorise the Directors to:

- (i) capitalise a sum not exceeding £400,000, standing to the credit of the Company's share premium account, to pay up in full the B Shares;
- (ii) allot and issue B Shares up to an aggregate nominal amount of £400,000, on the basis of one B Share for every one Existing Ordinary Share (excluding any Existing Ordinary Shares held by the Company in treasury) at the Record Time. This authority granted to the Directors will expire at the end of the next annual general meeting of the Company.

(B) This paragraph proposes to authorise the subdivision and consolidation of the Existing Ordinary Shares into New Ordinary Shares. All fractional entitlements which arise will be aggregated and sold with the net proceeds of the sale (after deduction of all expenses and commissions incurred), where equal to or in excess of £5.00, paid in due proportion to the relevant Shareholders. The net proceeds of sale from fractional entitlements of less than £5.00 will be retained by the Company for the benefit of all Shareholders generally.

*Resolution 3: To approve the terms of the Option Agreement ("Resolution 3")*

Resolution 3 is conditional upon the passing of Resolutions 1 and 2 and on Admission occurring by 8.00 a.m. on the Admission Date (or such later date or time as the Directors may determine).

The Resolution proposes to approve the terms of the Option Agreement between Barclays and the Company under which (i) the Company would be entitled to require Barclays to sell to it all the Deferred Shares previously transferred to Barclays for an aggregate consideration of one penny and (ii) conditional on the Single B Share Dividend not having been paid by the Company to Barclays by 6.00 p.m. on the first Business Day after B Share Purchase Completion (and the B Shares not therefore having been automatically reclassified as Deferred Shares), Barclays would be entitled to require the Company to purchase from Barclays, and the Company would be entitled to

require Barclays to sell to the Company, those B Shares purchased by Barclays (acting as principal and not as agent, nominee or trustee for the Company) from Shareholders under the B Share Purchase Offer at the Option Price. Such authority will expire at the conclusion of the next annual general meeting of the Company after the passing of Resolution 3 or, if earlier, the close of business on 31 December 2019.

*Resolution 4: To authorise the Directors to allot securities ("Resolution 4")*

At the 2018 AGM, Shareholders authorised the Directors, under section 551 of the Act, to allot Existing Ordinary Shares without the prior consent of Shareholders for a period expiring at the conclusion of the next annual general meeting of the Company or, if earlier, on 31 December 2019 (the "AGM Allotment Authority"). Resolution 4 will seek to renew the AGM Allotment Authority and to authorise the Directors under section 551 of the Act to allot New Ordinary Shares or grant rights to subscribe for or convert any security into New Ordinary Shares in the Company, for a period expiring at the conclusion of the next annual general meeting of the Company after the passing of Resolution 4 or, if earlier, the close of business on 31 December 2019. This is necessary in order to preserve the effect of the AGM Allotment Authority once the Share Consolidation has resulted in the replacement of the Existing Ordinary Shares with the New Ordinary Shares. If Resolution 4 is passed, the AGM Allotment Authority will therefore cease to have effect.

Paragraph (A)(i) of Resolution 4 will allow the Directors to allot New Ordinary Shares up to a maximum nominal amount of £12,326,664.63 representing approximately one-third (33.3 per cent.) of the Company's New Ordinary Share capital in issue immediately following the Share Consolidation (excluding treasury shares) (based on the total issued share capital of the Company as at close of business on the Latest Practicable Date).

In accordance with guidance issued by the Investment Association, paragraph (A)(ii) of Resolution 4 will allow the Directors to allot, including the Ordinary Shares referred to in paragraph (A)(i) of Resolution 4, further of the Company's New Ordinary Shares in connection with a pre-emptive offer by way of a rights issue to Shareholders up to a maximum nominal amount of £24,653,329.37 representing approximately two-thirds (66.6 per cent.) of the Company's New Ordinary Share capital immediately following the Share Consolidation (excluding treasury shares). The Directors will exercise the authority to allot new shares or undertake a rights issue only when satisfied that it is in the best interests of the Company and the Shareholders as a whole to do so. There are no present plans to undertake a rights issue or to allot new shares pursuant to the authority granted under Resolution 4. The Directors consider it desirable to have the maximum flexibility permitted by the Investment Association guidance to respond to market developments and to enable allotments to take place to finance business opportunities as they arise.

Resolution 4 will be proposed as an ordinary resolution to renew this authority in relation to the New Ordinary Shares until

the conclusion of the next annual general meeting of the Company or, if earlier, close of business on 31 December 2019.

*Resolution 5: To authorise the Directors to disapply pre-emption rights generally (“Resolution 5”)*

At the 2018 AGM, a special resolution was passed, under sections 570 and 573 of the Act, empowering the Directors to allot equity securities for cash without first being required to offer such shares to existing shareholders (the “**AGM General Disapplication of Pre-emption Rights**”). Resolution 5 will seek to renew this authority in relation to the New Ordinary Shares, in line with the Pre-emption Group’s Statement of Principles. If Resolution 5 is passed, the AGM General Disapplication of Pre-emption Rights will cease to have effect.

If approved, Resolution 5 will authorise the Directors, in accordance with the Company’s New Articles, to issue shares in connection with a rights issue or other pre-emptive offer and otherwise to issue shares for cash (including the sale for cash on a non pre-emptive basis of any shares held in treasury) up to a maximum nominal amount of £1,848,999.71, which represents approximately 5 per cent. of the Company’s New Ordinary Share capital, excluding treasury shares, immediately following the Share Consolidation (based on the total issued share capital of the Company as at close of business on the Latest Practicable Date).

The Directors intend to adhere to the provisions in the Pre-emption Group’s Statement of Principles for the disapplication of pre-emption rights and do not intend to allot shares or other equity securities or sell treasury shares for cash on a non-pre-emptive basis pursuant to the authority in Resolution 5 in excess of an amount equal to 7.5 per cent. of the Company’s New Ordinary Share capital within a rolling three-year period, other than (i) with prior consultation with Shareholders; or (ii) in connection with an acquisition or specified capital investment which is announced contemporaneously with the allotment or which has taken place in the preceding six-month period and is disclosed in the announcement of the allotment.

Resolution 5 will be proposed as a special resolution to renew this authority in relation to the New Ordinary Shares until the conclusion of the next annual general meeting of the Company after the passing of Resolution 5, or, if earlier, close of business on 31 December 2019.

*Resolution 6: To authorise the Directors to disapply pre-emption rights for the purposes of acquisitions or capital investments (“Resolution 6”)*

At the 2018 AGM, a separate special resolution was passed, in line with the best practice guidance issued by the Pre-Emption Group, authorising the Directors to allot equity securities or sell treasury shares for cash without first being required to offer such securities to existing shareholders (the “**AGM Additional Disapplication of Pre-emption Rights**”). If Resolution 6 is passed the AGM Additional Disapplication of Pre-emption Rights will cease to have effect.

Resolution 6 requests further Shareholder approval, by way of a separate special resolution, for the Directors to allot equity securities or sell treasury shares for cash without first being required to offer such securities to existing shareholders, in relation to the New Ordinary Shares. The proposed resolution reflects the Pre-emption Group’s Statement of Principles for the disapplication of pre-emption rights and will expire on 31 December 2019 or at the conclusion of the next annual general meeting of the Company, whichever is earlier.

