

This document comprises a pricing statement relating to the Offer described in the prospectus published by Pets at Home Group Plc (the “**Company**”) on 28 February 2014 (the “**Prospectus**”) prepared in accordance with the prospectus rules (the “**Prospectus Rules**”) of the Financial Conduct Authority (the “**FCA**”) made under section 73A of the Financial Services and Markets Act 2000 (as amended) (“**FSMA**”). This document must be read in conjunction with the Prospectus. Capitalised terms used in this document and not defined herein have the same meaning as given to them in the Prospectus. This document is an advertisement for the purposes of Rule 3.3.2R of the Prospectus Rules and does not constitute a prospectus. **Investors should not subscribe for or purchase any Shares on the basis of this document alone and should refer to information in the Prospectus, in particular the section entitled “Risk Factors” set out in Part II of the Prospectus.** Copies of the Prospectus and this document are available on the Company’s website at <http://investors.petsathome.com>.

Application will be made to the FCA in its capacity as competent authority under the FSMA for all of the Shares of the Company, issued and to be issued in connection with the Offer to be admitted to the premium listing segment of the Official List maintained by the FCA (the “**Official List**”) and to the London Stock Exchange plc (the “**London Stock Exchange**”) for such Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (together, “**Admission**”). Admission to trading on the London Stock Exchange’s main market for listed securities constitutes admission to trading on a regulated market. Conditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 12 March 2014. It is expected that Admission will become effective, and that unconditional dealings will commence on the London Stock Exchange, at 8.00 a.m. on 17 March 2014. **All dealings in Shares prior to the commencement of unconditional dealings will be on a “when issued” basis and of no effect if Admission does not take place and will be at the sole risk of the parties concerned.** Investors should note that only investors who applied for, and were allocated Shares in the Institutional Offer or the Intermediaries Offer will be able to deal in Shares on a conditional basis. Eligible Colleagues who have been allocated Shares pursuant to the terms of the Colleague Offer will not be able to deal in Shares on a conditional basis prior to Admission. No application has been, or is currently intended to be, made for the Shares to be admitted to listing or trading on any other stock exchange.

Pets at Home Group Plc

*(incorporated under the Companies Act 2006 and registered in England and Wales
with registered number 8885072)*

Offer of 200,000,000 Shares at an Offer Price of £2.45 per Share and admission to the premium listing segment of the Official List and to trading on the main market of the London Stock Exchange

Sponsor

BofA Merrill Lynch

Joint Global Coordinators and Joint Bookrunners

BofA Merrill Lynch

Goldman Sachs International

KKR

Co-Lead Manager

Nomura

Issued share capital immediately following Admission: 500,000,000 Shares of £0.01 each

This document does not constitute or form part of any offer to sell or issue, or any invitation or solicitation of any offer to invest in or purchase, any Shares to any person in any jurisdiction where it is unlawful to make such offer or solicitation and is not for distribution in or into the United States, Canada, Australia or Japan. Any failure to observe these restrictions may constitute a violation of the securities laws of any such jurisdiction. The Shares have not been, and will not be, registered under the US Securities Act of 1933 (the “**Securities Act**”) or the securities laws of any state or other jurisdiction of the United States or under the applicable securities laws of Canada, Australia or Japan. Subject to certain exceptions, the Shares may not be offered or sold in the United States, Canada, Australia or Japan or to, or for the account or benefit of, any national, resident or citizen of the United States, Canada, Australia or Japan. Merrill Lynch International (“**BofA Merrill Lynch**”), Goldman Sachs International (“**Goldman Sachs**”), KKR Capital Markets Limited (“**KKR Capital Markets**”) and Nomura International plc (“**Nomura**”) may arrange for the offer and sale of the Shares in the United States only to persons reasonably believed to be qualified institutional buyers (“**QIBs**”) as defined in Rule 144A under the

Securities Act (“**Rule 144A**”), either in reliance on Rule 144A or pursuant to another exemption from or in a transaction not subject to the registration requirements of the Securities Act. The Shares are being offered and sold outside the United States in reliance on Regulation S under the Securities Act (“**Regulation S**”). There will be no public offer of the Shares in the United States. Prospective investors are hereby notified that the sellers of the Shares may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A of the Securities Act.

BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets and Nomura, each of which, in the United Kingdom, is authorised by the Prudential Regulation Authority (“**PRA**”) and regulated by the PRA and the FCA, are acting exclusively for the Company and no one else in connection with the Offer, and will not regard any other person (whether or not a recipient of this document or the Prospectus) as their respective clients in relation to the Offer and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Offer, the contents of this document, the Prospectus or any transaction or arrangement referred to therein.

The distribution of this document and the offer of the Shares contemplated by the Prospectus in certain jurisdictions may be restricted by law. No action has been or will be taken by the Company, the Directors, BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets, Nomura, the Principal Shareholder or the Selling Shareholder or any such person’s affiliates to permit a public offering of the Shares or to permit the possession or distribution of this document or the Prospectus (or any other offering or publicity materials relating to the Shares) in any jurisdiction other than the United Kingdom, where action for that purpose may be required. Accordingly, none of this document, the Prospectus, any advertisement or any other offering material may be distributed or published in any jurisdiction except under the circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about, and observe any such restrictions. Any failure to comply with these restrictions and requirements may constitute a violation of the securities laws of any such jurisdiction.

In particular, no actions have been taken to allow for a public offering of the Shares under the applicable securities laws of any jurisdiction (other than the United Kingdom), including Australia, Canada, Japan or the United States.

Without prejudice to the Company’s legal or regulatory obligations to publish a supplementary prospectus, neither the delivery of this document nor Admission shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date hereof or that the information is correct as of any time subsequent to the date hereof.

The contents of this document should not be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice in relation to an investment in Shares.

The Shares referred to in this document and offered by the Prospectus have not been approved or disapproved by the United States Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any such authorities passed upon, or endorsed the merits of, the Offer or the accuracy of this document or the Prospectus. Any representation to the contrary is a criminal offence in the United States.

Until 40 days after the commencement of the Offer, an offer or sale of Shares within the United States by any dealer (whether or not participating in the Offer) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A of the Securities Act.

In connection with the Offer, any of BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets, Nomura and any of their affiliates, acting as investors for their own accounts, may invest in the Shares, and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own accounts in such Shares and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in this document or the Prospectus to the Shares being issued, offered, subscribed for, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, any of BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets, Nomura and any of its affiliates acting as an investor for its own accounts. Neither BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets, Nomura nor any of their affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so. In addition, certain of BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets, Nomura or their affiliates may enter into financing arrangements (including swaps) with investors in connection with which BofA Merrill Lynch, Goldman Sachs, KKR Capital Markets, Nomura (or their affiliates) may from time to time acquire, hold or dispose of Shares.

Notice in connection with Member States of the European Economic Area

This document and the Prospectus have been prepared on the basis that all offers of Shares, other than the United Kingdom, will be made pursuant to an exemption under the Prospectus Directive, as implemented in Member States of the European Economic Area (“EEA”), from the requirement to produce a prospectus for offers of shares. Accordingly, any person making or intending to make any offer within the EEA of Shares which are comprised in the Offer contemplated in the Prospectus should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholder or any of the Underwriters to produce a prospectus for such offer. None of the Company, the Principal Shareholder, the Selling Shareholder and the Underwriters have authorised, nor will they authorise, the making of any offer of Shares through any financial intermediary (other than in connection with the Intermediaries Offer), other than offers made by Underwriters which constitute the final placement of Shares contemplated in the Prospectus.

NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENCE HAS BEEN FILED UNDER RSA 421-B OF THE NEW HAMPSHIRE REVISED STATUTES (“RSA 421-B”) WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE INVESTOR, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

