

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the Partial Offer, the contents of this document, the accompanying documents or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or otherwise transferred all of your SHH Shares, please send this document and any accompanying document (but not any personalised BLUE Form of Acceptance, PINK Approval Form or WHITE Form of Proxy) as soon as possible to the purchaser or transferee, or the stockbroker, bank or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee. **However, neither this document nor any accompanying document must be forwarded or transmitted in, into or from, any jurisdiction where to do so would constitute a violation of the relevant laws of that jurisdiction, including, but not limited to, any Restricted Jurisdiction.** If you have sold or transferred only part of your holding of SHH Shares, you should retain this document and the accompanying documents and consult the stockbroker, bank or other agent through whom the sale or transfer was effected immediately.

RECOMMENDED PARTIAL CASH OFFER

by

FB INVESTORS LLP

for up to 67,393,960 ordinary shares, representing 70 per cent. of the entire issued ordinary share capital of

SUTTON HARBOUR HOLDINGS PLC

and

NOTICE OF GENERAL MEETING

in connection with the proposed cash subscription by FB Investors LLP for 9,322,034 ordinary shares, representing approximately 8.83 per cent. of the enlarged issued ordinary share capital of Sutton Harbour Holdings plc

Your attention is drawn to the letter of recommendation from the Directors of SHH, which contains the unanimous recommendation of the SHH Directors that SHH Shareholders approve (or procure approval of) the Partial Offer and accept (or procure acceptance of) the Partial Offer in respect of the SHH Shares held by them, which is set out on pages 18 to 19 of this document.

You should read carefully the whole of this document, including any documents incorporated into it by reference, and the accompanying BLUE Form of Acceptance (if you hold SHH Shares in Certificated Form), the terms of which are deemed to form part of the Partial Offer. If you are a CREST sponsored member, you should refer to your CREST Sponsor.

APPROVAL OF THE PARTIAL OFFER UNCERTIFICATED HOLDERS TO PARTICULARLY NOTE

Under Rule 36.5 of the Takeover Code, the Partial Offer cannot proceed without approval being given in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors. **To approve the Partial Offer, you must complete, sign and return the PINK Approval Form (regardless of whether you hold SHH Shares in Certificated Form or Uncertificated Form) as soon as possible and, in any event, so as to be received by Neville Registrars not later than 1.00 p.m. on 2 January 2018. All SHH Shareholders who approve the Partial Offer (whether or not they wish to accept the Partial Offer and whether or not they hold their SHH Shares in Certificated Form or Uncertificated Form) should therefore complete and return the PINK Approval Form in accordance with the instructions contained within this document and on the PINK Approval Form as soon as possible. The SHH Directors recommend that you approve (or procure the approval of) the Partial Offer in respect of all your SHH Shares.**

The procedure for approval of the Partial Offer is set out in more detail in paragraph 19.1 of Part 2 of this document, Part E of Appendix 1 to this document and in the PINK Approval Form.

ACCEPTANCE OF THE PARTIAL OFFER

To accept the Partial Offer in respect of your SHH Shares held in Certificated Form, the BLUE Form of Acceptance should be completed, signed and returned, together with your share certificate(s) and/or any other documents of title, as soon as possible, and in any event so as to be received by the Receiving Agent, Neville Registrars, **no later than 1.00 p.m. on 2 January 2018**.

To accept the Partial Offer in respect of your SHH Shares held in Uncertificated Form, acceptances should be made electronically through CREST so that the TTE Instruction settles as soon as possible and in any event **by no later than 1.00 p.m. on 2 January 2018**. If you are a CREST sponsored member, you should contact your CREST Sponsor as only your CREST Sponsor will be able to send the necessary TTE Instruction to Euroclear on your behalf.

The procedure for acceptance of the Partial Offer is set out on pages 31 to 35 of this document and, in respect of SHH Shares held in Certificated Form, in the BLUE Form of Acceptance.

NOTICE OF SHH GENERAL MEETING

A notice convening the SHH General Meeting for the purposes of considering and, if thought fit, passing the Resolutions in connection with the Share Subscription, which will be held at the New Continental Hotel, Millbay Road, Plymouth PL1 3LD on 3 January 2018, is set out at Appendix II to this document. The SHH General Meeting will commence at 10.00 a.m. The action to be taken in respect of the SHH General Meeting is set out on page 10 of this document and in paragraph 12 of the letter of recommendation from the Directors of SHH at Part 1 of this document. SHH Shareholders will also find enclosed with this document a WHITE Form of Proxy for use in connection with the SHH General Meeting. Whether or not you intend to attend the SHH General Meeting in person, please complete and sign the enclosed WHITE Form of Proxy and return it in accordance with the instructions printed thereon as soon as possible but, in any event, so as to be received by post, or during normal business hours only, by hand to SHH's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY by no later than 10.00 a.m. on 29 December 2017. The WHITE Form of Proxy has a pre-paid envelope for your convenience for use in the UK only. If you hold your SHH Shares in Uncertificated Form (that is, in CREST), you may vote using the CREST Proxy Voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notice of the SHH General Meeting set out at Appendix II to this document). Proxies submitted via CREST (under CREST ID 3RA50) must be received by SHH's registrar, Computershare Investor Services PLC, by no later than 10.00 a.m. on 29 December 2017 (or, in the case the SHH General Meeting is adjourned, not less than 48 hours (excluding any part of a day that is not a working day) prior to the time and date set for the adjourned meeting). The completion and return of Forms of Proxy will not prevent you from attending and voting in person at the SHH General Meeting, or any adjournment thereof, should you wish to do so.

A copy of this document is available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on SHH's website at www.suttonharbourholdings.co.uk, and FB Investors' website at www.fbllp.co.uk while the Partial Offer remains open for acceptance.

Completed BLUE Forms of Acceptance, as well as PINK Approval Forms, should be submitted to Neville Registrars Limited, in its capacity as Receiving Agent, using the prepaid envelope provided. WHITE Forms of Proxy should be submitted to Computershare Investor Services PLC, in its capacity as Registrars to SHH, at the Pavilions, Bridgwater Road, Bristol BS99 6ZY.

IMPORTANT INFORMATION

WH Ireland, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to FB Investors and no-one else in connection with the Partial Offer and other matters described in this document, and will not be responsible to anyone other than FB Investors for providing the protections afforded to clients of WH Ireland or for providing advice in relation to the Partial Offer, the contents of this document or any other matter referred to herein. WH Ireland has given, and not withdrawn, its consent to the inclusion in this document of the references to its name in the form and context in which it appears.

Rothschild, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to SHH and no-one else in connection with the Partial Offer and other matters described in this document, and will not be responsible to anyone other than SHH for providing the protections afforded to clients of Rothschild or for providing advice in relation to the Partial Offer, the contents of this document or any other matter referred to herein. Rothschild has given, and not withdrawn, its consent to the inclusion in this document of the references to its name and the advice it has given to SHH in the form and context in which they appear.

Arden Partners, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as nominated adviser to SHH and no-one else in connection with the Partial Offer and other matters described in this document, and will not be responsible to anyone other than SHH for providing the protections afforded to clients of Arden Partners or for providing advice in relation to the Partial Offer, the contents of this document or any other matter referred to herein. Arden Partners has given, and not withdrawn, its consent to the inclusion in this document of the references to its name in the form and context in which it appears.

The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the content of this document, you should consult your own legal, financial or tax adviser for legal, business, financial or tax advice.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set out in this document since such date. No dealer, salesperson or other person is authorised to give any information or to make any representations with respect to the Partial Offer other than such information or representations contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by FB Investors or SHH.

SHH Shareholders outside the United Kingdom

The attention of SHH Shareholders who are citizens, nationals or residents of jurisdictions outside the United Kingdom and any persons (including, without limitation, any custodians, nominees or trustees) who would, or otherwise intend to, forward this document, the BLUE Form of Acceptance and PINK Approval Form outside the United Kingdom is drawn to paragraph 18 of Part 2 of this document and, in respect of SHH Shares held in Certificated Form, to the relevant provisions of the BLUE Form of Acceptance.

The release, publication or distribution of this document and/or any accompanying documentation (in whole or in part) relating to the Partial Offer in, and the availability of the Partial Offer to persons who are residents, citizens or nationals of, jurisdictions other than the United Kingdom may be restricted by the laws and/or regulations of those jurisdictions. Accordingly, any persons who are subject to the laws and regulations of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements in their jurisdiction. Any failure to comply with the applicable requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. In particular, copies of this document and any formal documentation relating to the Partial Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in or into or from any Restricted Jurisdiction. Doing so may render any purported acceptance of the Partial Offer invalid. Such persons should read paragraph (c) of Part C and paragraph (b) of Part D of Appendix I to this document before taking any action. Unless otherwise permitted by applicable law and regulation, the Partial Offer may not be made, directly or indirectly, in or into, or by the use of mails

or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Partial Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

This document does not constitute an offer of securities for sale in the United States. No offer to acquire securities or to exchange securities for other securities has been made, or will be made, directly or indirectly, in or into, or by the use of the mails of, or by any means or instrumentality of interstate or foreign commerce or any facilities of a national securities exchange of, the United States or any other country in which such offer may not be made.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved the Partial Offer, passed upon the merits or fairness of the Partial Offer or passed comment upon the adequacy or completeness of this document. Any representation to the contrary is a criminal offence in the United States.

The Partial Offer is subject to the applicable requirements of the Takeover Code, the AIM Rules, the Panel, the London Stock Exchange and the FCA.

Cautionary note regarding forward looking statements

This document (including information incorporated by reference in this document), oral statements made regarding the Partial Offer and other information published by FB Investors and SHH may contain certain statements that are or may be deemed to be forward looking with respect to the financial condition, results of operation(s) and business of FB Investors and/or SHH and certain plans and objectives of the SHH Board and the FB Investors Executive Committee with respect thereto. These forward looking statements can be identified by the fact that they are prospective in nature and do not relate to historical or current facts. Forward looking statements often, but not always, use words such as “anticipate”, “target”, “expect”, “estimate”, “budget”, “scheduled”, “forecasts”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could” or other words of a similar meaning. These estimates are based on assumptions and assessments made by the SHH Board and/or the FB Investors Executive Committee in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and service of this document shall not give rise to any implication that there has been no change in the facts set forth in this document since such date. By their nature, forward looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward looking statements in this document could cause actual results or developments to differ materially from those expressed or implied by such forward looking statements. Although the SHH Directors and the FB Investors Executive Committee believe that the expectations reflected in such forward looking statements are reasonable, neither FB Investors nor SHH, nor any of their respective associates or directors, executive committee members, officers or advisers, or any person acting on the behalf of SHH or FB Investors provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this document will actually occur. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure Guidance and Transparency Rules and MAR), none of FB Investors, SHH, any member of the FB Investors Group, any member of the SHH Group, nor any member of the FB Investors Executive Committee nor any SHH Director, nor any of their respective advisers, associates, directors, executive committee members or officers is under any obligation, and such persons expressly disclaim any intention or obligation, to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. No undue reliance should therefore be placed on these forward looking statements which speak only as at the date of this document.

Profit forecasts or estimates

No statement in this document is intended as a profit forecast, projection or estimate for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for SHH for

the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for SHH.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the Offer Period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 p.m. on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror, save to the extent that these details have previously been disclosed under Rule 8 of the Takeover Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Takeover Code applies must be made by no later than 3.30 p.m. on the Business Day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3 of the Takeover Code.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the Takeover Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the Offer Period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Information relating to SHH Shareholders

Please be aware that addresses, electronic addresses and certain information provided by SHH Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from SHH may be provided to FB Investors during the Offer Period as required under Section 4 of Appendix IV of the Takeover Code to comply with Rule 2.11(c) of the Takeover Code.

Rounding

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

Publication on websites

A copy of this document will be available, free of charge (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions), for inspection on FB Investors' website at www.fbllp.co.uk and on SHH's website at www.suttonharbourholdings.co.uk (in the section "Partial Offer from FB Investors") by no later than 12 noon on the Business Day following the publication of this document and will continue to be made available until the end of the Offer Period. For the avoidance of doubt, neither the content of any website referred to in this document nor the content of any website accessible from hyperlinks is incorporated into or forms part of this document, the BLUE Form of Acceptance, the PINK Approval Form or the WHITE Form of Proxy.

Documents in hard copy form

Any person entitled to receive a copy of documents, announcements and information relating to the Partial Offer and/or SHH General Meeting is entitled to receive such documents and all information incorporated into this document by reference to another source in hard copy form. Copies of this document (and any information incorporated by reference in this document) and all future documents, announcements and information required to be sent to persons in relation to the Partial Offer may be requested from the Receiving Agent, Neville Registrars on +44 (0)121 585 1131. Calls are charged at your service providers standard rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Partial Offer nor give any financial, legal or tax advice.

No representations

No person has been authorised to make any representations on behalf of FB Investors or SHH concerning the Partial Offer or SHH General Meeting which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been so authorised. No person should construe the contents of this document as legal, financial or tax advice and recipients of this document should consult their own advisers in connection with the matters contained herein.

Taxation

The receipt of cash pursuant to the Partial Offer by SHH Shareholders may be a taxable transaction under applicable national, state and local, as well as foreign and other tax laws. Each SHH Shareholder is urged to consult their independent professional adviser regarding the tax consequences of acceptance of the Partial Offer.

Definitions

Capitalised terms used in this document shall have the meanings given to them in Appendix VII of this document.

Date of publication

The date of publication of this document is 7 December 2017.

ACTION TO BE TAKEN TO APPROVE THE PARTIAL OFFER

Under Rule 36.5 of the Takeover Code, the Partial Offer cannot proceed without approval being given in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors.

The SHH Directors recommend that you approve the Partial Offer in respect of all your SHH Shares.

To approve the Partial Offer you must complete, sign and return the enclosed PINK Approval Form **as soon as possible and, in any event, so as to be received by post or by hand (during normal business hours) by Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA no later than 1.00 p.m. on 2 January 2018.** All SHH Shareholders who approve the Partial Offer (whether or not they wish to accept the Partial Offer, and whether or not they hold their SHH Shares in Certificated Form or Uncertificated Form) should therefore complete and return the PINK Approval Form in accordance with the instructions set out within this document and the accompanying PINK Approval Form as soon as possible.

A reply-paid envelope is enclosed for your convenience and may be used for returning the PINK Approval Form. Further details on the procedures for approval of the Partial Offer are set out in paragraph 19.1 of Part 2 of this document, Part E of Appendix I to this document and in the accompanying PINK Approval Form.