The authority granted by Resolution 6, if passed:

- (A) will be limited to the allotment of equity securities and sale of treasury shares for cash up to an aggregate nominal value of £1,848,999.71, which represents approximately 5 per cent. of the Company’s New Ordinary Share capital, excluding treasury shares, immediately following the Share Consolidation (based on the total issued share capital of the Company as at close of business on the Latest Practicable Date); and
- (B) will only be used for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Circular.

The authority granted by this Resolution 6 would be in addition to the general authority to disapply pre-emption rights under Resolution 5. The maximum nominal value of equity securities which could be allotted if both authorities were used would be £3,697,999.42, which represents approximately 10 per cent. of the Company’s New Ordinary Share capital, immediately following the Share Consolidation (based on the total issued share capital of the Company as at close of business on the Latest Practicable Date).

The Directors have no current intention of exercising the authorities in Resolutions 5 and 6 but consider such authorities to be appropriate in order to allow the Company flexibility to finance business opportunities or to conduct a pre-emptive offer or rights issue without the need to comply with the strict requirements of the statutory pre-emption provisions.

## PART III

# Rights and Restrictions attached to the B Shares

The following sets out the rights of the B Shares and the restrictions to which they are subject. These are included in the New Articles proposed to be adopted at the General Meeting.

The following paragraphs will be inserted as a new Article 4A in the New Articles.

Please note that the defined terms in this Part III have been aligned with those in the Articles of Association and therefore defined terms used elsewhere in this Circular do not apply to this Part III.

### 4A Rights and Restrictions Attached to B Shares

#### 4A.1 General

Notwithstanding Article 4, the non-cumulative irredeemable preference shares of 0.1 pence each in the capital of the Company (the "B Shares") shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 4A and any other provision in these Articles, the provisions in this Article 4A shall prevail.

#### 4A.2 B Share Purchase Offer

On and subject to the terms set out in the circular sent by the Company to its shareholders on 7 March 2019, it is expected that Barclays Bank PLC (or a subsidiary thereof) ("**Barclays**") shall make an offer to purchase the B Shares acting as principal (and not as agent, nominee or trustee for the Company) (the "**B Share Purchase Offer**"). Each of the Directors and the Secretary is hereby authorised on behalf of each holder of those shares to execute all documents and do all acts and things in the name of each holder of B Shares to execute all documents and do all acts and things in each such holder's name or otherwise on behalf of each such holder's behalf which such Director or Secretary shall in their absolute discretion consider necessary or desirable in order to accept the B Share Purchase Offer. No individual shareholder will be able to accept or reject the B Share Purchase Offer with respect to the B Shares that such shareholder has received pursuant to the B Share Scheme.

#### 4A.3 Income

**4A.3.1** Subject to the provisions of the Companies Acts and these Articles, out of the profits of the Company available for distribution, the Directors may resolve to pay a single dividend of 30.15 pence per B Share (the "**Single B Share Dividend**") notwithstanding any provision to the contrary in these Articles (including Articles 102 and 103) to holders of B Shares at such time as the Directors may in their absolute discretion determine (the "**Dividend Time**") who are registered on the Company's relevant register as holding such B Shares at the Dividend Time.

**4A.3.2** The Company's liability to pay the Single B Share Dividend to such holder of B Shares shall be discharged by the Company by a payment to such holder, or at such holder's direction, within

one business day of the Dividend Time of an amount equal to the Single B Share Dividend.

**4A.3.3** Each B Share in respect of which the Single B Share Dividend is paid shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a deferred share of 0.1 pence in the capital of the Company having the rights and being subject to the restrictions described in Article 4B (a "**Deferred Share**").

**4A.3.4** In the absence of fraud or wilful default, neither the Company nor any of the Directors, its officers or employees shall have any liability to any person for any loss or damage arising as a result of the determination of the Dividend Time in accordance with Article 4A.3.1 above or the timing of the B Share Purchase Offer.

**4A.3.5** Subject to the provisions of the Companies Acts and these Articles, out of the profits of the Company available for distribution, the Directors may resolve to pay a single dividend of 30 pence per B Share (the "**Default Dividend**") notwithstanding any provision to the contrary in these Articles (including Articles 102 and 103) in place of the Single B Share Dividend, at such time and date as the Directors may in their absolute discretion determine (the "**Default Dividend Time**") to holders of any B Shares:

**4A.3.5.1** where the B Share Purchase Offer has not been completed by 6.00 p.m. on the date immediately prior to the Default Dividend Time; and

**4A.3.5.2** who are registered on the Company's relevant register as holding such B Shares at the Default Dividend Time.

**4A.3.6** The Company's liability to pay the Default Dividend to such holder of B Shares shall be discharged by the Company by a payment to such holder within one business day of the Default Dividend Time of an amount equal to the Default Dividend.

**4A.3.7** Each B Share in respect of which the Default Dividend is paid shall immediately thereupon (but without prejudice to the accrued right to receive such dividend) be reclassified as a Deferred Share.

**4A.3.8** For the avoidance of doubt, the provisions of Article 110 (Unclaimed dividend) shall apply in respect of any and all Default Dividends payable on or in respect of any B Shares which remain unclaimed.

**4A.3.9** In the absence of fraud or wilful default, neither the Company nor any of the Directors, its officers or employees shall have any liability to any

person for any loss or damage arising as a result of the choice of the Default Dividend Time in connection with Article 4A.3.5 above.

#### **4A.4 Capital**

**4A.4.1** Except as provided in Article 4A.6 below, on a return of capital on winding-up (excluding any intra-group reorganisation on a solvent basis), the holders of each B Share shall be entitled, in priority to any payment to the holders of every other class of share in the capital of the Company (except the B Shares) but *pari passu* with any payment to the holders of B Shares, to the aggregate of the amount of the nominal capital paid up or credited as paid up on such B Share and an amount of 29.9 pence per B Share held by them.

**4A.4.2** On a winding-up, the holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in excess of that specified in Article 4A.4.1 above. In the event that there is a winding-up to which Article 4A.4.1 applies and the amounts available for payment are insufficient to pay the amounts due on all the B Shares in full, the holders of the B Shares shall be entitled to their *pro rata* proportion of the amounts to which they would otherwise be entitled.

**4A.4.3** The aggregate entitlement of each holder of B Shares on a winding-up in respect of all the B Shares held by him, her or it shall be rounded up to the nearest whole penny.

**4A.4.4** The holders of the B Shares shall not be entitled to any further right of participation in the profits or assets of the Company in their capacity as holders of B Shares.

#### **4A.5 Attendance and voting at general meetings**

**4A.5.1** The holders of the B Shares shall not be entitled, in their capacity as holders of such B Shares, to receive notice of any General Meeting nor to attend, speak or vote at any such General Meeting unless the business of the meeting includes the consideration of a resolution for the winding-up of the Company (excluding any intra-group reorganisation on a solvent basis), in which case the holders of the B Shares shall have the right to attend such meeting and shall be entitled to speak and vote only on any such resolution.