AVAILABLE INFORMATION FOR INVESTORS IN THE UNITED STATES

The Company has agreed that, for so long as any of the Shares are “Restricted Securities” as defined in Rule 144(a)(3) under the Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act, nor exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder, make available to any holder or beneficial owner of such restricted securities or to any prospective investor in such restricted securities designated by such holder or beneficial owner, upon the request of such holder, beneficial owner or prospective investor, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. The Company expects that it will be exempt from reporting under the Exchange Act pursuant to Rule 12g3-2(b) thereunder.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this document and the Prospectus constitute “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “continues”, “estimates”, “plans”, “prepares”, “anticipates”, “expects”, “intends”, “aims”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology. Investors should specifically consider the factors identified in this document and the Prospectus which could cause actual results to differ before making an investment decision. Undue reliance should not be placed on any forward-looking statements as such forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company and/or the Group, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Undue reliance should not be placed on any forward-looking statements as such forward-looking statements are based on numerous assumptions regarding the Company’s, and/or the Group’s present and future business strategies and the environment in which the Company and/or the Group will operate in the future. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global political, economic and/or business sphere, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. Such risks, uncertainties and other factors are set out more fully in Part II (*Risk Factors*) of the Prospectus and include, among others: risks relating to the Group’s business, risks relating to the industry, risks relating to the Group’s operations in certain jurisdictions and risks relating to the Group’s financial structure. Any forward-looking statements in this document or the Prospectus speak only as at the date of publication of this document and the Prospectus respectively. Except as required by

the FCA, the London Stock Exchange or applicable law (including as may be required by the Prospectus Rules, Listing Rules and the Disclosure and Transparency Rules), the Company, the Directors and the Underwriters expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this document or the Prospectus to reflect any change in its expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

OVER-ALLOTMENT AND STABILISATION

In connection with the Offer, Merrill Lynch International (as Stabilising Manager), or any of its agents, may (but will be under no obligation to), to the extent permitted by applicable law and for stabilisation purposes, over-allot Shares up to a total of 15% of the total number of Shares comprised in the Offer or effect other transactions with a view to supporting the market price of the Shares at a higher level than that which might otherwise prevail in the open market. The Stabilising Manager is not required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise and may be undertaken at any time during the period commencing on the date of the conditional dealings in the Shares on the London Stock Exchange and ending no later than 30 calendar days thereafter. Such stabilisation, if commenced, may be discontinued at any time without prior notice. However, there will be no obligation on the Stabilising Manager or any of its agents to effect stabilising transactions and there is no assurance that stabilising transactions will be undertaken. In no event will measures be taken to stabilise the market price of the Shares above the Offer Price. Except as required by law or regulation, neither the Stabilising Manager nor any of its agents intends to disclose the extent of any over-allotments made and/or stabilisation transactions conducted in relation to the Offer.

For the purposes of allowing the Stabilising Manager to cover short positions resulting from any such over-allotment and/or from sales of Shares effected by it during the stabilising period, it has entered into the Over-allotment Option with the Over-allotment Shareholders pursuant to which it may purchase, or procure purchasers for Over-allotment Shares (representing up to 15% of the total number of Shares comprised in the Offer and before any utilisation of the Over-allotment Arrangements) at the Offer Price. The Over-allotment Option may be exercised in whole or in part upon notice by the Stabilising Manager at any time on or before the 30th calendar day after the commencement of conditional dealings in the Shares on the London Stock Exchange. Any Over-allotment Shares made available pursuant to the Over-allotment Option will be subscribed for on the same terms and conditions as Shares being offered pursuant to the Offer and will rank *pari passu* in all respects with, and form a single class with, all other Shares (including for all dividends and other distributions declared, made or paid on the Shares).

NO INCORPORATION OF WEBSITE INFORMATION

The contents of the Group's Website or any website directly or indirectly linked to this Website have not been verified and do not form any part of this document or the Prospectus, and investors should not rely on such information.

DOCUMENTS AVAILABLE FOR INSPECTION

In addition to those documents set out in Section 24 (*Documents for Inspection*) of Part XVIII (*Additional Information*) of the Prospectus, copies of this document will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Simpson Thacher & Bartlett LLP, CityPoint, One Ropemaker Street, London EC2Y 9HU until 11 April, 2014.

This document is dated 12 March 2014.

TIMETABLE OF PRINCIPAL EVENTS

Each of the following times and dates are indicative only and subject to change without further notice. References to a time of day are to London time.