Helpline

If you require assistance in completing your PINK Approval Form, or have questions in relation to this document, please contact the Receiving Agent, Neville Registrars on +44 (0)121 585 1131. Calls are charged at your network provider's standard rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Partial Offer nor give any financial, legal or tax advice.

**APPROVAL OF THE PARTIAL OFFER MUST BE RECEIVED BY NEVILLE REGISTRARS
BY NO LATER THAN 1.00 P.M. ON 2 JANUARY 2018.**

ACTION TO BE TAKEN TO ACCEPT THE PARTIAL OFFER

The SHH Directors recommend that you accept the Partial Offer.

You may accept the Partial Offer in respect of all, some or the Relevant Percentage of your holding of SHH Shares. The Relevant Percentage is the proportionate number of SHH Shares that FB Investors is offering to acquire from each SHH Shareholder so that it acquires in total 67,393,960 SHH Shares. The Relevant Percentage calculated on the basis of the current issued ordinary share capital of SHH is 70 per cent.

If you wish to accept the Partial Offer it is important that you follow the instructions set out in paragraph 19 of Part 2 of this document.

If you hold your SHH Shares in Certificated Form:

If you hold your SHH Shares, or any of them, in Certificated Form (that is, not in CREST), to accept the Partial Offer in respect of all or some of those SHH Shares, you must follow the procedure set out in paragraph 19.2 of the letter from FB Investors set out in Part 2 of this document. In particular, you must complete the enclosed personalised BLUE Form of Acceptance in accordance with the instructions printed on it and return the completed BLUE Form of Acceptance (along with your original share certificate(s) and/or other documents of title) by post or by hand (during normal business hours only) to Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA **as soon as possible and, in any event, so as to be received by no later than 1.00 p.m. on 2 January 2018.**

If you are posting in the UK, the enclosed reply-paid envelope has been provided for your convenience.

If you hold your SHH Shares in Uncertificated Form:

If you hold your SHH Shares, or any of them, in Uncertificated Form (that is, in CREST), to accept the Partial Offer in respect of some or all of those SHH Shares, you must follow the procedure set out in paragraph 19.3 of the letter from FB Investors set out in Part 2 of this document so that the TTE Instruction settles as soon as possible and, in any event, **no later than 1.00 p.m. on 2 January 2018.** If you hold your SHH Shares as a CREST sponsored member, you should refer to your CREST Sponsor as only your CREST Sponsor will be able to send the necessary TTE Instruction to Euroclear.

<p style="text-align: center;">THE FIRST CLOSING DATE OF THE PARTIAL OFFER IS 1.00 P.M. ON 2 JANUARY 2018</p>
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Helpline

If you require assistance in completing your BLUE Form of Acceptance (or wish to obtain an additional BLUE Form of Acceptance), or have questions in relation to this document, including making an electronic acceptance, please contact the Receiving Agent, Neville Registrars on +44 (0)121 585 1131. Calls are charged at your network provider's standard rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Partial Offer nor give any financial, legal or tax advice.

SETTLEMENT

Except with the consent of the Panel, settlement of the consideration to which any SHH Shareholder is entitled under the Partial Offer will be implemented in full in accordance with the terms of the Partial Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which FB Investors may otherwise be, or claim to be, entitled as against such SHH Shareholder and will be effected:

- (i) in the case of acceptances of the Partial Offer received, complete in all respects (including the relevant transfer to escrow or (as applicable) receipt of relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to FB Investors) by the date on which the Partial Offer becomes, or is declared, unconditional in all respects, within 14 calendar days of such date (or such later date as the Panel may permit); or
- (ii) in the case of acceptances of the Partial Offer received, complete in all respects, after the date on which the Partial Offer becomes, or is declared, unconditional in all respects, but while it remains open for acceptance, within 14 calendar days of such receipt (or such later date as the Panel may permit).

CONTROL

In the event that the Partial Offer becomes, or is declared, unconditional in all respects, FB Investors will hold SHH Shares carrying more than 50 per cent. of the voting rights of SHH and FB Investors will be free (subject to Rule 36.3 of the Takeover Code) to acquire further SHH Shares without incurring any obligation under Rule 9 of the Takeover Code to make a general offer.

GENERAL

This document should be read as a whole, together with the information incorporated into it by reference, and, in the case of holders of SHH Shares in Certificated Form, in conjunction with the BLUE Form of Acceptance. SHH Shareholders are recommended to seek financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under FSMA if they are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

All references to time in this document, the PINK Approval Form, the BLUE Form of Acceptance and the Form of Proxy are to London time unless otherwise stated.

ACTION TO BE TAKEN IN RESPECT OF SHH GENERAL MEETING

The SHH General Meeting is being convened for the purposes of considering and, if thought fit, passing the Resolutions in connection with the Share Subscription. It will be held at the New Continental Hotel, Millbay Road, Plymouth PL1 3LD at 10.00 a.m. on 3 January 2018. The Share Subscription requires the Resolutions to be passed by the requisite majorities for it to proceed. **IT IS VERY IMPORTANT THAT YOU VOTE.**

Please check that you have received a WHITE Form of Proxy with this document. If you have not received this, please contact the helpline telephone number below.

Whether or not you plan to attend the SHH General Meeting, please complete, sign and return the WHITE Form of Proxy, in accordance with the instructions printed on it, by post, or during normal business hours only, by hand to SHH's registrar, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, so that it is received by no later than 10.00 a.m. on 29 December 2017. The WHITE Form of Proxy has a pre-paid envelope for your convenience for use in the UK only.

The completion and return of a WHITE Form of Proxy will not prevent you from attending and voting at the SHH General Meeting, or at any adjournment thereof.

SHH Shareholders holding SHH Shares through CREST:

CREST Members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (which can be viewed at www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST Members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of the CREST service 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 instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the SHH's registrar, Computershare Investor Services PLC (ID 3RA50), by no later than 10.00 a.m. on 29 December 2017 or, in the case of an adjournment, not later than 48 hours (excluding any part of a day which is not a working day) before the time fixed for the holding of the adjourned meeting. 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 Application Host) from which the Company'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 proxies appointed through CREST should be communicated to the appointee through other means.

CREST Members and, where applicable, their CREST Sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST Sponsor or voting service provider(s) take(s) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Members and, where applicable, their CREST Sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST System and timings.

SHH General Meeting Helpline

If you have any questions about this document insofar as it relates to the Share Subscription, the Resolutions and/or the SHH General Meeting, or are in any doubt as to how to complete, execute and return the WHITE Form of Proxy, please call Computershare Investor Services PLC on +44 (0) 370 707 1326. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Computershare Investor Services PLC

cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

All references to time in this document, the PINK Approval Form, the BLUE Form of Acceptance and the Form of Proxy are to London time unless otherwise stated.

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PART 1

LETTER OF RECOMMENDATION FROM THE DIRECTORS OF SUTTON HARBOUR HOLDINGS PLC



Graham Miller (*Non-Executive Chairman*)
Jason Schofield (*Chief Executive Officer*)
Natasha Gadsdon (*Chief Financial Officer*)
Robert De Barr (*Non-Executive Director*)
Sean Swales (*Non-Executive Director*)

Sutton Harbour Holdings plc
Tin Quay House
Sutton Harbour
Plymouth
PL4 0RA
United Kingdom

7 December 2017

Dear SHH Shareholder

**Recommended Partial Cash Offer by FB Investors LLP
for up to 67,393,960 ordinary shares, representing 70 per cent. of the
issued ordinary share capital, of Sutton Harbour Holdings plc**

and

**Notice of General Meeting in connection with proposed cash subscription by FB Investors LLP
for 9,322,034 ordinary shares, representing approximately 8.83 per cent. of the
enlarged issued ordinary share capital of Sutton Harbour Holdings plc**

1. Introduction

On 23 November 2017, FB Investors and SHH jointly announced that they had reached agreement on the terms of a recommended partial cash offer to be made by FB Investors to acquire up to 67,393,960 SHH Shares, representing 70 per cent. of the issued ordinary share capital of SHH (the "**Partial Offer**"), by way of a contractual offer under the Takeover Code at a price of 29.5p per SHH Share.

I am writing to set out the background to, and the terms of, the Partial Offer and the reasons why the SHH Directors, who have been so advised by Rothschild as to the financial terms of the Partial Offer, consider the terms of the Partial Offer to be fair and reasonable and are unanimously recommending that SHH Shareholders accept the Partial Offer. In providing advice to the SHH Directors, Rothschild has taken into account the commercial assessments of the SHH Directors.

In connection with the Partial Offer, FB Investors and SHH have entered into a conditional subscription agreement pursuant to which FB Investors has agreed to subscribe for 9,322,034 new SHH Shares at a price per share of 29.5 pence, being an amount equal to the Offer Price. The Share Subscription is conditional upon (i) the Partial Offer becoming or being declared wholly unconditional in accordance with its terms, and (ii) SHH Shareholders passing the resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares at the SHH General Meeting which, pursuant to the Notice of General Meeting set out in Appendix II to this document, has been convened for 10.00 a.m. on 3 January 2018.

The Share Subscription would provide SHH with proceeds equal to £2.75 million. Approximately £2 million of such proceeds would be applied to assist SHH develop the Sugar House site directly and without contracting the development to a third party developer, and approximately £750,000 of such proceeds would be used as additional working capital and assist with the payment of some of the costs SHH has incurred in connection with the Formal Sale Process. If valid acceptances are received in respect of all of the 67,393,960 SHH Shares which are subject to the Partial Offer and the Share Subscription completes in

accordance with the terms of the Share Subscription Agreement, FB Investors would hold 76,715,994 SHH Shares, representing approximately 72.65 per cent. of the issued ordinary share capital of SHH.

The Partial Offer is conditional upon, amongst other things:

- FB Investors receiving valid acceptances (which have not been validly withdrawn) in respect of at least 55,840,710 SHH Shares (representing 58 per cent. of the SHH Shares in issue as at 6 December 2017 (being the last Business Day prior to the date of this document)); and
- approval being given in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors.

2. Summary terms of the Partial Offer

The Partial Offer is being implemented by means of a contractual offer under the Takeover Code.

The Partial Offer, which is subject to the terms and conditions set out in Appendix I to this document and, where applicable, the BLUE Form of Acceptance, is being made on the following basis:

29.5 pence in cash for each SHH Share to be sold pursuant to the Partial Offer

The Partial Offer values (i) the entire issued share capital of SHH at approximately £28.40 million, and (ii) the SHH Shares subject to the Partial Offer at approximately £19.88 million.

The Offer Price represents a premium of approximately:

- 13.46 per cent. to the Closing Price per SHH Share of 26 pence on 20 April 2016 (being the last Business Day prior to the start of the Offer Period);
- 12.38 per cent. to the Closing Price per SHH Share of 26.25 pence on 22 November 2017 (being the last Business Day prior to the date of the Rule 2.7 Announcement); and
- 6.51 per cent. to the average Closing Price per SHH Share of approximately 27.70 pence for the period from 21 April 2016 (being the date on which the Offer Period commenced) to 22 November 2017 (being the last Business Day prior to the date of the Rule 2.7 Announcement).

SHH Shareholders may accept (or procure the acceptance of) the Partial Offer in respect of any number of the SHH Shares held by them on the Record Date or none at all. Subject to the Partial Offer becoming, or being declared, unconditional in all respects:

- (i) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of 70 per cent. or less of their registered holdings, then their acceptances will be met in full;
- (ii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of 67,393,960 or fewer SHH Shares, then their acceptances will be met in full; and
- (iii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of more than 67,393,960 SHH Shares, each such SHH Shareholder will have their acceptances in excess of 70 per cent. scaled down in the same proportion to the total number of SHH Shares tendered to the extent necessary to enable FB Investors to acquire 67,393,960 SHH Shares.

In the event that scaling down, as described above, is required in respect of any accepting SHH Shareholders, FB Investors will make an announcement stating the basis of such scaling down by 9.00 a.m. on the second Business Day following the closing of the Partial Offer.

In the event that the Partial Offer becomes, or is declared, unconditional in all respects, FB Investors will hold SHH Shares carrying more than 50 per cent. of the voting rights of SHH and FB Investors will be free (subject to Rule 36.3 of the Takeover Code as described immediately below) to acquire further SHH Shares without incurring any obligation under Rule 9 of the Takeover Code to make a general offer.

Following a successful partial offer, Rule 36.3 of the Takeover Code prevents the Offeror and any person acting in concert with it from acquiring any interest in the shares of SHH during a period of 12 months after the end of the Offer Period without the consent of the Panel.

The Partial Offer extends to all SHH Shares unconditionally allotted or issued and fully paid on the date of the Partial Offer and any additional SHH Shares which are unconditionally allotted or issued and fully paid whilst the Partial Offer remains open for acceptance or by such earlier date as FB Investors may decide, subject to the Takeover Code.

The SHH Shares will be acquired pursuant to the Partial Offer fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching to them.

FB Investors reserves the right to make an equivalent reduction in the Offer Price if SHH announces, declares or pays any dividend or makes any other distribution to SHH Shareholders on or after the date of this document although, in such circumstances, SHH Shareholders would be entitled to retain any such dividend or other distribution made or paid.

The Partial Offer is conditional upon, amongst other things:

- FB Investors receiving valid acceptances (which have not been validly withdrawn) in respect of at least 55,840,710 SHH Shares (representing 58 per cent. of the SHH Shares in issue as at 6 December 2017 (being the last Business Day prior to the date of this document)); and
- approval being given in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors.

The Acceptance Condition and the Approval Condition are both expected to be satisfied pursuant to, and in accordance with, the terms of the irrevocable undertakings, as described in paragraph 5 below.

Under Rule 36.5 of the Takeover Code, approval of the Partial Offer by SHH Shareholders is required and the Partial Offer is therefore conditional upon such approval being obtained. For this condition to be satisfied, approval of the Partial Offer must be given (via the PINK Approval Form) in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors. If such approval is not obtained, the Partial Offer will lapse. All SHH Shareholders who approve the Partial Offer (whether or not they wish to accept the Partial Offer and whether they hold their SHH Shares in Certificated Form or Uncertificated Form) should therefore complete and return the PINK Approval Form in accordance with the procedures set out in paragraph 19 of the Letter from FB Investors in Part 2 of this document.