**4A.5.2** If the holders of the B Shares are entitled to vote at a General Meeting of the Company in their capacity as holders of such B Shares, then, subject to any other provisions of these Articles, each holder thereof shall be entitled to vote at such meeting whether on a show of hands or on a poll as provided in the Companies Acts. For this purpose, where a proxy is given discretion as to

how to vote on a show of hands, this shall be treated as an instruction by the relevant holder of B Shares to vote in the way in which the proxy elects to exercise that discretion.

#### **4A.6 Class rights**

**4A.6.1** The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority or subsequent to the B Shares. The creation, allotment or issue of any such further shares (whether or not ranking in any respect in priority to the B Shares) shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

**4A.6.2** A reduction by the Company of the capital paid up or credited as paid up on the B Shares and the cancellation of such shares shall be treated as being in accordance with the rights attaching to the B Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the B Shares.

#### **4A.7 Form**

The B Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The B Shares shall not be transferable except in accordance with Article 4A.8 below.

#### **4A.8 Transfer**

No B Share may be transferred, except to Barclays (which transfer may be made directly to Barclays or via any receiving agent appointed by the Company) in accordance with the terms of the B Share Purchase Offer or to the Company.

#### **4A.9 Transmission of B Shares**

Articles 35 to 38 shall not apply to the B Shares.

#### **4A.10 Deletion of Article 4A when no B Shares in existence**

Article 4A shall remain in force until there are no longer any B Shares in existence (including as a result of all B Shares having been automatically reclassified as Deferred Shares in accordance with this Article 4A), notwithstanding any provision in these Articles to the contrary. Thereafter Article 4A shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 4A are referred to in other Articles) and shall be deleted and replaced with the wording "Article 4A has been deleted", and the separate register for the holders of B Shares shall no longer be required to be maintained by the Company; but the validity of anything done under Article 4A before that date, and accrued rights in respect of the payment of dividends arising before that date, shall not otherwise be affected and any actions taken under Article 4A before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

*The following sets out the rights of the Deferred Shares and the restrictions to which they are subject. These are included in the New Articles proposed to be adopted at the General Meeting.*

**PART IV****Rights and Restrictions attached to the Deferred Shares**

*The following paragraphs will be inserted as a new Article 4B in the New Articles.*

*Please note that the defined terms in this Part IV have been aligned with those in the Articles of Association and therefore defined terms used elsewhere in this Circular do not apply to this Part IV.*

**4B Rights and Restrictions Attached to Deferred Shares****4B.1 General**

Notwithstanding Article 4, the Deferred Shares (as defined in Article 4A.3 above) shall have the rights, and be subject to the restrictions, attaching to shares set out in these Articles save that in the event of a conflict between any provision in this Article 4B and any other provision in these Articles, the provisions in this Article 4B shall prevail.

**4B.2 Income**

The Deferred Shares shall confer no right to participate in the profits of the Company.

**4B.3 Capital**

**4B.3.1** On a return of capital on a winding-up (excluding any intra-group reorganisation on a solvent basis), there shall be paid to the holders of the Deferred Shares the nominal capital paid up, or credited as paid up, on such Deferred Shares after:

**4B.3.1.1** firstly, paying to the holders of the B Shares the amounts they are entitled to receive on a winding-up in accordance with their terms; and

**4B.3.1.2** secondly, paying to the holders of the ordinary shares the nominal capital paid up or credited as paid up on the ordinary shares held by them respectively, together with the sum of £100,000,000,000,000 on each ordinary share.

**4B.3.2** The holders of the Deferred Shares shall not be entitled to any further right of participation in the assets of the Company.

**4B.4 Attendance and voting at general meetings**

The holders of the Deferred Shares shall not be entitled, in their capacity as holders of such shares, to receive notice of any General Meeting or to attend, speak or vote at any such meeting.

**4B.5 Class rights**

**4B.5.1** The Company may from time to time create, allot and issue further shares, whether ranking *pari passu* with or in priority to the Deferred Shares, and on such creation, allotment or issue any such further shares (whether or not ranking in any respect in priority to the Deferred Shares) shall be treated as being in accordance with the rights

attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose or require the consent of the holders of the Deferred Shares.

**4B.5.2** The reduction by the Company of the capital paid up on the Deferred Shares shall be in accordance with the rights attaching to the Deferred Shares and shall not involve a variation of such rights for any purpose and the Company shall be authorised at any time to reduce its capital (in accordance with the Companies Acts) without obtaining the consent of the holders of the Deferred Shares.

**4B.6 Form**

The Deferred Shares shall not be listed or traded on any stock exchange nor shall any share certificates be issued in respect of such shares. The Deferred Shares shall not be transferable except in accordance with Article 4B.8 below or with the written consent of the Directors.

**4B.8 Transfer**

**4B.8.1** No Deferred Share may be transferred, except to Barclays (which transfer may be made via any receiving agent appointed by the Company) or to the Company.

**4B.8.2** The Company may at any time (and from time to time) (subject to the provisions of the Companies Acts) without obtaining the sanction of the holder or holders of the Deferred Shares:

**4B.8.2.1** execute on behalf of any holder of Deferred Shares a transfer of all of the Deferred Shares or any part thereof (and/or an agreement to transfer the same) to the Company or any person nominated by the Company, in any case for not more than the aggregate amount of one penny for all the Deferred Shares then being transferred, or appoint any person to do the same (subject as agreed between such person and the Company or Company nominee in writing); and

**4B.8.2.2** cancel all or any of the Deferred Shares purchased or acquired by the Company in accordance with the Companies Acts.

**4B.9 Transmission of Deferred Shares**

Articles 35 to 38 shall not apply to the Deferred Shares.



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**4B.10 Deletion of Article 4B when no Deferred Shares in existence**

Article 4B shall remain in force until there are no longer any Deferred Shares in existence, notwithstanding any provision in these Articles to the contrary. Thereafter Article 4B shall be, and shall be deemed to be, of no effect (save to the extent that the provisions of Article 4B are referred to in other Articles) and shall be deleted and replaced with the wording "Article 4B has been deleted", and the separate register for the holders of Deferred Shares shall no longer be required to be maintained by the company; but the validity of anything done under Article 4B before that date shall not otherwise be affected and any actions taken under Article 4B before that date shall be conclusive and not be open to challenge on any grounds whatsoever.

**PART V****United Kingdom Taxation**

*The following comments are intended only as a guide to United Kingdom tax law and HM Revenue & Customs published practice current as at the date of this Circular, both of which are subject to change at any time (potentially with retrospective effect). They do not constitute, and should not be taken as, tax advice. They are not exhaustive and relate only to certain limited aspects of the United Kingdom tax treatment of the B Share Scheme and Share Consolidation. Other than paragraph 6 of this Part V, they are intended to apply only to Shareholders who: (i) are resident and, in the case of individuals, also domiciled in (and only in) the United Kingdom for United Kingdom tax purposes and to whom split-year treatment does not apply; and (ii) are and will be the direct absolute beneficial owners of their Existing Ordinary Shares, B Shares, New Ordinary Shares and Deferred Shares (and any dividends paid on them) and who hold, and will hold, them as investments other than under an individual savings account or pension arrangement (and not as securities to be realised in the course of a trade or which constitute carried interest).*

*The comments may not apply to certain Shareholders, such as dealers in securities, insurance companies and collective investment schemes, Shareholders who are exempt from tax and Shareholders who have (or are deemed to have) acquired their Existing 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 between the date of this Circular and the implementation of the B Share Scheme.*

**Shareholders should always seek their own advice from an appropriate independent and authorised professional if they are in any doubt as to their tax position or are subject to tax in a jurisdiction other than the United Kingdom.**

**1. Issue of B Shares and Share Consolidation**

The following comments apply for the purposes of CGT.