	Time and Date
Announcement of the Offer Price and Offer Size, publication of this Pricing Statement and notification of allocations of Shares	12 March 2014
Commencement of conditional dealings in Shares on the London Stock Exchange ^{(1) (2)}	8.00 a.m. on 12 March 2014
Admission and commencement of unconditional dealings in Shares on the London Stock Exchange	8.00 a.m. on 17 March 2014
Shares credited to CREST accounts (where applicable) ⁽³⁾	8.00 a.m. on 17 March 2014
Despatch of definitive share certificates (where applicable) ⁽³⁾	Week commencing 31 March 2014
Stabilisation End Date	11 April 2014

Notes:

- (1) Eligible Colleagues who, pursuant to the Colleague Offer, choose to hold their Shares in the nominee service to be provided by Computershare Company Nominees Limited will not be able to deal in Shares on a conditional basis prior to Admission.
- (2) It should be noted that, if Admission does not occur, all conditional dealings will be of no effect and any such dealings will be at the sole risk of the parties concerned.
- (3) Or as soon as practicable thereafter. No temporary documents of title will be issued. Underlying applicants who apply to Intermediaries for Shares under the Intermediaries Offer will not receive share certificates.

FINAL OFFER AND ADMISSION STATISTICS

Price (per Share)	£2.45
Number of Shares in issue on Admission ⁽¹⁾	500,000,000
Number of Shares comprised in the Offer ⁽²⁾	200,000,000
- of which New Shares to be issued to facilitate the repayment of outstanding amounts owing under the Existing Senior Facilities Agreement and pay the estimated fees and expenses of the Offer ⁽³⁾	114,187,755
- of which New Shares to be issued to repay Shareholder Debt ⁽⁴⁾	75,273,191
- of which Existing Shares ⁽²⁾	10,539,054
Number of Shares in the Offer as a percentage of total number of Shares in existence on Admission ⁽⁵⁾	40.0%
Dilution of Existing Shareholders following Admission ⁽⁶⁾	37.9%
Number of Shares subject to the Over-allotment Option ⁽⁷⁾	30,000,000
Net proceeds of the Offer receivable by the Company to be used to facilitate the repayment of outstanding amounts owing under the Existing Senior Facilities Agreement ⁽⁸⁾	£240 million
Net proceeds of the Offer receivable by the Company to be used to repay Shareholder Debt ⁽⁴⁾	£184 million
Gross proceeds of the Offer receivable by the Selling Shareholder ⁽⁹⁾	£26 million
Market capitalisation of the Company at the Offer Price ⁽¹⁰⁾	£1,225 million

Notes:

- (1) Represents the total number of Shares in issue on Admission following completion of the Pre-IPO Reorganisation and after the issue of New Shares by the Company and includes 118,368 Shares issued outside of the Offer to certain Non-Executive Directors.
- (2) Assuming no exercise of the Over-allotment Option. Up to a further 30,000,000 Shares, representing up to a total of 15% of the total number of Shares comprised in the Offer, may be over-allotted pursuant to the Over-allotment Option.
- (3) Includes underwriting commissions and other fees and expenses of the Offer payable by the Company, of approximately £40 million (excluding VAT).
- (4) Proceeds used to repay Shareholder Debt represent amounts which Existing Shareholders have elected to receive in cash (through repayment of Shareholder Debt held by them) in lieu of and equal in value at the Offer Price to a corresponding number of Shares which they would have otherwise been entitled to receive and sell in the Offer pursuant to the terms of the pre-Admission shareholder arrangements and in accordance with the steps comprising the Pre-IPO Reorganisation.
- (5) The figure presented excludes the number of Shares that may be over-allotted pursuant to the Over-allotment Option. If the maximum number of Shares are over-allotted pursuant to the Over-allotment Option, it is estimated that approximately 46.0% of the Shares will be in public hands.
- (6) Represents the total number of New Shares on Admission as a percentage of the total number of Shares in issue immediately following Admission.
- (7) The number of Shares comprised in the Over-allotment Option is, in aggregate, equal to 15% of the number of Shares comprised in the Offer.
- (8) The net proceeds receivable by the Company are stated after deduction of underwriting commissions and other fees and expenses of the Offer by the Company, of approximately £40 million (excluding VAT) (which includes a fee of £9 million payable to Kohlberg Kravis Roberts & Co. L.P. in accordance with the terms of the Advisory Services Agreement). The Company will not receive any of the net proceeds from the sale of the Existing Shares in the Offer.
- (9) The proceeds receivable by the Selling Shareholder is stated without deduction of underwriting commissions and amounts in respect of stamp duty or SDRT payable by the Selling Shareholder in connection with the Offer.
- (10) The market capitalisation of the Company at any given time will depend on the market price of the Shares at that time. There can be no assurance that the market price of a Share will be equal to or exceed the Offer Price.