3. Share Subscription and Notice of General Meeting

FB Investors and SHH have entered into a conditional subscription agreement in connection with the Partial Offer, pursuant to which FB Investors has agreed to subscribe for 9,322,034 new SHH Shares at a price per share of 29.5 pence per Subscription Share, being the Offer Price. If valid acceptances are received in respect of all of the 67,393,960 SHH Shares which are the subject of the Partial Offer and the Share Subscription completes in accordance with the terms of the Share Subscription Agreement, FB Investors would hold 76,715,994 SHH Shares, representing approximately 72.65 per cent. of the enlarged issued ordinary share capital of SHH, following completion of the Share Subscription and the Partial Offer.

The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms, and (ii) SHH Shareholders passing at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares.

In the event that the Share Subscription is not approved, the Partial Offer will be unaffected. In such circumstances, however, the SHH Board would need to consider whether and how SHH could undertake the potential development of Sugar House itself.

The Share Subscription will provide SHH with proceeds equal to £2.75 million. A notice convening the SHH General Meeting, which will be held at the New Continental Hotel, Millbay Road, Plymouth PL1 3LD on 3 January 2018, is set out at Appendix II to this document. The SHH General Meeting will commence at

10.00 a.m. The action to be taken in respect of the SHH General Meeting is set out on page 10 of this document and in paragraph 12 below.

4. Background to and reasons for the recommendation of the SHH Directors

SHH has a vision to create a major waterfront destination where people can live, work and play, centred around the historic asset of Sutton Harbour. It is also ideally placed to benefit from the upcoming festivities in 2020 that will commemorate the 400th anniversary of the Mayflower setting sail from Plymouth.

The business has made significant operational improvements over recent years, including capital investments in the operational businesses to improve financial performance within the current capital structure of SHH. The SHH Board believes in the long term vision for Sutton Harbour and the long term value of the various other development sites such as Sugar House and the former airport site ("Plym Vale").

However, given the uncertainty surrounding the ability of the development sites to deliver an economic return over the longer term and the existing capital structure constraining investment and dividends, the SHH Board announced a strategic review and formal sale process on 21 April 2016 to assess all options to generate value for SHH Shareholders including a potential sale of the Company (the "Formal Sale Process").

The Formal Sale Process has been ongoing for more than 18 months, during which time the SHH Board has considered a number of strategic options. The outcome of this strategic review has resulted in the SHH Directors recommending unanimously that SHH Shareholders accept and approve the Partial Offer and vote in favour of the Resolutions to enable the Share Subscription to proceed.

The SHH Board believes that FB Investors brings significant experience in generating value through development projects across the globe and the Share Subscription will also provide capital to invest in new and existing development opportunities.

The SHH Directors have carefully considered the Partial Offer, taking into account the interests of SHH, its shareholders, employees, customers and other stakeholders. The SHH Directors have considered, amongst other things, SHH's future prospects, the commercial benefits of the Partial Offer and the terms of the Partial Offer as well as the fact that FB Investors has agreed under the Relationship Agreement not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the Board not appointed by FB Investors.

The SHH Directors believe that the Partial Offer, which values each SHH Share at 29.5 pence, represents an opportunity for SHH Shareholders to realise in cash a significant proportion of their investment in SHH at an attractive premium, while at the same time maintaining a substantial economic interest through their residual shareholding in SHH whose position, the SHH Directors believe, should be strengthened by the Partial Offer and the Share Subscription.

Further details of FB Investors' intentions in relation to SHH, its management and employees are set out in paragraphs 9 and 10 of the Letter from FB Investors LLP in Part 2 of this document.

5. Irrevocable undertakings

The SHH Directors have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest, which, in aggregate, represent approximately 0.30 per cent. of the SHH Shares in issue on 6 December 2017 (being the last Business Day prior to the date of this document).

In addition, each of Crystal Amber Fund Limited, Rotolok (Holdings) Limited and Dan McCauley have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the

Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they are interested, which, in aggregate, represent approximately 58.07 per cent. of the SHH Shares in issue on 6 December 2017 (being the last Business Day prior to the date of this document).

FB Investors has therefore received irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting in respect of a total of 56,194,768 SHH Shares, representing, in aggregate, approximately 58.37 per cent. of the issued share capital of SHH as at 6 December 2017 (being the last Business Day prior to the date of this document).

Further details of these irrevocable undertakings are set out in paragraph 9 of Appendix VI to this document.

6. Effects of implementation of the Partial Offer

Your attention is drawn to the statements of FB Investors' future intentions and plans for SHH, its management and employees, if the Partial Offer becomes, or is declared, wholly unconditional, as set out in paragraphs 9 and 10 of the letter from FB Investors set out in Part 2 of this document.

The SHH Directors are pleased to note from the statements made by FB Investors that it attaches great importance to the skills, expertise and knowledge of the existing management and employees of SHH and its subsidiaries and, assuming that the Partial Offer becomes unconditional, envisages both that operations will continue from SHH's head office under the existing executive management structure and that the ongoing development of the business will be implemented under that management.

7. Retention of SHH's admission to trading on AIM and Relationship Agreement

Following the Partial Offer becoming, or being declared, wholly unconditional, SHH will remain an independently managed public company quoted on AIM.

SHH, FB Investors and Arden Partners have entered into the Relationship Agreement, which is conditional upon the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms, in order to regulate their relationship on an ongoing basis following completion of the Partial Offer. The principal purpose of the Relationship Agreement is to provide that the relationship between FB Investors and the SHH Group will be conducted independently and on an arm's length basis. The Relationship Agreement addresses, amongst other things, the composition of the SHH Board (providing FB Investors with the ability to appoint up to two directors to the SHH Board (one of whom may be the Chairman) for so long as it holds, directly or indirectly, 50 per cent. or more of the issued voting share capital of SHH) and contains certain restrictions in relation to directors appointed by FB Investors voting at meetings of the SHH Board on matters in which FB Investors is interested. Under the Relationship Agreement, FB Investors has agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the SHH Board not appointed by FB Investors.

8. Current trading and prospects

On 5 December 2017, SHH announced its unaudited interim results for the half year ended 30 September 2017, a hyperlink to which is provided in Appendix V to this document. SHH reported that revenue and profit before taxation for the six months to 30 September 2017 were £3.473 million and £0.136 million, respectively. Net assets at 30 September 2017 were £39.084 million.

Within these interim results, the SHH Board set out its views on the current financial year, including strengthening fisheries trading from July 2017 and stable investment property occupancy. SHH is continuing to take an active part in the forthcoming public hearing of the "Joint Local Plan" as well as continuing to promote its proposed regeneration schemes including, *inter alia*, Sugar House, Harbour Arch Quay, and the "Boardwalk".

Save as set out in this document, there has been no significant change in the financial or trading position of SHH since 30 September 2017, being the date to which the Company's most recent unaudited interim results were prepared.

9. Asset Valuation

In accordance with Rule 29 of the Takeover Code (the "Valuation"), and in line with ongoing practice to support the year end and interim accounts before and during the Formal Sale Process, Jones Lang LaSalle ("JLL") has prepared a valuation of the operational assets (Real Estate properties, Marine and Car Parks), set out in Appendix IV to this document. A reconciliation of the balance sheet for the half year ended 30 September 2017 and the assets valued by JLL is set out in Appendix IV to this document.

The inventory assets (principally the Plymouth City Airport site and Sugar House) are held on the balance sheet at cost, in line with accounting standards. Both assets have been consistently valued at cost in the annual report as there remains significant uncertainty over the valuation of both sites. Neither site currently has planning permission and timing for any development is unclear.

10. United Kingdom taxation

Your attention is drawn to paragraph 5 of Appendix VI to this document which sets out a general guide on United Kingdom taxation, based on current legislation and practice.

If you are in any doubt as to your tax position or are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate independent professional adviser immediately.

11. SHH Shareholders outside the United Kingdom

The availability of the Partial Offer to persons not resident in, and not citizens of, the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens.

Persons who are not resident in, or not citizens of, the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Overseas Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

12. Action to be taken

Your decision as to whether to **accept** and/or **approve** the Partial Offer will depend upon your individual circumstances. If you are in any doubt as to what action you should take, you should seek your own independent professional advice.

Further information on how to accept and/or approve the Partial Offer is set out in paragraph 19 of the letter from FB Investors set out in Part 2 of this document.

Further information on how to vote at the SHH General Meeting is set out on page 10 of this document.

13. Further information

The terms and conditions of the Partial Offer are set out in full in Appendix I to this document. Your attention is drawn to the further information in the remaining parts of this document and, if your SHH Shares are in Certificated Form, to the accompanying BLUE Form of Acceptance, which should be read in conjunction with this document.

14. Recommendation of the Partial Offer by SHH Directors

The SHH Directors, who have been so advised by Rothschild as to the financial terms of the Partial Offer, consider the terms of the Partial Offer to be fair and reasonable. In providing advice to the SHH Directors, Rothschild has taken into account the commercial assessments of the SHH Directors.

Accordingly, the SHH Directors unanimously recommend that SHH Shareholders:

- **approve (or procure the approval of) the Partial Offer in respect of their entire holding;**
- **accept (or procure the acceptance of) the Partial Offer; and**
- **vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting,**

which each SHH Director has irrevocably undertaken to do (or procure to be done) in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest which amounts, in aggregate, to 288,620 SHH Shares, representing approximately 0.30 per cent., of the issued ordinary share capital of SHH as at 6 December 2017, being the last Business Day prior to the date of this document.

Yours faithfully,

Graham Miller
Chairman

PART 2

LETTER FROM FB INVESTORS LLP

(Incorporated as a limited liability partnership in England and Wales with registered number OC419889)



Executive Committee Members:

Philip Beinhaker
Albert Friedberg

Lopian Gross Barnett & Co
6th Floor, Cardinal House
20 St. Mary's Parsonage
Manchester
Lancashire, M3 2LG

7 December 2017

Dear SHH Shareholder

**Recommended Partial Cash Offer by FB Investors LLP
for up to 67,393,960 ordinary shares, representing 70 per cent. of the issued
ordinary share capital, of Sutton Harbour Holdings plc**

and

**Notice of General Meeting in connection with proposed cash subscription by FB Investors LLP
for 9,322,034 ordinary shares, representing approximately 8.83 per cent. of the
enlarged issued ordinary share capital of Sutton Harbour Holdings plc**

1. Introduction

On 23 November 2017, FB Investors and SHH jointly announced that they had reached agreement on the terms of a recommended partial cash offer to be made by FB Investors to acquire up to 67,393,960 SHH Shares, representing 70 per cent. of the issued ordinary share capital of SHH (the "**Partial Offer**") by way of a contractual offer under the Takeover Code at a price of 29.5 per SHH Share.

In addition, FB Investors and SHH also announced that they had agreed the terms on which FB Investors would make a conditional subscription for 9,322,034 new SHH Shares (the "**Subscription Shares**"), representing approximately 8.83 per cent. of the enlarged issued ordinary share capital of SHH following completion of the Share Subscription and the Partial Offer, at a price of 29.5 pence per Subscription Share, being the Offer Price (the "**Share Subscription**").

This letter, Appendix I to this document and (in the case of SHH Shareholders holding their SHH Shares in Certificated Form) the BLUE Form of Acceptance contain the formal terms and conditions of the Partial Offer.

Your attention is drawn to the letter of recommendation from the SHH Directors set out in Part 1 of this document which sets out the reasons why the SHH Directors, who have been so advised by Rothschild as to the financial terms of the Partial Offer, consider the terms of the Partial Offer to be fair and reasonable and accordingly unanimously recommend that SHH Shareholders accept (or procure the acceptance of) and approve (or procure the approval of) the Partial Offer.

The attention of SHH Shareholders who are citizens or residents of jurisdictions outside the United Kingdom or who are holding shares for such citizens or residents and any person (including, without limitation, any custodian, nominee or trustee) who may have an obligation to forward any document in connection with the Partial Offer outside the United Kingdom is drawn to paragraph 18 of this Part 2 and paragraph 7 of Part B and paragraph (c) of Part C or paragraph (b) of Part D of Appendix I to this document and, if SHH Shares are held in Certificated Form, to the relevant provisions of the BLUE Form of Acceptance, which they should read before taking any action.

2. The Partial Offer

The Partial Offer is being implemented by means of a contractual offer under the Takeover Code.

The Partial Offer is subject to the terms and conditions set out in Appendix I to this document and, where applicable, the BLUE Form of Acceptance and is being made on the following basis:

29.5 pence in cash for each SHH Share to be sold pursuant to the Partial Offer

The Partial Offer values (i) the entire issued share capital of SHH at approximately £28.40 million and (ii) the SHH Shares subject to the Partial Offer at approximately £19.88 million.

The Offer Price represents a premium of approximately:

- 13.46 per cent. to the Closing Price per SHH Share of 26 pence on 20 April 2016 (being the last Business Day prior to the start of the Offer Period);
- 12.38 per cent. to the Closing Price per SHH Share of 26.25 pence on 22 November 2017 (being the last Business Day prior to the date of the Rule 2.7 Announcement); and
- 6.51 per cent. to the average Closing Price per SHH Share of approximately 27.70 pence for the period from 21 April 2016 (being the date on which the Offer Period commenced) to 22 November 2017 (being the last Business Day prior to the date of the Rule 2.7 Announcement).

SHH Shareholders may accept (or procure the acceptance of) the Partial Offer in respect of any number of the SHH Shares held by them on the Record Date or none at all. Subject to the Partial Offer becoming, or being declared, unconditional in all respects:

- (i) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of 70 per cent. or less of their registered holdings, then their acceptances will be met in full;
- (ii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of 67,393,960 or fewer SHH Shares, then their acceptances will be met in full; and
- (iii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of more than 67,393,960 SHH Shares, each such SHH Shareholder will have their acceptances in excess of 70 per cent. scaled down in the same proportion to the total number of SHH Shares tendered to the extent necessary to enable FB Investors to acquire 67,393,960 SHH Shares.

In the event that scaling down, as described above, is required in respect of any accepting SHH Shareholders, FB Investors will make an announcement stating the basis of such scaling down by 9.00 a.m. on the second Business Day following the closing of the Partial Offer.

In the event that the Partial Offer becomes, or is declared, unconditional in all respects, FB Investors will hold SHH Shares carrying more than 50 per cent. of the voting rights of SHH and FB Investors will be free (subject to Rule 36.3 of the Takeover Code as described immediately below) to acquire further SHH Shares without incurring any obligation under Rule 9 of the Takeover Code to make a general offer.