The issue of the B Shares and the New Ordinary Shares as a result of the Share Consolidation should constitute a tax-free reorganisation of the share capital of the Company. Accordingly:

- (A) Shareholders receiving B Shares and New Ordinary Shares should not be treated as having made a disposal of all or any part of their holding of Existing Ordinary Shares; and
- (B) a Shareholder's holding of B Shares and New Ordinary Shares should together be treated as the same asset as that Shareholder's holding of Existing Ordinary Shares and as having been acquired at the same time, and for the same consideration, as the holding of Existing Ordinary Shares.

To calculate the tax due on a subsequent disposal of all or part of a Shareholder's B Shares or New Ordinary Shares, that Shareholder's CGT base cost in their holding of Existing Ordinary Shares will need to be apportioned between the B Shares and the New Ordinary Shares by reference to their

respective values on the first day on which the New Ordinary Shares are listed.

The sale on behalf of relevant Shareholders of fractional entitlements to New Ordinary Shares resulting from the Share Consolidation should not generally be treated as a part disposal for CGT purposes. Instead, provided that it does not exceed the relevant Shareholder's existing base cost, an amount equal to any payment received by that Shareholder from such sale should in practice be deducted from the base cost of the New Ordinary Shares received.

The issue of the B Shares and the Share Consolidation should not give rise to a liability to United Kingdom income tax (or corporation tax on income) in a Shareholder's hands.

**2 B Share Purchase Offer**

The sale of the B Shares by Shareholders to Barclays pursuant to the B Share Purchase Offer should be treated as a disposal for the purposes of CGT. This may, subject to the relevant Shareholder's individual circumstances and any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of CGT.

Any such gain or loss should be calculated by reference to the difference between (i) the sale proceeds received by the Shareholder and (ii) the part of the Shareholder's original base cost in their Existing Ordinary Shares that is apportioned to the B Shares in the manner described under paragraph 1 above.

The amount of CGT, if any, payable by an individual Shareholder as a consequence of the sale of the B Shares will depend on their own personal tax position. No tax will be payable on any gain realised on the sale of the B Shares if the amount of the net chargeable gains realised by the Shareholder, when aggregated with other gains realised by that Shareholder in the year of assessment (and after taking account of allowable losses), does not exceed the annual exempt amount (£12,000 for 2019/20). Broadly, any gains in excess of this amount will be taxed at a rate of 10 per cent., or 20 per cent. for higher rate and additional rate taxpayers. Where the gains of a basic rate taxpayer subject to CGT exceed the unused part of their basic rate band, that excess is subject to tax at the 20 per cent rate.

A corporate Shareholder is normally subject to corporation tax on all of its chargeable gains, subject to any available reliefs and exemptions. Corporate Shareholders should be entitled to indexation allowance in respect of changes in the retail price indices up to December 2017. New legislation introduced by the Finance Act 2018 has, broadly, frozen indexation allowance for corporation tax purposes as at 31 December 2017, so that changes in the retail price indices in January 2018 and subsequent months will not qualify for the allowance.

**3. Default Dividend**

In the very unlikely event that the B Shares are not purchased by Barclays pursuant to the B Share Purchase Offer and as a result the Default Dividend becomes payable, the Default Dividend will be taxed as dividend income, in the same way as

any other dividend paid by the Company and as outlined in paragraph 4 of this Part V.

For the avoidance of doubt, each Shareholder will have no right to choose to decline the B Share Purchase Offer, and to receive the Default Dividend or the Single B Share Dividend, instead of the purchase price due to them under the B Share Purchase Offer.

#### **4. Dividends payable on the New Ordinary Shares**

Dividends payable on the New Ordinary Shares should be subject to income tax or corporation tax on income under the normal rules applicable to dividends, in the same way as for dividends on the Existing Ordinary Shares.

There is no withholding tax on dividends paid by the Company.

#### ***Individual Shareholders resident in the United Kingdom***

The general tax treatment of dividends paid by the Company to a Shareholder who is an individual resident in the United Kingdom for United Kingdom tax purposes is as follows:

- (A) All dividends received by an individual Shareholder from the Company (or from other sources) will, except to the extent that they are earned through an individual savings account, self-invested pension plan or other regime which exempts the dividends from tax, form part of the Shareholder's total income for income tax purposes and will represent the highest part of that income;
- (B) A nil rate of income tax applies to the first £2,000 of taxable dividend income received by an individual shareholder in a tax year (the "**Nil Rate Amount**"), regardless of what tax rate would otherwise apply to that dividend income; and
- (C) Any taxable dividend income received by an individual shareholder in a tax year in excess of the Nil Rate Amount is taxed at a special rate, as set out below.

Where a Shareholder's taxable dividend income for a tax year (taking into account the personal allowance to the extent available) exceeds the Nil Rate Amount, the excess amount (the "**Relevant Dividend Income**") will be subject to income tax:

- (A) at the rate of 7.5%, to the extent that the Relevant Dividend Income falls below the threshold for the higher rate of income tax;
- (B) at the rate of 32.5%, to the extent that the Relevant Dividend Income falls above the threshold for the higher rate of income tax but below the threshold for the additional rate of income tax; and
- (C) at the rate of 38.1%, to the extent that the Relevant Dividend Income falls above the threshold for the additional rate of income tax.

In determining whether and, if so, to what extent the Relevant Dividend Income falls above or below the threshold for the higher rate of income tax or, as the case may be, the additional

rate of income tax, the Shareholder's total taxable dividend income for the tax year in question (including the part within the Nil Rate Amount) will, as noted above, be treated as the highest part of the Shareholder's total income for income tax purposes.

#### ***Corporate Shareholders within the charge to United Kingdom corporation tax***

Shareholders within the charge to United Kingdom corporation tax which are "small companies" (for the purposes of United Kingdom taxation of dividends) should not generally expect to be subject to tax on dividends from the Company.

Other Shareholders within the charge to United Kingdom corporation tax will not be subject to tax on dividends from the Company so long as the dividends fall within an exempt class and certain conditions are met. In general, a dividend paid to a United Kingdom corporate shareholder which holds less than 10 per cent. of the issued share capital of the payer (or any class of that share capital in respect of which the dividend is paid) and is entitled to less than 10 per cent. of the profits and assets of the Company available for distribution to shareholders (or satisfies these tests in relation to any class of that share capital in respect of which the dividend is paid) is an example of a dividend that falls within an exempt class, subject to certain anti-avoidance rules. Corporate Shareholders will need to ensure that they satisfy the requirements of any exempt class before treating any dividend as exempt and should seek appropriate professional advice where necessary.