DIRECTORS' AND SENIOR EXECUTIVES' INTERESTS

The beneficial interests of the Directors and the Senior Executives in the share capital of the Company on Admission and immediately following Admission are as set out in the table below.

<u>Director/Senior Executive</u>	<u>Number of Shares on Admission</u> ⁽¹⁾⁽²⁾	<u>Percentage of issued Shares on Admission</u> ⁽¹⁾⁽²⁾	<u>Number of Shares to be sold pursuant to the Offer</u> ⁽¹⁾⁽³⁾	<u>Percentage of Shares to be sold pursuant to the Offer</u> ⁽¹⁾⁽³⁾	<u>Number of Shares immediately following Admission</u> ⁽¹⁾⁽⁴⁾	<u>Percentage of issued Shares immediately following Admission</u> ⁽¹⁾⁽⁴⁾
Tony DeNunzio ⁽⁵⁾	3,977,342	0.8%	819,316	20.6%	3,158,026	0.6%
Dennis Millard ⁽⁶⁾	16,327	0.0%	0	0.0%	16,327	0.0%
Nick Wood ⁽⁷⁾⁽⁸⁾	7,340,760	1.5%	1,835,189	25.0%	5,505,571	1.1%
Ian Kellett ⁽⁵⁾⁽⁷⁾	4,640,415	0.9%	593,359	12.8%	4,047,056	0.8%
Brian Carroll ⁽⁶⁾⁽⁹⁾	40,816	0.0%	0	0.0%	40,816	0.0%
Paul Coby ⁽⁶⁾	4,082	0.0%	0	0.0%	4,082	0.0%
Tessa Green ⁽⁶⁾	40,816	0.0%	0	0.0%	40,816	0.0%
Amy Stirling ⁽⁶⁾	16,327	0.0%	0	0.0%	16,327	0.0%
Sally Hopson ⁽⁵⁾⁽⁷⁾	4,315,778	0.9%	970,874	22.5%	3,344,904	0.7%
Peter Pritchard ⁽⁷⁾	4,239,289	0.8%	1,059,822	25.0%	3,179,467	0.6%
Phil Hackney ⁽⁷⁾	2,752,785	0.6%	688,196	25.0%	2,064,589	0.4%

Notes:

- (1) Following completion of the Pre-IPO Reorganisation described in Section 4 (*Group Structure and IPO Reorganisation*) of Part XVIII (*Additional Information*) of the Prospectus.
- (2) Prior to the completion of the Offer.
- (3) MEP Nominee Limited will sell such Shares on behalf of each relevant Director and Senior Executive.
- (4) Computershare Company Nominees Limited will hold legal title to such Shares (other than in respect of Shares to be held by IPS (2008) SIPP–IM Kellett, a SIPP established by Ian Kellett) on behalf of each Director and Senior Executive.
- (5) Each of Tony DeNunzio, Ian Kellett and Sally Hopson will receive a number of Shares on Admission (as set out above) and an amount of cash following completion of (i) the Pre-IPO Reorganisation and (ii) steps (a) and (b) of the Post-IPO Reorganisation steps described in Section 4.3 (*Group Structure and IPO Reorganisation*) of Part XVIII (*Additional Information*) of the Prospectus. Each of Tony DeNunzio, Ian Kellett and Sally Hopson have elected (x) to receive a cash amount (following (i) and (ii) above through repayment of Shareholder Debt held by them) in lieu of and equal in value at the Offer Price to a corresponding number of Shares which they would have otherwise been entitled to receive and sell in the Offer pursuant to the terms of the pre-Admission shareholder arrangements and in accordance with the steps comprising the Pre-IPO Reorganisation and (y) to sell the number of Existing Shares set out in the table above. The total proceeds receivable by each of Tony DeNunzio, Ian Kellett and Sally Hopson are equal to 25.0% of the value to which they would have otherwise been entitled to receive in the form of Shares. Accordingly, Tony DeNunzio will receive a cash amount of £571,727, Ian Kellett will receive a cash amount of £1,851,365 and Sally Hopson will receive a cash amount of £353,028 in addition to the gross proceeds receivable from the sale of Existing Shares. References to Ian Kellett in this paragraph and the table above also refer to IPS (2008) SIPP – IM Kellett, a SIPP established by Ian Kellett.
- (6) Brian Carroll and Tessa Green have each agreed to subscribe in cash for a number of Shares at the Offer Price equal in value to £100,000, Dennis Millard and Amy Stirling have each agreed to subscribe in cash for a number of Shares at the Offer Price equal in value to £40,000 and Paul Coby has agreed to subscribe in cash for a number of Shares at the Offer Price equal in value to £10,000. On Admission, the Company will allot and issue the Shares set out against their names above to Computershare Company Nominees Limited to hold as nominee on their behalf. These Shares will not form part of the Offer and will not be underwritten.
- (7) Not including any Matching Awards under the CIP which are awarded on Admission. See the table below for details of Matching Awards under the CIP to be awarded to the Executive Directors and Senior Executives on Admission.
- (8) References to Shares held by Nick Wood in this table also include any Shares held by his spouse.
- (9) Brian Carroll has been appointed as a Non-Executive Director of the Company by the Principal Shareholder in accordance with the terms of the Relationship Agreement.