Following a successful partial offer, Rule 36.3 of the Takeover Code prevents the Offeror, and any person acting in concert with it, from acquiring any interest in the shares of SHH during a period of 12 months after the end of the Offer Period without the consent of the Panel.

The Partial Offer will extend to all SHH Shares unconditionally allotted or issued and fully paid on the date of this document and any additional SHH Shares which are unconditionally allotted or issued and fully paid whilst the Partial Offer remains open for acceptance or by such earlier date as FB Investors may decide, subject to the Takeover Code.

The SHH Shares will be acquired pursuant to the Partial Offer fully paid and free from all liens, charges, equitable interests, encumbrances and rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching to them.

FB Investors reserves the right to make an equivalent reduction in its Offer Price if SHH announces, declares or pays any dividend or makes any other distribution to SHH Shareholders on or after the date of this document although, in such circumstances, SHH Shareholders would be entitled to retain any such dividend or other distribution made or paid.

The Partial Offer is conditional on, amongst other things:

- FB Investors receiving valid acceptances (which have not been validly withdrawn) in respect of at least 55,840,710 SHH Shares (representing 58 per cent. of the SHH Shares in issue as at 6 December 2017 (being the Business Day prior to the date of this document)); and
- approval being given in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors.

The Acceptance Condition and the Approval Condition are both expected to be satisfied pursuant to, and in accordance with, the terms of the irrevocable undertakings, as described in paragraph 6 below.

Under Rule 36.5 of the Takeover Code, approval of the Partial Offer by SHH Shareholders is required and the Partial Offer is therefore conditional upon such approval being obtained. For this condition to be satisfied, approval of the Partial Offer must be given (via the PINK Approval Form) in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors. If such approval is not obtained, the Partial Offer will lapse. All SHH Shareholders who approve the Partial Offer (whether or not they wish to accept the Partial Offer and whether they hold their SHH Shares in Certificated Form or Uncertificated Form) should therefore complete and return the PINK Approval Form in accordance with the procedures set out in paragraph 19 below as soon as possible.

3. The Share Subscription

As noted in paragraph 1 above, FB Investors and SHH have entered into a conditional subscription agreement in connection with the Partial Offer pursuant to which FB Investors has agreed to subscribe for 9,322,034 Subscription Shares at a price of 29.5 pence per Subscription Share, being the Offer Price. If valid acceptances are received in respect of all of the 67,393,960 SHH Shares which are the subject of the Partial Offer and the Share Subscription completes in accordance with the terms of the Share Subscription Agreement, FB Investors would hold 76,715,994 SHH Shares, representing, in aggregate, approximately 72.65 per cent. of the enlarged issued ordinary share capital of SHH following completion of the Share Subscription and the Partial Offer.

The Share Subscription will provide SHH with proceeds equal to £2.75 million. Please see paragraph 4 below for further details regarding the Share Subscription, including how the subscription proceeds will be used by the Company.

The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms and (ii) SHH Shareholders approving at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares.

In the event that the Share Subscription is not approved, the Partial Offer will be unaffected. In such circumstances, however, the SHH Board would need to consider whether and how SHH could undertake the potential development of Sugar House itself.

4. Background to and reasons for the Partial Offer and Share Subscription

Partial Offer

FB Investors is very attracted by SHH's existing real estate asset portfolio and inventory with potential for re-development. FB Investors has acquired a good understanding of the local housing market in Plymouth and is enthused by the regeneration potential of SHH's inventory and the opportunity for further enhancement of the existing operating assets, including the marinas, fisheries and surrounding real estate assets. In particular, FB Investors sees significant value potential in the redevelopment of the Sugar House site and shares SHH's vision in relation to redeveloping the former site of Plymouth City Airport into non-airport, mixed use redevelopment for the commercial benefit of SHH and its shareholders (subject to planning approval), with the added benefits to the local community. FB Investors believes that its members' proven

track-record of delivering high-quality redevelopment projects, coupled with SHH's talented management team, would deliver compelling benefits to all of SHH's stakeholders and the wider Plymouth area.

As highly experienced international property developers, FB Investors' members recognise that SHH's ability to fulfil its vision of delivering an ambitious, mixed-use development plan will require the support of the local community and other policy makers.

FB Investors' offer has been structured as a partial offer under the Takeover Code to enable SHH Shareholders to:

- maintain a meaningful stake in SHH of 30 per cent. of their current shareholding and potentially more than this should they wish to do so (subject, amongst other things, to sufficient acceptances being received in aggregate to satisfy the Acceptance Condition set out in paragraph (a) of Part A of Appendix I below) and in either scenario, therefore, share in any future value creation for SHH under the new majority ownership of FB Investors; and
- to exit SHH for cash via the Partial Offer (for at least 70 per cent. of their shareholdings) and/or, subject to market liquidity at the relevant time, to continue to be able to do so through subsequent sales of any retained interests in SHH Shares following completion of the Partial Offer, as FB Investors has agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the SHH Board not appointed by FB Investors.

Share Subscription

A key part of FB Investors' strategy for fulfilling the development potential of SHH's core inventory assets will be for SHH itself to manage the development of Sugar House directly, rather than pursue SHH's current strategy of engaging a third party developer to carry out the development opportunity and construction of the site, which would involve the relevant developer sharing in the profit arising from the development. Undertaking the development of Sugar House directly itself would allow SHH to retain the full amount of additional value created from the development without sharing the profit with a third party developer, which FB Investors and the SHH Directors believe will be to the benefit of all SHH Shareholders.

As part of its assessment of the development potential of Sugar House, FB Investors has prepared detailed estimates of the construction values, soft costs and assumed building programme and revenues which it has discussed and shared with SHH. The soft costs involved in progressing the development of Sugar House are estimated to total approximately £2 million. In order to provide SHH with funding for these costs, FB Investors has agreed to subscribe for additional ordinary share capital pursuant to the Share Subscription.

FB Investors has also agreed to invest an additional £750,000 in SHH to be used as additional working capital and to assist with the payment of some of the costs which SHH has incurred in connection with the Formal Sale Process. Again this funding is proposed to be provided by FB Investors to SHH by way of additional ordinary share capital pursuant to the Share Subscription.

Therefore, pursuant to the Share Subscription, FB Investors is proposing to invest £2,750,000 in aggregate in SHH in consideration for the issue of the Subscription Shares at a subscription price of 29.5 pence per Subscription Share, equal to the Offer Price.

The Company does not currently have sufficient shareholder authorities in place to enable the Share Subscription to be implemented. Therefore, in order to implement the Share Subscription, the Company has decided to convene the SHH General Meeting to obtain the requisite authorities. The notice of the SHH General Meeting is included in Appendix II to this document and the WHITE Form of Proxy for use by SHH Shareholders who hold their SHH Shares in Certificated Form in connection with the SHH General Meeting accompanies this document.

The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms and (ii) SHH Shareholders approving at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares.

On the assumption that FB Investors acquires 70 per cent. of SHH's existing issued share capital pursuant to the Partial Offer, following completion of the Share Subscription, FB Investors will hold approximately 72.65 per cent. of the enlarged issued share capital of SHH.

In the event that the Share Subscription is not approved, the Partial Offer will be unaffected. In such circumstances, however, the SHH Board would need to consider whether and how SHH could undertake the potential development of Sugar House itself.

5. Recommendation of the Partial Offer and the Share Subscription by the SHH Directors

Your attention is drawn to the letter of recommendation from the SHH Directors set out in Part 1 of this document which sets out the reasons why the SHH Directors, who have been so advised by Rothschild as to the financial terms of the Partial Offer, consider the terms of the Partial Offer to be fair and reasonable. In providing advice to the SHH Directors, Rothschild has taken into account the commercial assessments of the SHH Directors.

Accordingly, the SHH Directors unanimously recommend that SHH Shareholders:

- **approve (or procure the approval of) the Partial Offer in respect of their entire holding;**
- **accept (or procure the acceptance of) the Partial Offer; and**
- **vote (or procure the vote of) in favour of the Resolutions at the SHH General Meeting,**

which each SHH Director has irrevocably undertaken to do (or procure to be done) in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest amounting, in aggregate, to 288,620 SHH Shares, representing approximately 0.30 per cent. of the issued ordinary share capital of SHH as at 6 December 2017 (being the last Business Day prior to the date of this document).

More information relating to the SHH Directors' recommendation is set out in Part 1 of this document.

6. Irrevocable undertakings

The SHH Directors have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest, which, in aggregate, represent approximately 0.30 per cent. of the SHH Shares in issue on 6 December 2017 (being the last Business Day prior to the date of this document).

In addition, each of Crystal Amber Fund Limited, Rotolok (Holdings) Limited and Dan McCauley have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they are interested, which, in aggregate, represent approximately 58.07 per cent. of the SHH Shares in issue on 6 December 2017 (being the last Business Day prior to the date of this document).

FB Investors has therefore received irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting in respect of a total of 56,194,768 SHH Shares, representing, in aggregate, approximately 58.37 per cent. of the issued share capital of SHH as at 6 December 2017 (being the last Business Day prior to the date of this document).

Further details of these irrevocable undertakings are set out in Paragraph 9 of Appendix VI to this document.

7. Information on FB Investors

FB Investors is an English limited liability partnership and was incorporated on 13 November 2017.

The members of FB Investors are Beinhaker Design Services and 1895 Management Holdings. The FB Investors Executive Committee comprises Philip Beinhaker and Albert Friedberg.

Beinhaker Design Services

Beinhaker Design Services is an investment company of Philip Beinhaker's family and was incorporated on 29 May 2015. Philip Beinhaker is chairman of Beinhaker Design Services and Corey Beinhaker and Joshua Mishkin are executives of Beinhaker Design Services. The share capital of Beinhaker Design Services is held by Corey Beinhaker. The directors of Beinhaker Design Services are Philip Beinhaker, Corey Beinhaker and Constance Beinhaker. Beinhaker Design Services' unaudited financial statements for the period ended 31 May 2016 reported net assets of £19,224 and are available on www.fbllp.co.uk.

Philip Beinhaker served as co-founding partner and CEO of IBI Group, a world-leading firm in architecture, engineering and project management from its formation in 1974 until 2004. In 2004, Philip Beinhaker led the company's flotation on the Toronto Stock Exchange and became the sole CEO and Chairman Director. Thereafter, Philip Beinhaker had a leading role in the growth of the practice both functionally and geographically from its initial base in Toronto of some 30 people to over 2,500 active professional staff worldwide today. In 2013, Philip Beinhaker retired from the position of CEO and currently continues to serve as a senior director of the IBI Group Management Partnership.

Philip Beinhaker, through the Beinhaker group of companies has led numerous real estate developments as development manager, developer and principal throughout Canada, the United States, Israel, Germany and other locations. Philip Beinhaker has taken up residence in the United Kingdom where he has founded Beinhaker Design Services which serves as a base for his activities in Europe.

Major urban real estate development projects led by Philip Beinhaker include:

- King Business Center, Toronto:- approximately 1,500 housing units and employment space; from 1985 to 1990.
- Liberty Village, Toronto:- 5 million sq. ft. including over 5,000 residential uses; office employment space and retail; all in the context of a new network of streets and parks and urban infrastructure. This development transformed an industrial under-utilized brown land area (within 2 km of the Toronto City Center) into a mixed use residential, retail, and workplace as a new community within the city. The land assembly was completed by 2000; the approvals by 2003; the principal infrastructure and decontamination of soil by 2005. As of today, 4,000 units of residential accommodation, the retail space, and work space have been completed and the last stages of the project are underway.
- City Place, Toronto:- over 8,000 housing units; the Sky Dome baseball Stadium and other uses; the realisation of the first phase of land development and of building development that included the SkyDome baseball stadium, commencing in 1981 the project extended in subsequent phases through to 2015. This development transformed the unutilised railway yards of some 200 acres into a mixed use residential, office, hotel and entertainment area and provided linkages between the City Center to the north and the amenity of the waterfront of Lake Ontario to the south, thereby enhancing the entire urban environment.
- Montreal Canadiens Hockey Arena and Entertainment Centre:- included the programming and design and construction of the facility for the hockey team franchise. The project also included a material real estate component for housing and office on the site which are now being completed and the redevelopment of the historic rail terminal of the Windsor Station.
- Project Marienhain, Berlin, Germany:- in 2011, Beinhaker/Friedberg acquired undeveloped land of some 15.5 hectare within the Berlin municipal district of Treptow-Koepenick. A vision was created, the approvals obtained (in 2015), and the business arrangements recently concluded for implementation of a residential community of some 1,100 housing units along with a waterfront recreation area, restaurant, retail, and community facilities, along with the required permits for infrastructure (road design, rainwater drainage, drinking water and sewers).

Corey Beinhaker worked for IBIB Group Consultants (Israel) Limited from 2000 to 2017 latterly as its chief executive officer where he, amongst other things, was the contract manager for a number of significant

projects including the Tel Aviv Red 10 Line Underground Station Design and the design and technical specification for the traffic management system for the inter-urban highway network in Israel. Since April 2017 Corey Beinhaker has been engaged in project management and real estate development services for companies within the Beinhaker group of companies.

Joshua Mishkin has served in a managerial capacity for major estate developments and business ventures over the last 12 years, including several led by the Beinhaker/Friedberg families. In addition, Mr Mishkin has advised on real estate planning and feasibility on projects in Europe, the United States and Israel during his employment in the IBI Group, a leading firm in architecture, engineering and project management. He also served in the mergers and acquisitions department of the IBI Group. He now works full-time as an executive in the Beinhaker group of companies and is focussed on large scale urban development projects.

1895 Management Holdings

1895 Management Holdings is an investment holding company wholly-owned by Albert Friedberg which was incorporated on 29 September 2016 in Nova Scotia. Albert Friedberg and Dan Scheiner are the only directors and officers of 1895 Management Holdings. As at the date of this document, 1895 Management Holdings holds one investment and is yet to file accounts.

Albert Friedberg has over 40 years' experience in the investment industry. He is president of FCMI Parent Co. ("FCMI"), a family holding company which was incorporated on 29 September 1998 as a Nova Scotia unlimited liability corporation. FCMI holds investments in bonds as well as shares, debentures and warrants of publicly traded entities as well as other private companies and limited partnerships. FCMI has direct subsidiaries located in Canada with their significant focus being liquid marketable securities. FCMI also has numerous indirect subsidiaries in Barbados, Canada, Cayman Islands, Chile, New Zealand and the United States. FCMI's most recent financial statements show total assets of over US\$100,000,000.