#### **5. Transactions in securities**

Under the provisions of Part 15 of the Corporation Tax Act 2010 (for companies subject to corporation tax) and Chapter 1 of Part 13 of the Income Tax Act 2007 (for individuals and others subject to income tax), HM Revenue & Customs can in certain circumstances counteract tax advantages arising in relation to a transaction or transactions in securities. If these provisions were to be applied by HM Revenue & Customs to the proposed Return of Cash, in broad terms, Shareholders might be liable to tax as if they had received an income rather than a capital amount.

Having consulted its professional advisers, the Company does not expect the above provisions to be applied to individual or corporate Shareholders but no application for clearance has been made to HM Revenue & Customs in this regard. Any individual or corporate Shareholder which is in any doubt as to their tax position in the light of its own particular circumstances should take appropriate professional advice.

#### **6. Stamp duty and SDRT**

*The following statements are intended as a general guide to the current stamp duty and SDRT position and apply regardless of whether or not a Shareholder is resident for tax purposes in the United Kingdom. It should be noted that certain categories of person, including market makers, brokers, dealers and other specified intermediaries, are entitled to exemption from stamp duty and SDRT in respect of certain securities in specified circumstances. The following statements do not apply in relation to the issue or transfer of B Shares, New Ordinary*

**PART V****United Kingdom Taxation continued**

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*Shares or Deferred Shares to an operator of a clearance service or depositary receipt system (or to their nominees); such issues or transfers may be subject to special rules.*

No stamp duty or SDRT will be payable on the issue of the B Shares or the New Ordinary Shares.

No stamp duty or SDRT will be payable by Shareholders on the Share Consolidation.

No stamp duty or SDRT will be payable by Shareholders on, or as a result of, any reclassification of the B Shares into Deferred Shares.

Subject to an exemption for certain low-value transfers, a purchaser of B Shares, New Ordinary Shares or Deferred Shares held in certificated form will generally be liable to pay stamp duty on the transfer of such B Shares, New Ordinary Shares or Deferred Shares at the rate of 0.5 per cent. of the amount or value of the consideration given (such duty to be rounded up to the nearest £5).

An agreement to transfer B Shares, New Ordinary Shares or Deferred Shares will generally give rise to a liability on the purchaser to SDRT when the agreement becomes unconditional, at the rate of 0.5 per cent. of the amount or value of the consideration given, but will be cancelled (and any SDRT already paid will be refunded) if the agreement is completed by a duly stamped or exempt instrument of transfer within six years of the date of the agreement to transfer (or the date on which such agreement became unconditional).

A purchaser of B Shares, New Ordinary Shares or Deferred Shares held within CREST will generally be liable to pay SDRT on the agreement to transfer such B Shares, New Ordinary Shares or Deferred Shares at the rate of 0.5 per cent. of the amount or value of the consideration paid for such transfer. The SDRT should be collected through CREST and accounted to HM Revenue & Customs in accordance with the CREST rules.

From 29 October 2018 transfers of listed securities to connected companies are subject to stamp duty or SDRT on no less than the market value of such securities.

As the B Shares are not listed, liability for stamp duty or SDRT is expected to arise on the purchase by Barclays of the B Shares pursuant to the B Share Purchase Offer.

For the avoidance of doubt, neither a sale of B Shares under the B Share Purchase Offer nor any acquisition of Deferred Shares by the Company will give rise to any liability to stamp duty or SDRT for the selling Shareholder. Any such liability will fall on Barclays or the Company, not the selling Shareholder.

**PART VI****Additional Information**

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**1. Summary of the rights and restrictions attaching to the New Ordinary Shares**

The rights and restrictions attaching to the New Ordinary Shares will be the same as the rights and restrictions set out in the Articles of Association in respect of the Existing Ordinary Shares.

**2. Form**

The New Ordinary Shares, B Shares and Deferred Shares are not renounceable. The New Ordinary Shares will be transferable by an instrument of transfer in usual or common form. The B Shares and Deferred Shares will only be transferable to Barclays or the Company. The New Ordinary Shares, B Shares and Deferred Shares will be in registered form. The Company will apply for the New Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the New Ordinary Shares may take place within the CREST system in respect of general market transactions.

**3. CREST**

Shareholders who hold their Existing Ordinary Shares in CREST will, following the Share Consolidation, have their CREST accounts credited with New Ordinary Shares under ISIN GB00BG11K365 on the Admission Date.

**4. Consent**

Barclays has given and has not withdrawn its written consent to the issue of this Circular with the inclusion of its name and references to it in the form and context in which they appear.

**5. Documents available for inspection**

Copies of the following documents may be inspected at the registered office of the Company, Redrow House, St David's Park, Flintshire, CH5 3RX and/or at the offices of Slaughter and May, One Bunhill Row, London EC1Y 8YY, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), up to and including the date of the General Meeting and will also be available for inspection at the General Meeting for at least 15 minutes before the General Meeting and until the General Meeting ends:

- (A) the Articles of Association of the Company in their current form;
- (B) the New Articles proposed to be adopted at the General Meeting, showing the amendments proposed to the Company's current Articles of Association;
- (C) the written consent referred to in paragraph 4 of this Part VI;
- (D) the Option Agreement; and
- (E) a copy of this Circular.

A copy of this Circular will be made available on the Company's website at <http://investors.redrowplc.co.uk> from the date of this document. For the avoidance of doubt, the contents of this website are not incorporated into and do not form part of this Circular.

## Definitions

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The following definitions apply throughout this Circular, unless the context requires otherwise and excluding Part III and Part VI.

<b>2018 AGM</b>	means the annual general meeting of the Company held on 7 November 2018 at the offices of Instinctif Partners, 1st Floor, 65 Gresham Street, London EC2V 7NQ;
<b>Act</b>	means the Companies Act 2006;
<b>Admission</b>	means admission of the New Ordinary Shares to (i) the premium listing segment of the Official List and (ii) trading on the London Stock Exchange's main market for listed securities;
<b>Admission Date</b>	means 8 April 2019 or such later date as the Board may in its absolute discretion determine;
<b>AGM Additional Disapplication of Pre-emption Rights</b>	has the meaning given in paragraph 13 of Part II;
<b>AGM Allotment Authority</b>	has the meaning given in paragraph 13 of Part II
<b>AGM General Disapplication of Pre-emption Rights</b>	has the meaning given in paragraph 13 of Part II;
<b>Articles of Association</b>	means the articles of association of the Company in their current form as of the date of this Circular;
<b>B Share Purchase Completion</b>	means the completion of the sale and purchase of the B Shares by Barclays from the Shareholders pursuant to the B Share Purchase Offer;
<b>B Share Purchase Offer</b>	means the off-market offer expected to be made by Barclays, acting as principal (and not as agent, trustee or nominee for the Company), to purchase the B Shares from the Shareholders, the terms of which are set out in paragraph 4 of Part II of this Circular and which, under the New Articles, each of the Directors and the Company Secretary will be irrevocably authorised (on behalf of each Shareholder) to accept, such that no Shareholder will separately be able to accept or reject the B Share Purchase Offer in respect of the B Shares that it receives;
<b>B Share Scheme</b>	means the return of cash by way of payment of 30 pence per Existing Ordinary Share to be effected by the B Share Purchase Offer;
<b>B Shares</b>	means the non-cumulative irredeemable preference shares of 0.1 pence each in the capital of the Company carrying the rights and restrictions summarised in Part III of this Circular;
<b>Barclays</b>	means Barclays Bank PLC of 1 Churchill Place, London, E14 5HP, a company incorporated in England and Wales with registered number 01026167 (or a wholly-owned subsidiary thereof);
<b>Barclays Group</b>	means Barclays Bank PLC and its subsidiaries (as defined in the Act);
<b>Board</b>	means the board of Directors of the Company;