Colleague Share Scheme Awards

CIP

The table below sets out the Matching Awards under the CIP which will be made to the Executive Directors and the Senior Executives conditional upon and with effect from Admission.

<u>Executive Director/Senior Executive</u>	<u>Number of Shares over which Matching Awards have been made with effect from Admission</u> ⁽¹⁾
Nick Wood	433,673
Ian Kellett	326,530
Sally Hopson	306,122
Peter Pritchard	357,142
Phil Hackney	244,897

Notes:

- (1) Assuming their vesting in full, the aggregate total of the Matching Awards to be awarded to the Executive Directors and Senior Executives on Admission will represent 0.3% of the issued Shares following Admission.
- (2) Additional Matching Awards in respect of a further 785,195 Shares will be made to certain other Colleagues conditional upon and with effect from Admission which will, assuming their vesting in full, represent 0.2% of the issued Shares following Admission.

PSP

On Admission, awards under the PSP will be made to selected Colleagues (but not including the Executive Directors or the Senior Executives) over 304,455 Shares representing 0.1% of the issued Shares following Admission (assuming their vesting in full).

SIGNIFICANT SHAREHOLDERS

Insofar as is known to the Company, as at the date of this document, the persons set out in the table below are expected to have notifiable interests in 3% or more (being the threshold for notification of interests that applies to the Company and Shareholders as of Admission pursuant to Chapter 5 of the Disclosure and Transparency Rules) of the issued share capital of the Company on Admission and immediately following Admission.

Shareholder	On Admission		Immediately following Admission	
	Number of Shares ⁽¹⁾	Percentage of issued share capital ⁽¹⁾	Number of Shares ^{(1) (2)}	Percentage of issued share capital ^{(1) (2)}
KKR My Best Friend Limited ⁽³⁾	186,616,538	37.3%	186,616,538	37.3%
MBF Co-Invest L.P. ⁽³⁾	44,396,548	8.9%	44,396,548	8.9%
MEP Nominee Limited ^{(4) (5)}	40,110,102	8.0%	29,980,734	6.0%

Notes:

- (1) Following completion of the Pre-IPO Reorganisation described in Section 4 (*Group Structure and IPO Reorganisation*) of Part XVIII (*Additional Information*) of the Prospectus.
- (2) Assuming no exercise of the Over-allotment Option.
- (3) Each of KKR My Best Friend Limited and MBF Co-Invest L.P. will receive a number of Shares on Admission (as set out above) and an amount of cash following completion of (i) the Pre-IPO Reorganisation and (ii) steps (a) and (b) of the Post-IPO Reorganisation steps described in Section 4.3 (*Group Structure and IPO Reorganisation*) of Part XVIII (*Additional Information*) of the Prospectus. Each of KKR My Best Friend Limited and MBF Co-Invest L.P. has elected to receive a cash amount (following (i) and (ii) above through repayment of Shareholder Debt held by them) in lieu of and equal in value at the Offer Price to a corresponding number of Shares which they would have otherwise been entitled to receive and sell in the Offer pursuant to the terms of the pre-Admission shareholder arrangements and in accordance with the steps comprising the Pre-IPO Reorganisation. The total proceeds receivable by each of KKR My Best Friend Limited and MBF Co-Invest L.P. are equal to 22.9% of the total value to which they would have been entitled to receive in the form of Shares. Accordingly, KKR My Best Friend Limited will receive a cash amount of £136,125,495 and MBF Co-Invest L.P. will receive a cash amount of £32,384,601. KKR My Best Friend Limited and MBF Co-Invest L.P. will not be selling any Shares in the Offer (assuming no exercise of the Over-allotment option).
- (4) Computershare Company Nominees Limited will hold legal title to such Shares following Admission on behalf of the relevant Beneficial Shareholders. The Shares set out in this row exclude (i) 1,743,430 Shares held on behalf of the Existing EBT, legal title to which will be held by Greenwood Nominees Limited following Admission; (ii) 1,472,148 unallocated Shares, legal title to which will be held by Computershare Nominees (Channel Islands) Limited on behalf of the New EBT following Admission, and (iii) 3,524,181 Shares which will be held by IPS (2008) SIPP—IM Kellett, a SIPP established by Ian Kellett.
- (5) The Executive Directors, the Chairman, the Senior Executives and certain Beneficial Shareholders will be selling Shares in the Offer through MEP Nominee Limited and, with the exception of Shares held by IPS (2008) SIPP—IM Kellett, a SIPP established by Ian Kellett (which will, for the avoidance of doubt, hold its shares directly), will hold their remaining Shares through Computershare Company Nominees Limited following Admission. MEP Nominee Limited will not hold any Shares following Admission.

REVISION TO COLUMNS TWO, FIVE AND SIX OF THE UNAUDITED PRO FORMA STATEMENT OF NET ASSETS AS AT 2 JANUARY 2014 SET OUT IN PART XIV (UNAUDITED PRO FORMA FINANCIAL INFORMATION) OF THE PROSPECTUS BASED ON THE FINAL OFFER PRICE AND FINAL OFFER SIZE

- (1) The adjustment described in column two of the unaudited pro forma statement of net assets as at 2 January 2014 (set out in Part XIV (*Unaudited Pro Forma Financial Information*) of the Prospectus) headed “Net Proceeds from the Offer” is amended from £316,036 thousands to £424,179 thousands.
- (2) The adjustment described in column five of the unaudited pro forma statement of net assets as at 2 January 2014 (set out in Part XIV (*Unaudited Pro Forma Financial Information*) of the Prospectus) headed “Capitalisation of Shareholder Debt” is amended from £12,736 thousands to £9,462 thousands.
- (3) The adjustments detailed in column six of the unaudited pro forma statement of net assets as at 2 January 2014 (set out in Part XIV (*Unaudited Pro Forma Financial Information*) of the Prospectus) headed “Repayment of Shareholder Debt” are amended from £76,275 thousands and £5,497 thousands to £184,419 thousands and £8,771 thousands respectively.

As such, notes (2), (5) and (6) of the unaudited pro forma statement of net assets as at 2 January 2014 set out in Part XIV (*Unaudited Pro Forma Financial Information*) of the Prospectus are updated as follows:

Note (2): The adjustment reflects the receipt by the Company of net proceeds from the Offer of £424,179 thousands and total gross proceeds from the Offer of £464,179 thousands (in each case, through the issue of New Shares). The fees and expenses of the Offer are expected to be approximately £40,000 thousands (excluding VAT).

Note (5): Pursuant to steps comprising the Pre-IPO Reorganisation as described in Section 4 (*Group Structure and IPO Reorganisation*) of Part XVIII (*Additional Information*) of the Prospectus, Shareholder Debt instruments comprising Midco Loan Notes with a value equal to £9,462 thousands (representing principal and all accrued but unpaid interest thereon) are capitalised and then exchanged for Shares.

Note (6): Following completion of the Pre-IPO Reorganisation and the relevant steps comprising the Post IPO Reorganisation as described in Section 4 (*Group Structure and IPO Reorganisation*) of Part XVIII (*Additional Information*) of the Prospectus, the Company intends to use £184,419 thousands of the net proceeds it receives from the Offer (through the issue of New Shares) to facilitate the repayment of all outstanding amounts of Shareholder Debt including £8,771 thousands comprising Midco Loan Notes.