Mr Friedberg is also chief executive officer of Friedberg Mercantile Group Limited ("FMG") a Toronto-based commodities and investment management firm that is a member of IIROC, CIPF and all Canadian exchanges. FMG provides a wide range of financial and investment services to retail and institutional clients. FMG was founded in 1971 by Mr Friedberg and it is owned by FCMI.

Mr Friedberg served as Chairman of the Toronto Futures Exchange from March 1985 to June 1988. He is also Chairman of the Board at Vaccinex, Inc. a role he has held since April 2001.

8. Information on SHH

SHH is an award-winning waterfront regeneration specialist, based in Plymouth on the South Coast of England. Plymouth promotes itself as "Britain's Ocean City" and has a heritage going back more than 500 years with the area of Sutton Harbour remaining one of the city's oldest quarters and a popular place to visit.

During the financial year ended 31 March 2017, SHH employed an average of 33 people, had annual turnover of £6.7 million and made a profit before tax of £53,063. The Company has been admitted to trading on AIM since 1996.

The SHH Group operates in the following four business areas:

Marine

SHH's marine businesses comprise two well-located marinas and Plymouth Fisheries. The Marina at Sutton Harbour is a well-established and fully serviced, 5 Gold Anchor award-winning facility with berthing for 523 vessels, subject to berthing configuration, located in the heart of the historical city. King Point Marina, built in 2013, situated at the heart of a major regeneration project in the Millbay area of Plymouth, operates with berthing capacity for up to 171 vessels, subject to configuration. Plymouth Fisheries is the second largest fresh fish market in England.

Car parking

The SHH Group owns two major city car parks: Lambhay Hill and Harbour Car Park. Both are in close proximity to Sutton Harbour with a total of 391 public car parking spaces and both are well-located to benefit

from visitors to the numerous local attractions, as well as servicing users of the marinas and fisheries complex.

Real estate

SHH oversees a high-profile portfolio of property investments based principally around Sutton Harbour and also at the new coastal quarter by King Point Marina. The estate has a strong mix of national, regional and independent tenants, as well as strong occupancy levels, generating stable revenue streams.

Regeneration

SHH's management has a collective vision to create a major waterfront destination where people can live, work and play, centred around the historic asset of Sutton Harbour. They have already delivered various sites and have identified numerous assets for potential development to achieve this vision. These regeneration opportunities include Sugar House, Eastern Gateway, Harbour Arch Quay and the proposed Boardwalk at Vauxhall Quay.

In addition to its regeneration sites around Sutton Harbour, SHH controls and manages the major brownfield regeneration site known as Plym Vale, which was formerly Plymouth City Airport. This site totals approximately 113 acres and plans have been drawn up for a major housing-led, garden suburb-style development with the capacity for more than 1,600 new homes upon planning permission being received. Plymouth City Council currently seeks to safeguard this site for general aviation operations, however the current approach to the former airport site may be affected by the outcome of the ongoing examination into the soundness of the Plymouth and South West Devon Joint Local Plan, for which independent government inspectors have been appointed.

Further information on SHH can be found on its website at www.suttonharbourholdings.co.uk.

9. Ongoing business and operations

Save as described below, FB Investors does not intend to make any changes to the locations of the SHH Group's places of business or the manner in which its assets are deployed, and SHH will continue to be operated, managed and headquartered from Plymouth. In particular, FB Investors does not intend to change the nature of SHH's current business activities in relation to Plymouth Fisheries, the marinas at Sutton Harbour and King Point, the businesses engaged in waterfront property investment, and/or the various car parking facilities.

FB Investors does, however, intend to make available to SHH the property development expertise of Philip Beinhaker and Beinhaker Design Services (in particular, two of its executives, Corey Beinhaker and Joshua Mishkin) and the financial expertise of Albert Friedberg and his associated companies to enable the SHH Group to undertake more direct development work in relation to its existing property interests and without contracting this out to a third party developer. FB Investors believes this approach will enable SHH to secure more of the potential profits arising from these assets for the benefit of SHH Shareholders.

In particular, in relation to Sugar House, FB Investors intends to review with the Company the current plans for the site and revise them such that the Company can take on the development of the site and thus retain more of the profits of the development for its own account to the benefit of all SHH Shareholders who retain an interest in SHH Shares at the relevant time. A key purpose of the extension of the Company's current loan facilities, details of which are set out in paragraph 15 below and in paragraph 6.2 of Appendix VI to this document, and the Share Subscription is to ensure the Company has the time and financial resources to plan and execute this strategy properly. This effort will be led by Philip Beinhaker with the assistance of Corey Beinhaker, Joshua Mishkin and the Company's existing management team.

FB Investors also intends to lend its considerable experience of planning large scale real estate projects to assist and support SHH's current strategy and objectives in relation to SHH's other principal development asset, being the former site of Plymouth City Airport.

10. SHH's management and employees

FB Investors attaches great importance to the skills, expertise and knowledge of the existing management and employees of the SHH Group and believes that they will be a key factor in maximising opportunities.

(i) Staff terms and conditions

FB Investors confirms that it has no intention to make changes to the continued employment of SHH Group employees or to make material changes to the conditions of employment of any of the SHH Group employees. Further, FB Investors confirms that the existing contractual and employment rights of employees of the SHH Group, including accrued pension rights under applicable law, will be safeguarded following completion of the Partial Offer.

(ii) Current SHH Directors

FB Investors will have the right under the Relationship Agreement, amongst other things, to appoint up to two directors to the SHH Board (one of whom may be Chairman of the SHH Board) for so long as it holds, directly or indirectly, 50 per cent. or more of the issued voting share capital of SHH. However, FB Investors has confirmed that its initial intention is that it will only appoint Philip Beinhaker to the SHH Board, and that Philip Beinhaker will be appointed Chairman of the SHH Board (replacing Graham Miller). Further information regarding Philip Beinhaker is set out in paragraph 7 above.

FB Investors wishes to retain the services of the current executive directors, Jason Schofield and Natasha Gadsdon, and two of the three current non-executive directors, being Graham Miller and Sean Swales, following completion of the Partial Offer. Robert De Barr has confirmed that he will resign from the SHH Board, subject to and with effect from the Partial Offer becoming, or being declared, wholly unconditional. However, to enable the SHH Group to continue to benefit from Robert De Barr's considerable property experience, it is envisaged that he will perform consultancy services in relation to the development of Sugar House and certain other major real estate projects following completion of the Partial Offer. FB Investors has noted that the current executive directors of SHH do not have any share incentive arrangements to align their interests with the interests of SHH Shareholders. FB Investors therefore intends to discuss with SHH the implementation of appropriate incentive arrangements following completion of the Partial Offer. As at date of this document, no discussions have taken place as to any terms of any such future incentive arrangements.

Accordingly, following completion of the Partial Offer, the SHH Board will comprise:

- Philip Beinhaker (Chairman)
- Jason Schofield (Chief Executive Officer)
- Natasha Gadsdon (Chief Financial Officer)
- Graham Miller (Non-Executive Director); and
- Sean Swales (Non-Executive Director).

Details of the existing arrangements of the SHH Directors are set out in paragraph 7 of Appendix VI to this document.

11. Retention of SHH's admission to trading on AIM and Relationship Agreement

Following the Partial Offer becoming or being declared wholly unconditional, SHH will remain an independently managed public company quoted on AIM.

SHH, FB Investors and Arden Partners have entered into the Relationship Agreement, which is conditional upon the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms, in order to regulate their relationship on an ongoing basis following completion of the Partial Offer. The principal purpose of the Relationship Agreement is to provide that the relationship between FB Investors and the SHH Group will be conducted independently and on an arm's length basis. The Relationship Agreement addresses, amongst other things, the composition of the SHH Board (providing FB Investors with the ability to appoint up to two directors to the SHH Board (one of whom may be the Chairman) for so long as it holds, directly or indirectly, 50 per cent. or more of the issued voting share capital of SHH) and contains certain restrictions in relation to directors appointed by FB Investors voting at meetings of the SHH

Board on matters in which FB Investors is interested. Under the Relationship Agreement, FB Investors has agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the SHH Board not appointed by FB Investors.

12. Financing the Partial Offer

The cash consideration payable by FB Investors under the terms of the Partial Offer and Share Subscription Agreement will be financed from its existing cash resources.

In accordance with Rule 24.8 of the Takeover Code, WH Ireland, as financial adviser to FB Investors, is satisfied that sufficient resources are available to FB Investors to satisfy in full the cash consideration payable to SHH Shareholders pursuant to the terms of the Partial Offer and to the Company pursuant to the terms of the Share Subscription.

13. SHH Shares to which the Partial Offer relates

The Partial Offer extends to any SHH Shares which are unconditionally allotted or issued and fully paid (or credited as fully paid) on or before the date on which the Partial Offer closes as to acceptances (or such earlier date as FB Investors may, subject to the Takeover Code, decide).

14. Scaling down as to acceptances

SHH Shareholders may accept (or procure the acceptance of) the Partial Offer in respect of any number of the SHH Shares held by them on the Record Date or none at all. Subject to the Partial Offer becoming, or being declared, unconditional in all respects:

- (i) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of 70 per cent. or less of their registered holdings, then their acceptances will be met in full;
- (ii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of 67,393,960 or fewer SHH Shares, then their acceptances will be met in full; and
- (iii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of more than 67,393,960 SHH Shares, each such SHH Shareholder will have their acceptances in excess of 70 per cent. scaled down in the same proportion to the total number of SHH Shares tendered to the extent necessary to enable FB Investors to acquire 67,393,960 SHH Shares.

In relation to any calculation involving numbers or percentages of SHH Shares, FB Investors may, in its absolute discretion, round up or down any number of SHH Shares which is not a whole number, provided that all SHH Shareholders are treated on the same basis.

In the event that scaling down, as described above, is required in respect of any accepting SHH Shareholders, FB Investors will make an announcement stating the basis of such scaling down by 9.00 a.m. on the second Business Day following the closing of the Partial Offer.

15. Overview of RBS Amended and Restatement Facility Agreement

In connection with the Partial Offer, SHH (and its subsidiaries) entered into a conditional amendment and restatement agreement with RBS on 23 November 2017 (the “**RBS Conditional Amendment and Restatement Agreement**”), in relation to the existing facilities agreement dated 3 March 2016 between RBS (as agent for National Westminster Bank plc) and, among others, SHH and Sutton Harbour Company, as borrowers (the “**Existing RBS Facilities Agreement**”), pursuant to which, amongst other things, the term of the Existing RBS Facilities Agreement has been conditionally extended from 3 March 2019 to 31 March 2021 and a waiver has been conditionally granted in respect of the change of control provision under the Existing RBS Facilities Agreement which would have otherwise become effective as a result of the Partial Offer.

The RBS Conditional Amendment and Restatement Agreement will only become effective in the event that the Partial Offer becomes, or is declared, wholly unconditional in accordance with its terms.

16. Deferred shares

SHH has in issue 62,943,752 fully paid deferred shares of 24 pence each. The Deferred Shares are not listed on any exchange and effectively have no rights. In particular, they do not confer on their holders any right to any dividend or other distribution nor the right to receive notice of, attend, speak or vote at general meetings of SHH.

The Deferred Shares will not form part of, and will be unaffected by, the Partial Offer as the Panel has confirmed that the Offeror does not need to make a comparable offer for the Deferred Shares under Rule 14 of the Takeover Code.

17. United Kingdom taxation

Your attention is drawn to paragraph 5 of Appendix VI to this document which sets out a general guide on United Kingdom taxation, based on current legislation and practice.

If you are in any doubt as to your tax position or are subject to taxation in any jurisdiction other than the United Kingdom, you should consult an appropriate independent professional adviser immediately.

18. SHH Shareholders outside the United Kingdom

The availability of the Partial Offer to SHH Shareholders who are not resident in the UK may be affected by the laws and/or regulations of their relevant jurisdiction. Accordingly, such persons should inform themselves about and observe any applicable legal or regulatory requirements in their jurisdiction. If you are in any doubt, you should consult your professional adviser in your relevant jurisdiction without delay.

The attention of SHH Shareholders who are citizens or residents of jurisdictions outside the United Kingdom or who are holding SHH Shares for such citizens or residents and any person (including, without limitation, any agent, nominee, custodian or trustee) who may have an obligation to forward any document in connection with the Partial Offer outside the United Kingdom is drawn to paragraph 7 of Part B, paragraph (c) of Part C and/or paragraph (b) of Part D of Appendix I to this document and, if the SHH Shares are held in Certificated Form, to the relevant provisions of the BLUE Form of Acceptance, which they should read before taking any action.

Unless otherwise determined by FB Investors or required by the Takeover Code (and permitted by applicable law and regulation), copies of this document, the PINK Approval Form, the BLUE Form of Acceptance and any other document related to the Partial Offer are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed, transmitted or sent in or into or from the United States, Canada, Australia, Japan, South Africa or any other Restricted Jurisdiction and persons receiving this document, the PINK Approval Form, the BLUE Form of Acceptance, and any other related document (including custodians, nominees and trustees) must not mail or otherwise distribute or send them in, into or from such jurisdictions as doing so may invalidate any purported acceptance or approval of the Partial Offer.

The Partial Offer is not being made, directly or indirectly in, into or from any Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws of that jurisdiction, and it is not currently intended that the Partial Offer will be capable of acceptance by any such use, means, instrumentality or facility from within any such jurisdiction. Accordingly, persons who are unable to give the warranties set out in paragraphs (c) of Part C and/or paragraph (b) of Part D of Appendix I to this document may be deemed not to have validly accepted the Partial Offer.

If you are in any doubt as to the procedure for acceptance and/or approval of the Partial Offer, if you have any questions about this document insofar as it relates to the Partial Offer or are in any doubt as to how to complete the PINK Approval Form, and/or the BLUE Form of Acceptance (if you hold SHH Shares in Certificated Form), or if you want to request a hard copy of this document please contact the Receiving Agent, Neville Registrars on +44 (0)121 585 1131. Calls are charged at your network provider's standard

rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Partial Offer nor give any financial, legal or tax advice.