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<b>Business Day</b>	means a day other than a Saturday or Sunday or public holiday in England and Wales on which banks are open in London for general commercial business;
<b>CGT</b>	means the United Kingdom taxation of capital gains and corporation tax on chargeable gains;
<b>Circular</b>	means this document;
<b>Company</b>	means Redrow plc, of Redrow House, St David's Park, Flintshire, CH5 3RX, a company incorporated in England and Wales with registered number 02877315;
<b>Company Secretary</b>	means the company secretary of the Company;
<b>CREST</b>	means the relevant system (as defined in the CREST Regulations) in respect of which Euroclear UK & Ireland Limited is the operator (as defined in the CREST Regulations);
<b>CREST Manual</b>	means the CREST manual issued by Euroclear UK & Ireland Limited;
<b>CREST member</b>	means a person who has been admitted by Euroclear UK & Ireland Limited as a system-member (as defined in the CREST Regulations);
<b>CREST Proxy Instruction</b>	means the instruction whereby CREST members send a CREST message appointing a proxy for the General Meeting and instructing the proxy how to vote and containing the information set out in the CREST Manual;
<b>CREST Regulations</b>	means the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755), as amended;
<b>Default Dividend</b>	means the single dividend of 30 pence per B Share to be declared on the Default Dividend Date and paid to holders of the B Shares on the Default Payment Date, in the circumstances described in paragraph 4 of Part II of this Circular;
<b>Default Dividend Date</b>	means such date as the Directors may in their absolute discretion determine, being the date on which the Directors will declare the Default Dividend;
<b>Default Payment Date</b>	means such date as the Directors may in their absolute discretion determine being, in any event, a date within one Business Day of the Default Dividend Date;
<b>Deferred Shares</b>	means the deferred shares of 0.1 pence each in the capital of the Company carrying the rights and restrictions summarised in Part IV of this Circular;
<b>Directors</b>	means the directors of the Company;
<b>Employee Share Trust</b>	means The Redrow Employee Share Trust;
<b>Escrow Agent</b>	means Barclays in its capacity as escrow bank under the Escrow Agreement;

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## Definitions

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<b>Escrow Agreement</b>	means an agreement dated 7 March 2019 between Barclays, the Company and the Escrow Agent relating to the operation of certain escrow accounts;
<b>Existing Ordinary Shares</b>	means ordinary shares of 10 pence each in the capital of the Company, prior to the Share Consolidation;
<b>FCA</b>	means the Financial Conduct Authority of the United Kingdom;
<b>Form of Proxy</b>	means the Form of Proxy enclosed with this Circular;
<b>FSMA</b>	means the Financial Services and Markets Act 2000, as amended from time to time;
<b>General Meeting</b>	means the general meeting of the Company to be held at 10.00 a.m. on Wednesday 27 March 2019 at Redrow House, St David's Park, Ewloe, Flintshire CH5 3RX;
<b>Group</b>	means the Company and its subsidiaries (as defined in the Act);
<b>Group Employee Share Schemes</b>	means the LTIP, Save As You Earn Share Option scheme and Deferred Bonus Incentive Plan;
<b>ISIN</b>	means International Securities Identification Number;
<b>Latest Practicable Date</b>	means 5 March 2019, being the latest practicable date prior to the publication of this Circular;
<b>Listing Rules</b>	means the listing rules of the UK Listing Authority;
<b>London Stock Exchange</b>	means London Stock Exchange PLC;
<b>LTIP</b>	means the Company's Long Term Incentive Plan;
<b>New Articles</b>	means the new articles of association of the Company to be proposed at the General Meeting and adopted with effect from Admission;
<b>New Ordinary Shares</b>	means ordinary shares of 10 ½ pence each (or such other nominal value as may be proposed in accordance with the terms of Resolution 2(B)) in the capital of the Company, following the Share Consolidation;
<b>Notice of General Meeting</b>	means the notice of general meeting set out at pages 26 to 29 of this Circular;
<b>Official List</b>	means the official list maintained by the UK Listing Authority;
<b>Option Agreement</b>	the agreement dated 7 March 2019 between the Company and Barclays, details of which are set out in paragraph 5 of Part II of this Circular;
<b>Option Exercise Notice</b>	means a written notice validly served under the Option Agreement in respect of the exercise of the put option or the call option under the Option Agreement;
<b>Option Price</b>	has the meaning given in paragraph 5 of Part III;
<b>Ordinary Shares</b>	means, as the context permits, Existing Ordinary Shares or New Ordinary Shares;



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<b>Overseas Shareholders</b>	means Shareholders who are not resident in the United Kingdom or who are citizens, residents or nationals of a country other than the United Kingdom or who have a registered address which is not in the United Kingdom. For the avoidance of doubt, Shareholders who are not resident in the United Kingdom include Shareholders who are resident in the Channel Islands or the Isle of Man;
<b>PRA</b>	means the Prudential Regulation Authority of the United Kingdom;
<b>Purchase Offer Deed</b>	means the agreement dated 7 March 2019 between the Company and Barclays, details of which are set out in paragraph 5 of Part II of this Circular;
<b>Record Time</b>	means 6.00 p.m. on 5 April 2019 (or such other time and date as the Directors may determine);
<b>Regulatory Information Service</b>	means any service included in the definition of “regulatory information service” contained in Appendix 1 to the Listing Rules;
<b>Resolutions</b>	means the resolutions to be proposed at the General Meeting, as set out in the Notice of General Meeting;
<b>Return of Cash</b>	means the transactions comprising the B Share Scheme which are proposed to return capital to Shareholders;
<b>SDRT</b>	means stamp duty reserve tax;
<b>Share Consolidation</b>	means the proposed subdivision and consolidation of the Company’s share capital, as described in paragraph 6 of Part II of this Circular;
<b>Shareholders</b>	means holders of Ordinary Shares and, where the context so requires, holders of B Shares and/or Deferred Shares;
<b>Single B Share Dividend</b>	means the dividend which may be declared and paid to Barclays, reflecting the price of 30 pence per B Share paid by Barclays to Shareholders, together with stamp duty or SDRT at a rate of 0.5 per cent. on such purchase per B Share; and
<b>UK Listing Authority</b>	means the FCA in its capacity as competent authority for the purposes of Part VI of FSMA.

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# Notice of Annual General Meeting

## REDROW PLC

(incorporated and registered in England and Wales under the Companies Act 2006 (the “Act”) with registered number 2877315)

### NOTICE OF GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that a **GENERAL MEETING** of Redrow plc (the “**Company**”) will be held at Redrow House, St David’s Park, Ewloe, Flintshire CH5 3RX at 10.00 a.m. on Wednesday 27 March 2019 for the purpose of considering and, if thought fit, passing the following resolutions. Resolutions 1, 5 and 6 will be proposed as special resolutions. Resolutions 2, 3 and 4 will be proposed as ordinary resolutions.

#### Resolution 1 – Amendment of Articles of Association

**THAT**, conditional upon the New Ordinary Shares (as defined below) being admitted to the premium listing segment of the official list of the UK Listing Authority and to trading on the London Stock Exchange PLC’s main market for listed securities by 8.00 a.m. on 8 April 2019 (or such later time and/or date as the directors of the Company (the “**Directors**”) may in their absolute discretion determine) (“**Admission**”), the draft articles of association produced to the meeting, marked “A” and signed by the Chairman of the meeting for identification purposes (the “**New Articles**”), be and are hereby approved and adopted as the articles of association of the Company with effect from Admission in substitution for, and to the exclusion of, all existing articles of association of the Company.

#### Resolution 2 – Issue of B Shares and related Share Consolidation

**THAT**, subject to the passing of resolution 1 and also conditional upon Admission occurring by 8.00 a.m. on 8 April 2019 (or such later time and/or date as the Directors may in their absolute discretion determine):

(A) the Directors be and are hereby generally and unconditionally authorised:

- (i) to capitalise a sum not exceeding £400,000 standing to the credit of the Company’s share premium account, and to apply such sum in paying up in full up to the maximum number of non-cumulative irredeemable preference shares of 0.1 pence each in the capital of the Company carrying the rights and restrictions set out in article 4A of the New Articles (the “**B Shares**”) that may be allotted pursuant to the authority given by sub-paragraph 2(A)(ii) below;
- (ii) pursuant to section 551 of the Companies Act 2006 (the “**Act**”), to exercise all powers of the Company to allot and issue credited as fully paid up (provided that the authority hereby confirmed shall expire at the end of the next annual general meeting of the Company) B Shares up to an aggregate nominal amount of

£400,000 to the holders of the ordinary shares of 10 pence each in the capital of the Company (“**Existing Ordinary Shares**”) (the “**Existing Shareholders**”) on the basis of one B Share for every Existing Ordinary Share (excluding the Existing Ordinary Shares held by the Company in treasury, if any) held and recorded on the register of members of the Company at 6.00 p.m. on 5 April 2019 (or such other time and/or date as the Directors may determine) (the “**Record Time**”), in accordance with the terms of the circular sent by the Company to its shareholders on 7 March 2019 and the directors’ determination as to the number of B Shares to be allotted and issued;

- (B) each Existing Ordinary Share, as shown in the register of members of the Company at the Record Time, be subdivided into 20 undesignated shares in the capital of the Company (each an “**Undesignated Share**”) and immediately thereafter, every 21 Undesignated Shares be consolidated into one new ordinary share of 10 ½ pence each in the capital of the Company (or such other number and price as the Directors may in their absolute discretion determine if the price of an Existing Ordinary Share and the number of Existing Ordinary Shares in issue shortly before the date of the General Meeting mean that this ratio would no longer maintain comparability of the Company’s share price before and after the return of capital) (each a “**New Ordinary Share**”), provided that, where such consolidation and subdivision would result in any member being entitled to a fraction of a New Ordinary Share, such fraction shall, so far as possible, be aggregated with the fractions of a New Ordinary Share (if any) to which other members of the Company would be similarly so entitled and the Directors be and are hereby authorised to sell (or appoint any other person to sell) to any person or persons any and all the New Ordinary Shares representing such fractions at the best price reasonably obtainable to any person(s), and to distribute the proceeds of sale (net of expenses) in due proportion among the relevant members who would otherwise be entitled to the fractions so sold,

save that (I) any fraction of a penny which would otherwise be payable shall be rounded up or down in accordance with the usual practice of the registrar of the Company, and (II) any due proportion of such proceeds of less than £5.00 (net of expenses) shall be retained by the Directors for the benefit of the Company and the relevant member shall not be entitled thereto (and, for the purposes of implementing the provisions of this paragraph, any director of the Company (or any person appointed by the Directors) shall be and is hereby authorised to execute one or more instrument(s) of transfer in respect of such New Ordinary Shares on behalf of the relevant member(s) and to do all acts and things the Directors consider necessary or desirable to effect the transfer of such New Ordinary Shares to, or in accordance with the directions of, any buyer of such New Ordinary Shares).

### Resolution 3 – Approval of the terms of the Option Agreement

THAT, subject to the passing of resolutions 1 and 2 and also conditional upon Admission occurring by 8.00 a.m. on 8 April 2019 (or such later time and/or date as the Directors may in their absolute discretion determine), the terms of the contract dated 7 March 2019 between Barclays Bank PLC (“**Barclays**”) and the Company (a copy of which is produced to the meeting and initialled for the purposes of identification by the Chairman) under which (I) the Company would be entitled to require Barclays to sell to it all the B Shares following their reclassification as deferred shares (howsoever arising) (the “**Deferred Shares**”) and (II) conditional on a single dividend of 30.15 pence per B Share not having been paid by the Company to Barclays by 10.00 a.m. on the second Business Day (as defined in the Option Agreement) after Barclays purchases the B Shares under the contract (A) Barclays will be entitled to require the Company to purchase the B Shares from Barclays, and (B) the Company will be entitled to require Barclays to sell the B Shares to the Company (the “**Option Agreement**”), be and are hereby approved and authorised for the purposes of section 694 of the Act and otherwise, but so that such approval and authority shall expire at the end of the next annual general meeting of the Company to be held in 2019 or, if earlier, at the close of business on 31 December 2019.

### Resolution 4 – Authority to allot securities

THAT, subject to the passing of resolutions 1 and 2 and also conditional upon Admission occurring by 8.00 a.m. on 8 April 2019 (or such later time and/or date as the Directors may in their absolute discretion determine):

(A) pursuant to section 551 of the Act, the Directors, in place of any existing authority conferred upon them for the purpose of Section 551 be and are hereby generally and unconditionally authorised to allot shares in the Company and to grant rights to subscribe for or convert any security into shares in the Company:

- (i) up to an aggregate nominal amount of £12,326,664.63; and

(ii) in so far as such shares comprise equity securities (as defined in section 560 of the Act) up to a further nominal amount of £12,326,664.63 in connection with an offer by way of a rights issue:

- (a) to holders of the Company’s New Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and
- (b) to holders of other equity securities as required by the rights of those securities or as the Directors otherwise consider necessary,

and so that the Directors may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

- (B) this authority shall (unless previously revoked or renewed) expire at the earlier of the conclusion of the next annual general meeting of the Company or at close of business on 31 December 2019, provided that the Company shall be entitled, at any time prior to the expiry of this authority, to make offers and enter into agreements which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert any security into shares in pursuance of any such offer or agreement as if the authority had not expired.