If you have any questions about this document insofar as it relates to the Share Subscription, the Resolutions and/or the SHH General Meeting, or are in any doubt as to how to complete, execute and return the WHITE Form of Proxy (if you hold SHH Shares in Certificated Form), please call Computershare Investor Services PLC on +44 (0) 370 707 1326. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.00 p.m., Monday to Friday, excluding public holidays in England and Wales. Please note that Computershare Investor Services PLC cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

19. Procedure for acceptance and approval of the Partial Offer

All SHH Shareholders should read paragraph 19.1 of this letter in conjunction with the PINK Approval Form and Parts B and E of Appendix I to this document.

SHH Shareholders who hold their SHH Shares in Certificated Form should also read paragraph 19.2 of this letter in conjunction with the BLUE Form of Acceptance and Parts B and C of Appendix I to this document.

SHH Shareholders who hold their SHH Shares in Uncertificated Form (that is, through CREST) should read paragraph 19.3 of this letter in conjunction with Parts B and D of Appendix I to this document.

The instructions on the PINK Approval Form and the BLUE Form of Acceptance are deemed to be incorporated in and form part of the terms of the Partial Offer.

19.1 To approve the Partial Offer (whether your SHH Shares are held in Certificated Form or Uncertificated Form and whether or not you intend to accept the Partial Offer)

Under Rule 36.5 of the Code, approval of the Partial Offer is required as described in paragraph 2 of this letter. **The Partial Offer will lapse unless it is approved by SHH Shareholders.**

(a) Completion of the PINK Approval Form

If you approve the Partial Offer (whether or not you intend to accept the Partial Offer) you should, whether you hold your SHH Shares in Certificated Form or Uncertificated Form, complete the PINK Approval Form in accordance with the instructions set out therein. You should complete separate PINK Approval Forms for SHH Shares held under different designations. If you have any queries as to how to complete the PINK Approval Form, please telephone Neville Registrars on +44 (0) 121 585 1131. Additional PINK Approval Forms are available from Neville Registrars upon request.

(i) To approve the Partial Offer in respect of all your SHH Shares

To approve the Partial Offer in respect of all your SHH Shares, you must complete Box 3A of the PINK Approval Form. If appropriate, you should also complete Box 5. In all cases, you must sign either Box 4A or 4B (as applicable) of the PINK Approval Form in accordance with the instructions printed on the PINK Approval Form.

(ii) To approve the Partial Offer in respect of less than all your SHH Shares

To approve the Partial Offer in respect of less than all your SHH Shares, you must insert in Box 3B of the PINK Approval Form such lesser number of SHH Shares in respect of which you wish to approve the Partial Offer in accordance with the instructions printed thereon. You should then follow the procedure set out in paragraph (i) above in respect of such lesser number of SHH Shares. If you do not insert a number in Box 3B of the PINK Approval Form, or if you insert in Box 3B a number which is greater than the number of SHH Shares that you hold and you have signed either Box 4A or 4B (as applicable), your approval will be

deemed to be in respect of all SHH Shares registered in your name on the Record Date as disclosed by details on the register of members of SHH made available to the Receiving Agent.

In all cases, you must sign either Box 4A or 4B (as applicable) on the relevant PINK Approval Form including, if you are an individual, in the presence of a witness who should also sign in accordance with the instructions printed on it. Any SHH Shareholder which is a company should execute the relevant PINK Approval Form in accordance with the instructions printed on it. The PINK Approval Form is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed on it. The PINK Approval Form is a personalised form and is not transferable between accounts or uniquely designated accounts. FB Investors and Neville Registrars accept no liability for any instructions which do not comply with the conditions set out in this document, the PINK Approval Form or any other materials accompanying this document.

(b) *Return of the PINK Approval Form*

To approve the Partial Offer (whether you hold your shares in Certificated Form or Uncertificated Form and whether or not you intend to accept the Partial Offer), the duly completed, signed and witnessed PINK Approval Form should be returned by post or by hand (during normal business hours) to the Receiving Agent, Neville Registrars, at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA as soon as possible, and, in any event, so as to be received not later than 1.00 p.m. on 2 January 2018.

A reply-paid envelope for use in the UK only is enclosed with this document for your convenience. If you are also completing and returning a BLUE Form of Acceptance, this and your PINK Approval Form can be returned together in the same envelope. No acknowledgement of receipt of documents will be given by or on behalf of FB Investors.

Any PINK Approval Form received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to FB Investors or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid approval of the Partial Offer. For further information on Overseas Shareholders, see paragraph 18 of this Part 2 above and paragraph 7 of Part B and paragraph 2 of Part E of Appendix I to this document and the relevant provisions of the PINK Approval Form.

(c) *Validity of approvals*

Without prejudice to Parts B and E of Appendix I to this document and subject to the provisions of the Code, FB Investors reserves the right to treat as valid, in whole or in part, any approval of the Partial Offer which is not entirely in order.

19.2 To accept the Partial Offer in relation to SHH Shares held in Certificated Form (i.e. not in CREST)

(a) *Completion of the BLUE Form of Acceptance*

To accept the Partial Offer in respect of SHH Shares held in Certificated Form, you must complete the BLUE Form of Acceptance in accordance with the instructions set out below and on the BLUE Form of Acceptance. You should complete separate Forms of Acceptance for SHH Shares held in Certificated Form but under different designations. If you have any queries as to how to complete the BLUE Form of Acceptance, please telephone the Receiving Agent, Neville Registrars on +44 (0) 121 585 1131. Additional Forms of Acceptance are available from the Neville Registrars upon request. Acceptances in excess of the Relevant Percentage of your holding of SHH Shares at the Record Date may be subject to scaling down on the basis set out in paragraph 2 of this Part 2.

(i) To accept the Partial Offer in respect of all your SHH Shares in Certificated Form

To accept the Partial Offer in respect of all your SHH Shares held in Certificated Form, you must insert your total holdings of SHH Shares or the word "ALL" in Section 1 of the BLUE Form of Acceptance. If appropriate, you should also complete Sections 3 and/or 4. In all cases, you must sign Section 2 of the BLUE Form of Acceptance in accordance with the instructions printed therein.

- (ii) To accept the Partial Offer in respect of less than all your SHH Shares in Certificated Form
To accept the Partial Offer in respect of less than all your SHH Shares held in Certificated Form, you must insert in Section 1 of the BLUE Form of Acceptance such lesser number of SHH Shares in respect of which you wish to accept the Partial Offer in accordance with the instructions printed thereon. You should then follow the procedure set out in paragraph (i) above in respect of such lesser number of SHH Shares. If you do not insert a number in Section 1 of the BLUE Form of Acceptance, or if you insert a number which is greater than the number of SHH Shares that you hold and you have signed Section 2 (as applicable), your acceptance will be deemed to be in respect of all SHH Shares in Certificated Form held by you.

In all cases, you must sign Section 2 (as applicable) on the relevant BLUE Form of Acceptance including, if you are an individual, in the presence of a witness who should also sign in accordance with the instructions printed on it. Any SHH Shareholder which is a company should execute the relevant BLUE Form of Acceptance in accordance with the instructions printed on it. The BLUE Form of Acceptance is issued only to the addressee(s) and is specific to the class of security and the unique designated account printed on it. The BLUE Form of Acceptance is a personalised form and is not transferable between accounts or uniquely designated accounts. FB Investors and Neville Registrars accept no liability for any instructions which do not comply with the conditions set out in this document, the BLUE Form of Acceptance or any other materials accompanying this document.

(b) *Return of the BLUE Form of Acceptance*

To accept the Partial Offer in respect of SHH Shares held in Certificated Form, the duly completed, signed and witnessed BLUE Form of Acceptance should be returned by post or by hand (during normal business hours) to the Receiving Agent, Neville Registrars, at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA together (subject to paragraph (c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible, and, in any event, so as to be received not later than 1.00 p.m. on 2 January 2018. A reply-paid envelope for use in the UK only is enclosed with this document for your convenience. No acknowledgement of receipt of documents will be given by or on behalf of FB Investors.

Any BLUE Form of Acceptance received in an envelope postmarked in a Restricted Jurisdiction or otherwise appearing to FB Investors or its agents to have been sent from any Restricted Jurisdiction may be rejected as an invalid acceptance of the Partial Offer. For further information on Overseas Shareholders, see paragraph 18 of this Part 2 above and paragraph 7 of Part B and paragraph (c) of Part C of Appendix I to this document and the relevant provisions of the BLUE Form of Acceptance.

(c) *Document(s) of title*

If your SHH Shares are held in Certificated Form, a completed, signed and witnessed BLUE Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and lodge the BLUE Form of Acceptance as stated above so as to be received by Neville Registrars at the address referred to in paragraph (b) above **not later than 1.00 p.m. on 2 January 2018**. You should send with the BLUE Form of Acceptance, any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant outstanding share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title, you should contact the registrars to SHH, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY as soon as possible on +44 (0) 307 707 1326, requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be returned by post or by hand to Computershare at the address given above in this paragraph (c) above. The resulting share

certificates, once received, should then be sent to the Receiving Agent, Neville Registrars, at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

(d) *Validity of acceptances in respect of SHH Shares in Certificated Form*

Without prejudice to Parts B and C of Appendix I to this document and subject to the provisions of the Takeover Code, FB Investors reserves the right to treat as valid, in whole or in part, any acceptance of the Partial Offer in relation to SHH Shares held in Certificated Form which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Partial Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to FB Investors have been received.

19.3 To accept the Partial Offer in relation to SHH Shares held in Uncertificated Form (i.e. in CREST)

(a) *General*

If your SHH Shares are held in Uncertificated Form, to accept the Partial Offer you should take (or procure the taking of) the action set out below to transfer SHH Shares in respect of which you wish to accept the Partial Offer to the appropriate escrow balance(s) (that is, send a TTE Instruction), specifying Neville Registrars (in its capacity as a CREST participant under the Escrow Agent's relevant participant ID referred to below) as the Escrow Agent, **as soon as possible and in any event so that the TTE Instruction settles by not later than 1.00 p.m. on 2 January 2018. Please note that settlement cannot take place on weekends or bank holidays (or other times at which the CREST system is non-operational) – you should therefore ensure that you time the input of any TTE Instructions accordingly.** Acceptances in excess of the Relevant Percentage of your holding of SHH Shares at the Record Date may be subject to scaling down on the basis set out in paragraph 14 of this Part 2.

The input and settlement of a TTE Instruction in accordance with this paragraph (a) will (subject to satisfying the requirements set out in Parts B and D of Appendix I to this document) constitute an acceptance of the Partial Offer in respect of the number of SHH Shares so transferred to escrow.

If you are a CREST sponsored member, you should refer to your CREST Sponsor before taking any action. Your CREST Sponsor will be able to confirm details of your participant ID and the member account ID under which your SHH Shares are held. In addition, only your CREST Sponsor will be able to send the TTE Instruction(s) to Euroclear in relation to your SHH Shares.

After settlement of a TTE Instruction, you will not be able to access SHH Shares concerned in CREST for any transaction or charging purposes. If the Partial Offer becomes or is declared unconditional in all respects, the Escrow Agent will transfer the SHH Shares concerned to itself in accordance with Part D of Appendix I to this document.

You are recommended to refer to the CREST Manual published by Euroclear for further information on the CREST procedures outlined below.

You should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in connection with a TTE Instruction and its settlement. You should therefore ensure that all necessary action is taken by you (or by your CREST Sponsor) to enable a TTE Instruction relating to your SHH Shares to settle prior to 1.00 p.m. on 2 January 2018. In this regard, you are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(b) *TTE Instruction*

To accept the Partial Offer in respect of SHH Shares held in Uncertificated Form, you should send (or, if you are a CREST sponsored member, procure that your CREST Sponsor sends) to Euroclear a TTE Instruction in relation to such SHH Shares. A TTE Instruction to Euroclear must be properly authenticated in accordance with Euroclear's specifications for transfers to escrow and must contain the following details:

- (i) the ISIN of the SHH Shares. This is GB0008659202;
 - (ii) the number of SHH Shares in respect of which you wish to accept the Partial Offer (i.e. the number of SHH Shares in Uncertificated Form to be transferred to escrow);
 - (iii) your participant ID;
 - (iv) your Member Account ID;
 - (v) the participant ID of the Escrow Agent. This is 7RA11;
 - (vi) the member account ID of the Escrow Agent for the Partial Offer. This is SHH;
 - (vii) the intended settlement date. This should be as soon as possible and, in any event, not later than 1.00 p.m. on 2 January 2018;
 - (viii) the corporate action number of the Partial Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
 - (ix) input with a standard delivery instruction priority of 80; and
 - (x) your name and contact telephone number in the shared note field.
- (c) *Validity of acceptances in respect of SHH Shares held in Uncertificated Form*
- Holders of SHH Shares in Uncertificated Form who wish to accept the Partial Offer should note that a TTE Instruction will only be a valid acceptance of that Partial Offer as at the relevant closing date if it has settled on or before 1.00 p.m. on that date. **A BLUE Form of Acceptance which is received in respect of SHH Shares held in Uncertificated Form will not constitute a valid acceptance and will be disregarded.**
- (d) *General*
- FB Investors will make an appropriate announcement if any of the details contained in paragraph (b) above alter for any reason.

Normal CREST procedures (including timings) apply in relation to any SHH Shares that are, or are to be, converted from Uncertificated Form to Certificated Form, or from Certificated Form to Uncertificated Form, during the course of the Partial Offer (whether any such conversion arises as a result of a transfer of SHH Shares or otherwise). SHH Shareholders who are proposing to convert any such SHH Shares are recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the SHH Shares as a result of the conversion to take all necessary steps in connection with an acceptance of the Partial Offer (in particular, as regards delivery of share certificate(s) or other document(s) of title or transfers to an escrow balance in the manner described above) prior to 1.00 p.m. on 2 January 2018.

If you are in any doubt as to the procedure for acceptance of the Partial Offer, please contact Neville Registrars by telephone on +44 (0)121 585 1131, or at the address referred to in paragraph 19.2(b) of this Part 2. You are reminded that, if you are a CREST sponsored member, you should contact your CREST Sponsor before taking any action.

20. Settlement

Except with the consent of the Panel, settlement of the consideration to which any SHH Shareholder is entitled under the Partial Offer will be implemented in full in accordance with the terms of the Partial Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which FB Investors may otherwise be, or claim to be, entitled as against such SHH Shareholder and will be effected:

- (i) in the case of acceptances of the Partial Offer received, complete in all respects (including the relevant transfer to escrow or (as applicable) receipt of relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to FB Investors) by the date on which the Partial Offer becomes, or is declared, unconditional in all respects, within 14 calendar days of such date (or such later date as the Panel may permit); or

- (ii) in the case of acceptances of the Partial Offer received, complete in all respects, after the date on which the Partial Offer becomes, or is declared, unconditional in all respects, but while it remains open for acceptance, within 14 calendar days of such receipt (or such later date as the Panel may permit).