### Resolution 5 – General authority to disapply pre-emption rights

THAT, subject to the passing of resolutions 1, 2 and 4 and also conditional upon Admission occurring by 8.00 a.m. on 8 April 2019 (or such later time and/or date as the Directors may in their absolute discretion determine):

(A) the Directors be and are authorised to allot equity securities (pursuant to sections 570 and 573 of the Act) for cash under the authority given by resolution 3 and/or sell treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be limited to:

- (i) the allotment of equity securities and sale of treasury shares for cash in connection with an offer of, or invitation to apply for, equity securities made to (but in the case of the authority granted under paragraph (A) (ii) of resolution 3, by way of a rights issue only):
  - (a) holders of the Company’s New Ordinary Shares in proportion (as nearly as may be practicable) to their existing holdings; and
  - (b) holders of other equity securities, as required by the rights of those securities or, if the director

# Notice of Annual General Meeting

consider it necessary, as permitted by the rights of those securities,

and so that the director may impose any limits or restrictions and make any arrangements which they consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(ii) in the case of the authority granted under paragraph (i) of resolution 4 and/or in the case of any sale of treasury shares, to the allotment (otherwise than under paragraph (i) of this resolution) of equity securities or sale of treasury shares up to a nominal amount of £1,848,999.71 (such amount expected to be approximately 5 per cent. of the Company's New Ordinary Share capital, excluding treasury shares, following Admission).

(B) this authority shall expire at the earlier of the conclusion of the next annual general meeting of the Company or at close of business on 31 December 2019, provided that the Company shall be entitled, at any time prior to the expiry of this authority, to make offers and enter into agreements which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after such expiry and the Directors may allot shares or grant rights to subscribe for or convert any security into shares in pursuance of any such offer or agreement as if the authority had not expired.

## **Resolution 6 – Additional authority to disapply pre-emption rights for purposes of acquisitions or capital investments**

**THAT**, subject to the passing of resolutions 1, 2 and 4 and also conditional upon Admission occurring by 8.00 a.m. on 8 April 2019 (or such later time and/or date as the Directors may in their absolute discretion determine):

(A) in addition to any authority granted under resolution 5 to allot equity securities (pursuant to the Act) for cash under the authority given by that resolution, to authorise the Directors to allot equity securities (pursuant to sections 570 and 573 of the Act) for cash under the authority given by resolution 3 and/or sell treasury shares as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power shall be:

(i) limited, in the case of the authority granted under paragraph (A)(i) of resolution 4 and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares up to a nominal amount of £1,848,999.71 (such amount expected to be approximately 5 per cent. of the Company's New Ordinary Share capital, excluding treasury shares, following Admission); and

(ii) used only for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors

determine to be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group prior to the date of this Notice,

(B) this authority shall expire at the earlier of the conclusion of the next annual general meeting of the Company or at close of business on 31 December 2019, provided that the Company shall be entitled, at any time prior to the expiry of this authority, to make a contract of purchase which would or might be executed wholly or partly after the expiry of this authority and to purchase ordinary shares in accordance with such contract as if the authority had not expired.

By Order of the Board

**Graham Cope**  
Company Secretary  
7 March 2019

Registered in England and Wales No. 2877315  
Registered Office:  
Redrow House  
St. David's Park  
Flintshire  
CH5 3RX

## **Notes**

- Existing Shareholders entitled to attend and vote at the General Meeting may appoint a proxy to exercise all or any of their rights to attend, speak and vote on their behalf at the General Meeting instead of him, her or it. A proxy need not be an Existing Shareholder of the Company. An Existing Shareholder may appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that Existing Shareholder.
- A Form of Proxy is enclosed which, if required, should be completed in accordance with the instructions set out therein and returned, or lodged using the CREST Proxy Voting Service in accordance with note 15 below, so as to reach the Company's Registrars, Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not later than 10.00 a.m. on 25 March 2019. Completion of a Form of Proxy will not preclude an Existing Shareholder from attending and voting at the General Meeting in person if they so wish.
- Only those Existing Shareholders on the register of members at 6.00pm on 25 March 2019 (or if the General Meeting is adjourned 48 hours before the time fixed for the meeting) are entitled to attend and vote at the General Meeting in respect of the number of shares registered in their respective names at that time. Changes to entries on the register of members after that time will be disregarded in determining the rights of any person to attend or vote at the meeting. In the case of joint holders, where more than one of the joint holders purports to vote (including voting by proxy), the only vote which will count is the vote of the person whose name is listed before the other voters on the register for the share.

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4. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Act ("nominated persons"). Nominated persons may have a right under an agreement with the Existing Shareholder who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights.
  5. Any corporation which is an Existing Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as an Existing Shareholder provided that they do not do so in relation to the same shares.
  6. Existing Shareholders are entitled to attend and vote at general meetings of the Company. The total number of issued Ordinary Shares on 5 March 2019 is 369,799,938, carrying one vote each on a poll. As of 5 March 2019, the Company does not hold any shares in treasury. Therefore, the total number of votes exercisable as at 5 March 2019 is 369,799,938.
  7. Existing Shareholders may not use any electronic address provided in either this notice of meeting or any related documents (including the enclosed Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.
  8. Any Existing Shareholder attending the General Meeting has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the General Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.
  9. A copy of this notice and other information required by Section 311A of the Act can be found at <http://investors.redrowplc.co.uk>.
  10. The Company may process the personal data of attendees at the General Meeting. This may include photos, recordings and audio and video links, as well as other forms of personal data. The Company shall process any such personal data in accordance with its privacy policy, which can be accessed at: [www.redrow.co.uk/policy/privacy-notice](http://www.redrow.co.uk/policy/privacy-notice).
  11. If you are in any doubt as to what action you should take, you are recommended to immediately seek your own personal financial or tax advice from your stockbroker, bank manager, solicitor, accountant, tax advisor or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000.
  12. If you have sold or otherwise transferred all of your Existing Ordinary Shares, please forward this document, together with the accompanying Form of Proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank manager, or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.
  13. CREST Shareholders who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting (and any adjournment of the meeting) by following the procedures described in the CREST Manual. CREST Personal Shareholders or other CREST sponsored Existing Shareholders (and those CREST Shareholders who have appointed a voting service provider) should refer to their CREST sponsor or voting service provider, who will be able to take the appropriate action on their behalf.
  14. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via [www.euroclear.com/CREST](http://www.euroclear.com/CREST)). 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 issuer's agent (ID 3RA50) by the latest time(s) for receipt of proxy appointments specified in note 2 above. 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 issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to a proxy appointed through CREST should be communicated to him by other means.
  15. CREST Shareholders (and, where applicable, their CREST sponsors or voting service providers) should note that Euroclear 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 Shareholder concerned to take (or, if the CREST Shareholder is a CREST personal Shareholder or sponsored Shareholder or has appointed a voting service provider, to procure that his CREST sponsor or voting service provider takes) 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 Shareholders (and, where applicable, their CREST sponsors or voting service providers) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.
  16. 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.
  17. If you have any questions about the General Meeting or need any special assistance at the General Meeting, please contact the Company Secretary at the registered office or telephone 01244520044 during normal business hours.