20.1 SHH Shares in Certificated Form (that is, not in CREST)

Where an acceptance relates to SHH Shares in Certificated Form, settlement of any cash due will be despatched by first class post (or such other method as may be approved by the Panel) to accepting SHH Shareholders or their appointed agents (but not in a Restricted Jurisdiction). All such cash payments will be made in pounds Sterling by cheque drawn on a branch of a United Kingdom clearing bank.

20.2 SHH Shares in Uncertificated Form (that is, in CREST)

Where an acceptance relates to SHH Shares in Uncertificated Form, the cash consideration to which the accepting SHH Shareholder is entitled will be paid by means of a CREST Payment in favour of the accepting SHH Shareholder's payment bank in respect of the cash consideration due, in accordance with CREST Payment arrangements. FB Investors reserves the right to settle all or any part of the consideration referred to in this paragraph, for all or any accepting SHH Shareholder(s), in the manner referred to in paragraph 20.1 above, if, for any reason, it wishes to do so except in circumstances where the accepting SHH Shareholder has informed the Receiving Agent in writing prior to the Partial Offer becoming, or being declared, unconditional in all respects that it is unwilling to accept settlement of the consideration by cheque.

20.3 Lapsing or withdrawal of the Partial Offer

If the Partial Offer does not become, or is not declared, unconditional in all respects:

20.3.1 in the case of SHH Shares held in Certificated Form, the relevant BLUE Form of Acceptance and any accompanying share certificate(s) and/or other document(s) of title will be returned by post (or by such other method as may be approved by the Panel) within 14 calendar days of the Partial Offer lapsing to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in the BLUE Form of Acceptance or, if none is set out, to the first named holder at his or her registered address (provided that no such documents will be sent to an address in a Restricted Jurisdiction); and

20.3.2 in the case of SHH Shares held in Uncertificated Form, the Escrow Agent will, as soon as reasonably practicable after the lapsing of the Partial Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days of the lapsing of the Partial Offer), give TFE Instructions to Euroclear to transfer all SHH Shares which are held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Partial Offer, to the original available balances of the SHH Shareholders concerned.

20.4 General

All remittances, communications, notices, certificates and documents of title sent by, to or from SHH Shareholders or their appointed agents will be sent at their own risk.

21. Further information

The terms and conditions of the Partial Offer are set out in full in Appendix I to this document. Your attention is drawn to the further information in the Appendices, which form part of this document, the PINK Approval Form, the WHITE Form of Proxy and, if your SHH Shares are in Certificated Form, to the accompanying BLUE Form of Acceptance, which should be read in conjunction with this document.

You should read this document in full before deciding whether to accept and/or approve the Partial Offer and to vote in respect of the Resolutions to be proposed at the SHH General Meeting. In particular, your attention is drawn to the information referred to in paragraph 14 of Appendix VI to this document and which is incorporated by reference into this document.

22. Takeover Code

As SHH has its registered office in the United Kingdom and is a company whose securities are admitted to a multilateral trading facility in the United Kingdom, the Takeover Code applies to the Partial Offer, including as regards the period for which the Partial Offer is open for acceptances.

Yours faithfully

Philip Beinhaker
FB Investors LLP

APPENDIX I : CONDITIONS TO, AND FURTHER TERMS OF, THE PARTIAL OFFER

PART A: CONDITIONS TO THE PARTIAL OFFER

The Partial Offer will be subject to the following Conditions:

Acceptance Condition and Approval Condition

- (a) valid acceptances of the Partial Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. on the First Closing Date of the Partial Offer (or such later time(s) and/or date(s) as FB Investors may, subject to the rules of the Takeover Code or with the consent of the Panel, decide) in respect of not less than 55,840,710 SHH Shares; and
- (b) approval of the Partial Offer being given in respect of more than 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors.

SHH has agreed that, except as stated below and subject to the requirements of the Panel, the Partial Offer will also be subject to the following conditions:

Third party clearances and authorisations

- (c) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, professional association, institution, employee representative body, or any other such body or person whatsoever in any jurisdiction (each a “**Third Party**” and all collectively “**Third Parties**”) having decided or given notice of a decision to take, institute or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken, or otherwise having done anything, or having enacted, made or proposed and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (i) make the Partial Offer or its implementation or the acquisition or proposed acquisition by FB Investors of all or any SHH Shares, or the acquisition or proposed acquisition of control of SHH, by FB Investors, void, illegal or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, challenge, delay, hinder or otherwise interfere with the same, or impose additional materially adverse conditions or obligations with respect thereto, or otherwise challenge or require amendment to the terms of the Partial Offer or any such acquisition to an extent in any such case which is material in the context of the Partial Offer;
 - (ii) require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture, by any member of the Wider SHH Group of all or any portion of their respective businesses, assets or properties or impose any limitation on the ability of any of them to conduct their respective businesses (or any part of them) or to own or manage their respective assets or properties or any part of them to an extent in any such case which is material in the context of the Wider SHH Group, taken as a whole, or the Partial Offer;
 - (iii) impose any limitation on, or result in a delay in, the ability of FB Investors, directly or indirectly, to acquire or to hold or to exercise effectively all or any rights of ownership in respect of shares, loans or other securities (or the equivalent) in any member of the Wider SHH Group or to exercise management control over any such member to an extent which is material in the context of the Wider SHH Group taken as a whole;
 - (iv) otherwise adversely affect any or all of the businesses, assets, liabilities, profits or prospects of any member of the FB Investors Group or the Wider SHH Group to an extent which is material in the context of the FB Investors Group or the Wider SHH Group, taken as a whole;
 - (v) except pursuant to the Partial Offer require FB Investors or the Wider SHH Group to acquire, or offer to acquire, any shares or other securities (or the equivalent) in, or any asset owned by, any member of the Wider SHH Group;
 - (vi) result in a delay in the ability of FB Investors, or render it unable, to acquire some or all of the SHH Shares to which the Partial Offer relates;

- (vii) require a divestiture by FB Investors of any shares or other securities (or the equivalent) in SHH to any extent; or
- (viii) result in any member of the Wider SHH Group or the FB Investors Group ceasing to be able to carry on business under any name which it presently does so to an extent which is material in the context of the Wider SHH Group, taken as a whole, or the FB Investors Group,

and all applicable waiting and other time periods during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

No transactions, claims or changes in the conduct of the business of SHH

- (d) except as Disclosed, there being no provision of any agreement, authorisation, arrangement, lease, licence, permit or other instrument to which any member of the Wider SHH Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which in consequence of the Partial Offer or the proposed acquisition by FB Investors of any shares or other securities in SHH or because of a change in the control or management of SHH or any member of the Wider SHH Group, would or might reasonably be expected to result in:
 - (i) any monies borrowed by or any other indebtedness (actual or contingent) of, or grant available to, any member of the Wider SHH Group, being or becoming repayable or being capable of being declared repayable immediately or prior to their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn, prohibited or inhibited or becoming capable of being withdrawn, prohibited or inhibited;
 - (ii) any such agreement, authorisation, arrangement, licence, permit or other instrument or the rights, liabilities, obligations or interests of any member of the Wider SHH Group thereunder being terminated or adversely modified or affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
 - (iii) any assets or interests of any member of the Wider SHH Group being or falling to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged otherwise than, in any such case, in the ordinary course of business;
 - (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any material part of the business, property or assets of any member of the Wider SHH Group, or any such mortgage, charge or other security interest (whenever arising or having arisen) becoming enforceable or being enforced;
 - (v) the rights, liabilities, obligations or interests of any member of the Wider SHH Group in, or the business of any such member with, any person, company, firm or body (or any agreements relating to any such interest or business) being terminated, or adversely modified or adversely affected;
 - (vi) the value of any member of the Wider SHH Group or its financial or trading position or profits or prospects being prejudiced or adversely affected; or
 - (vii) the creation or assumption of any material liability, actual or contingent, by any member of the Wider SHH Group,

in each case which is material in the context of the Wider SHH Group, taken as a whole, and no event having occurred which, under any provision of any agreement, authorisation, arrangement, lease, licence, permit or other instrument to which any member of the Wider SHH Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would be reasonably likely to result in any of the events referred to in subparagraphs (i) to (vii) of this paragraph (d);

No changes in share capital

- (e) except as Disclosed, no member of the SHH Group having, since 31 March 2017:
 - (i) except as between SHH and wholly-owned subsidiaries of SHH, or in connection with the Share Subscription, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class or securities convertible into or

- exchangeable for shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
- (ii) sold or transferred or agreed to sell or transfer any SHH Shares held in treasury;
 - (iii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any wholly-owned subsidiary of SHH to SHH or any of its wholly-owned subsidiaries;
 - (iv) other than pursuant to the Partial Offer or as agreed by FB Investors (and except for transactions between SHH and its wholly-owned subsidiaries or in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, partnership, joint venture, asset or profit sharing arrangement, partnership demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings in any such case;
 - (v) (except for transactions between SHH and its wholly-owned subsidiaries or in the ordinary course of business) disposed of, or transferred, mortgaged or created any security interest over any asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so;
 - (vi) (except as between SHH and its wholly-owned subsidiaries) made or authorised or proposed or announced an intention to propose any change in its loan capital;
 - (vii) (except as between SHH and its wholly-owned subsidiaries) issued, authorised or proposed, or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debenture or become subject to any contingent liability or incurred or increased any indebtedness other than in the ordinary course of business;
 - (viii) (except as between SHH and its wholly-owned subsidiaries), purchased, redeemed or repaid, or announced any proposal to purchase, redeem or repay, any of its own shares or other securities or reduced or made any other change to or proposed the reduction or other change to any part of its share capital;
 - (ix) entered into or varied or terminated or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) which is not in the ordinary course of business or is of a long term, onerous or unusual nature or magnitude or which involves or which might be reasonably expected to involve an obligation of such a nature or magnitude or which is restrictive on the business of any member of the Wider SHH Group;
 - (x) entered into or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or materially vary the terms of, any contract, service agreement or arrangement with any director or senior executive of any member of the Wider SHH Group;
 - (xi) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease to carry on all or a substantial part of its business;
 - (xii) (other than in respect of a member of the Wider SHH Group which is dormant and was solvent at the relevant time) taken or proposed any corporate action, or had any legal proceedings threatened or instituted against it for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, trustee or similar officer of all or any part of its assets or revenues or any analogous or equivalent steps or proceedings in any relevant jurisdiction having been taken or had any such person appointed;
 - (xiii) waived, compromised, settled, abandoned or admitted any dispute, claim or counterclaim whether made or potential and whether by or against any member of the SHH Group (in each case otherwise than in the ordinary course of business);
 - (xiv) made any material alteration to its memorandum or articles of association or other constitutional documents;

- (xv) entered into any contract, agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (e),

in each case, to the extent material in the context of the Wider SHH Group taken as a whole;

No adverse change, litigation, contingent liabilities or cessation of licences

(f) except as Disclosed, since 31 March 2017:

- (i) no change having occurred, and no circumstances having arisen which would or might reasonably be expected to result in any material adverse change in the business, assets, financial or trading position or profits or prospects of any member of the Wider SHH Group including the termination of any material customer contract or notice of termination from any material customer;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings or investigations having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of any member of the Wider SHH Group or to which any member of the Wider SHH Group is or may become a party (whether as a claimant, defendant or otherwise) and no enquiry or investigation by any Third Party against or in respect of any member of the Wider SHH Group having been commenced, announced or threatened in writing by or against or remaining outstanding in respect of any member of the Wider SHH Group, which, in any such case, has had, or might reasonably be expected to have, a material adverse effect on the Wider SHH Group taken as a whole;
- (iii) no contingent or other liability having arisen or become apparent to FB Investors outside the ordinary course of business which would or might reasonably be expected to adversely affect any member of the Wider SHH Group to an extent which is material in the context of the Wider SHH Group taken as a whole; or
- (iv) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any material licence held by any member of the Wider SHH Group, which is necessary for the proper carrying on of its business;

No discovery of certain matters

(g) except as Disclosed, FB Investors not having discovered:

- (i) that any financial, business or other information concerning the Wider SHH Group publicly announced or disclosed at any time by or on behalf of any member of the Wider SHH Group to FB Investors, is misleading, contains a misrepresentation of any fact or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the date of this document by disclosure by, or on behalf of, the Wider SHH Group through the publication of an announcement via a Regulatory Information Service, in each case to an extent which is material in the context of the Wider SHH Group taken as a whole;
- (ii) that any member of the Wider SHH Group or any partnership, company or other entity in which any member of the Wider SHH Group has a significant economic interest and which is not a subsidiary undertaking of SHH, is subject to any material liability, contingent or otherwise; or
- (iii) that there is or is likely to be any material liability (whether actual or contingent) on the part of any member of the Wider SHH Group to make good, repair, reinstate or clean up any property of any description or other asset now or previously owned, occupied or made use of by any past or present member of the Wider SHH Group, under any environmental legislation, regulation, notice, circular or order of any Third Party.

Anti-corruption and sanctions

(h) except as Disclosed, FB Investors not having discovered that:

- (i) any past or present member of the Wider SHH Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act

2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption or bribery legislation; or

- (ii) any past or present member of the Wider SHH Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; and
- (i) except as Disclosed, FB Investors not having discovered that any asset of any member of the SHH Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

PART B : FURTHER TERMS OF THE PARTIAL OFFER

Except where the context requires otherwise, any reference in Parts B, C, D and E of this Appendix I and in the BLUE Form of Acceptance and/or the PINK Approval Form:

- (a) to the Partial Offer will include any revision, variation, renewal or extension of the Partial Offer;
- (b) to the Partial Offer becoming unconditional, or being declared, unconditional, will be construed as the Acceptance Condition being fulfilled, whether or not any other Condition remains to be fulfilled;
- (c) to the Acceptance Condition means the Condition as to acceptances of the Partial Offer set out in paragraph (a) of Part A of this Appendix I;
- (d) to the Approval Condition means the Condition as to approval of the Partial Offer set out in paragraph (b) of Part A of this Appendix I;
- (e) to acceptances of the Partial Offer includes deemed acceptances of the Partial Offer;
- (f) to an extension of the Partial Offer includes a reference to an extension of the date by which the Acceptance Condition has to be fulfilled; and
- (g) to the Partial Offer Document will mean this document and any other document containing the Partial Offer.

In Parts B, C, D and E of this Appendix I and in the BLUE Form of Acceptance:

- (i) Day 39 means 15 January 2018 (or such later date as the Panel may agree);
- (ii) Day 46 means 22 January 2018 (or such later date as the Panel may agree);
- (iii) Day 47 means 23 January 2018 (or such later date as the Panel may agree); and
- (iv) Day 60 means 5 February 2018 (or such later date as may be determined by FB Investors with the agreement of the Panel to be the last date for fulfilment of the Acceptance Condition in accordance with the Takeover Code).

The following further terms apply, unless the context requires otherwise, to the Partial Offer.

1. Acceptance Period

- (a) The Partial Offer is initially open for acceptance until 1.00 p.m. on the First Closing Date. FB Investors reserves the right (but will not be obliged, other than as may be required by the Takeover Code) at any time or from time to time to extend the Partial Offer after such time and, in such event, will make a public announcement of such extension in the manner described in paragraph 4 of this Part B of Appendix I and give oral or written notice of such extension to the Receiving Agent. If the Partial Offer has not become unconditional by the First Closing Date, FB Investors may extend the Partial Offer until such time as the Partial Offer becomes unconditional. There can be no assurance, however, that FB Investors will, in such circumstances, extend the Partial Offer and, if no such extension is made, the Partial Offer will lapse on the First Closing Date and no SHH Shares will be purchased pursuant to the Partial Offer.
- (b) Although no revision is envisaged, if the Partial Offer is revised it will remain open for acceptance for a period of at least 14 calendar days (or such other period as may be permitted by the Panel) following the date written notice of the revision is sent to SHH Shareholders. Except with the consent of the Panel, no revision of the Partial Offer may be made after Day 46 or, if later, the date 14 calendar days before the last date on which the Partial Offer can become unconditional.
- (c) The Partial Offer, whether revised or not, will not (except with the consent of the Panel) be capable of becoming unconditional after midnight on Day 60 (or any other time and/or date beyond which FB Investors has stated that the Partial Offer will not be extended and has not, where permitted, withdrawn that statement), nor of being kept open for acceptances after that time and/or date unless the Partial Offer has previously become unconditional, provided that FB Investors reserves the right, with the permission of the Panel, to extend the Partial Offer to (a) later time(s) and/or date(s). Except with the consent of the Panel, FB Investors may not, for the purposes of determining whether the Acceptance Condition has been satisfied, take into account acceptances received after 1.00 p.m. on Day 60 (or any other time(s) and/or date(s) beyond which FB Investors has stated that the Partial Offer will not be

extended (and has not, where permitted, withdrawn that statement)) or, if the Partial Offer is so extended, such later time(s) and/or date(s) as FB Investors, with the permission of the Panel, may determine.

- (d) If the Partial Offer becomes unconditional, it will remain open for acceptance for not less than 14 calendar days from the date on which it would otherwise have expired. If the Partial Offer has become unconditional and it is stated by or on behalf of FB Investors that the Partial Offer will remain open until further notice, then not less than 14 calendar days' notice in writing will be given before the closing of the Partial Offer by or on behalf of FB Investors to those SHH Shareholders who have not accepted the Partial Offer before the closing of the Partial Offer.
- (e) If a competitive situation arises (as determined by the Panel) and is continuing on Day 60, FB Investors will enable holders of SHH Shares held in Uncertificated Form who have not already validly accepted the Partial Offer but who have previously accepted the competing offer to accept the Partial Offer by a special form of acceptance to take effect on the day that:
 - (i) it is received by the Receiving Agent on or before Day 60;
 - (ii) the relevant SHH Shareholder shall have applied to withdraw his acceptance of the competing offer but that the SHH Shares held in Uncertificated Form to which such withdrawal relates shall not have been released from escrow before Day 60 by the Escrow Agent to the competing offer; and
 - (iii) the SHH Shares held in Uncertificated Form to which the special form of acceptance relates are not transferred to escrow in accordance with the procedure for acceptance set out in the letter from FB Investors in Part 2 of this document on or before Day 60, but an undertaking is given that they will be so transferred as soon as possible thereafter. SHH Shareholders wishing to use such forms of acceptance should apply to Neville Registrars on +44 (0)121 585 1131. Calls are charged at your network provider's standard rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. and 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Partial Offer nor give any financial, legal or tax advice. Notwithstanding the right to use such special form of acceptance, holders of SHH Shares held in Uncertificated Form may not use a form of acceptance (or any other purported acceptance form) for the purpose of accepting the Partial Offer in respect of such SHH Shares.
- (f) If a competitive situation arises (as determined by the Panel) after FB Investors has made a "no increase" statement and/or a "no extension" statement (as referred to in the Takeover Code) in connection with the Partial Offer, FB Investors may, if it specifically reserved the right to do so at the time such statement was made (or otherwise with the consent of the Panel), choose not to be bound by, or withdraw, such statement and be free to revise and/or extend the Partial Offer provided it complies with the requirements of the Takeover Code and, in particular, that:
 - (i) it announces the withdrawal as soon as possible and, in any event, within four Business Days of the firm announcement of the competing offer or other competitive situation;
 - (ii) it notifies SHH Shareholders (and persons with information rights) to that effect in writing at the earliest opportunity or, in the case of SHH Shareholders with registered addresses outside the United Kingdom or whom FB Investors reasonably believes to be agents, nominees, custodians or trustees holding SHH Shares for such persons, by announcement in the United Kingdom at the earliest opportunity; and
 - (iii) any SHH Shareholder who accepted the Partial Offer after the date of the "no increase" or "no extension" statement is given a right of withdrawal in accordance with paragraph 5(d) of this Part B.

FB Investors may, if it specifically reserved the right to do so at the time such statement was made (or otherwise with the consent of the Panel), choose not to be bound by a "no increase" or "no extension" statement and may publish an increased or improved Partial Offer (either as to the value or form of the consideration or otherwise) which is recommended for acceptance by the SHH Directors, or in other circumstances permitted by the Panel.

- (g) FB Investors may, if it has reserved the right to do so at the time the statement was made (or otherwise with the consent of the Panel) and SHH makes an announcement of the kind referred to in Rule 31.9 of the Takeover Code after Day 39, choose not to be bound by a “no increase” and/or “no extension” statement and revise and/or extend the Partial Offer with the consent of the Panel, provided FB Investors complies with the requirements of the Takeover Code and other applicable law and, in particular, that notice to this effect is published as soon as possible and in any event within four Business Days after the date of the SHH announcement and SHH Shareholders are notified in writing (or in the case of SHH Shareholders with registered addresses outside the United Kingdom or who FB Investors reasonably believes to be agents, nominees, custodians or trustees holding SHH Shares for such persons, by announcement in the United Kingdom) at the earliest opportunity.

2. Number of SHH Shares for which acceptances will be met and scaling down

SHH Shareholders may accept the Partial Offer in respect of any number of their SHH Shares or none at all. Subject to the Partial Offer becoming, or being declared, unconditional in all respects:

- (i) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of 70 per cent. or less of their registered holdings, then their acceptances will be met in full;
- (ii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of 67,393,960 or fewer SHH Shares, then their acceptances will be met in full; and
- (iii) if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of more than 67,393,960 SHH Shares, each such SHH Shareholder will have their acceptances in excess of 70 per cent. scaled down in the same proportion to the total number of SHH Shares tendered to the extent necessary to enable FB Investors to acquire 67,393,960 SHH Shares.

In the event that scaling down, as described above, is required in respect of any accepting SHH Shareholders, FB Investors will make an announcement stating the basis of such scaling down by 9.00 a.m. on the second Business Day following the closing of the Partial Offer.

In relation to any calculation involving numbers or percentages of SHH Shares, FB Investors may, in its absolute discretion, round up or round down any number of SHH Shares which is not a whole number, provided that all SHH Shareholders are treated on the same basis. In determining the names of the SHH Shareholders and their registered holdings of SHH Shares, FB Investors shall be entitled to rely, without any further enquiry, on information provided by Computershare Investor Services PLC and to treat such information as conclusive.

3. Approval Condition

- (a) Under Rule 36.5 of the Takeover Code, any offer which could result in FB Investors and persons acting in concert with FB Investors being interested in SHH Shares carrying 30 per cent. or more of the voting rights of SHH must be conditional on the Acceptance Condition being satisfied but also on approval of the Partial Offer being given in respect of over 50 per cent. of the voting rights held by SHH Shareholders who are independent of FB Investors and persons acting in concert with FB Investors.
- (b) If such approval is not obtained, the Partial Offer will lapse. Therefore, whether or not you wish to accept the Partial Offer and whether you hold your SHH Shares in Certificated Form or Uncertificated Form, if you wish to approve the Partial Offer, please complete and sign the enclosed PINK Approval Form and return it by post or by hand (during normal business hours) to the Receiving Agent, Neville Registrars, at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA or as soon as possible and, in any event, so as to be received not later than 1.00 p.m. on the First Closing Date.

If the Approval Condition has not been satisfied by the First Closing Date, FB Investors may extend the Partial Offer until such time as the Approval Condition is satisfied (subject to the provisions of the Takeover Code). There can be no assurance, however, that FB Investors will, in such circumstances, extend the Partial Offer and, if no such extension is made, the Partial Offer will lapse on the First Closing Date and no SHH Shares will be purchased pursuant to the Partial Offer.

For the purposes of determining at any particular time whether the Approval Condition is satisfied:

- (i) reference will be made to the number of SHH Shares in issue at the close of business on the Record Date as disclosed by details of the register of members made available to the Receiving Agent;
- (ii) FB Investors is not bound (unless otherwise required by the Panel) to take into account any SHH Shares which have been issued or unconditionally allotted or which arise as a result of the exercise of subscription or conversion rights (if any) before the determination takes place unless SHH or its agent has been given written notice containing relevant details of the allotment, issue, subscription or conversion before that time to FB Investors or the Receiving Agent on behalf of FB Investors. Notification by e-mail, telex or facsimile or other electronic transmission or copies will not be sufficient to constitute written notice for this purpose; and
- (iii) any approval received from any person in respect of SHH Shares for which such person is not the registered holder on the Record Date as disclosed by details of the register of members made available to the Receiving Agent shall be disregarded.

4. Announcements

- (a) Without prejudice to paragraph 5(a) of this Part B, by 8.00 a.m. on the Business Day (the “**Relevant Day**”) following the day on which the Partial Offer is due to expire or becomes unconditional or is revised or is extended, as the case may be (or such later time(s) and/or date(s) as the Panel may agree), FB Investors will make an appropriate announcement and simultaneously send the announcement to a Regulatory Information Service. In the announcement, FB Investors shall state (unless otherwise permitted by the Panel):
 - (i) the total number of SHH Shares for which acceptances of the Partial Offer have been received, specifying the extent to which acceptances have been received from persons acting, or deemed to be acting, in concert with FB Investors for the purposes of the Partial Offer or in respect of SHH Shares which were subject to an irrevocable commitment or a letter of intent procured by FB Investors or any persons acting in concert with it;
 - (ii) details of any relevant securities of SHH in which FB Investors, or any person acting in concert with FB Investors, has:
 - A. an interest or in respect of which it has a right to subscribe, in each case specifying the nature of the interests or rights concerned; and
 - B. any short positions (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;
 - (iii) details of any relevant securities of SHH in respect of which FB Investors, or any person acting in concert with FB Investors, has an outstanding irrevocable commitment or letter of intent; and
 - (iv) details of any relevant securities of SHH which FB Investors, or any person acting in concert with FB Investors, has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will, in each case, specify the percentages of each class of relevant securities of SHH represented by each of these figures. Any such announcement will specify the total number of SHH Shares which FB Investors may count towards satisfaction of the Acceptance Condition and the percentage of SHH Shares represented by this figure.

- (b) Any decision to extend the time and/or date by which the Acceptance Condition has to be satisfied may be made at any time up to, and will be announced no later than, 8.00 a.m. on the Relevant Day (or such later time(s) and/or date(s) as the Panel may agree). The announcement will also state the next expiry date unless the Partial Offer is unconditional, in which case it may instead state that the Partial Offer will remain open until further notice, and will state the information specified in paragraphs (i) – (iv) inclusive of paragraph 4(a) of this Part B.
- (c) In calculating the number of SHH Shares represented by acceptances, FB Investors may only include acceptances if they could count towards fulfilling the Acceptance Condition under Notes 4, 5 and 6 (as applicable) of Rule 10 of the Takeover Code, unless the Panel agrees otherwise. Subject to this,

FB Investors may include or exclude, for announcement purposes, acceptances which are not complete in all respects or not accompanied by the relevant share certificate(s) or other document(s) of title or which are subject to verification.

- (d) In the event that scaling down is required, FB Investors will make an announcement stating the basis of such scaling down by 9.00 a.m. on the second Business Day following the closing of the Partial Offer.
- (e) In this Appendix I, references to the making of an announcement or the giving of notice by FB Investors include the release of an announcement to the press and the delivery by hand or telephone, telex or facsimile transmission or other electronic transmission of an announcement to a Regulatory Information Service in each case by or on behalf of FB Investors. An announcement made otherwise than to a Regulatory Information Service will be notified simultaneously to a Regulatory Information Service (unless the Panel otherwise agrees).
- (f) A copy of any announcement made by FB Investors in accordance with this paragraph 4 will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on FB Investors' website at www.fbllp.co.uk as soon as possible and in any event by no later than 12 noon on the Business Day following the announcement and will remain on such website while the Partial Offer remains open for acceptances.
- (g) Without limiting the manner in which FB Investors may choose to make any public statement and subject to FB Investors' obligations under applicable law and rules and paragraph 4(e) and 4(f) above, FB Investors will have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release to a Regulatory Information Service.

5. Rights of withdrawal

- (a) If FB Investors, having announced the Partial Offer to be unconditional, fails by 3.30 p.m. on the Relevant Day (or such later time and/or date as the Panel may agree) to comply with any of the other relevant requirements specified in paragraph 4(a) of this Part B, an accepting SHH Shareholder holding SHH Shares in Certificated Form may (unless the Panel otherwise agrees) immediately after that time withdraw his acceptance of the Partial Offer by Written Notice (defined below) signed by the accepting SHH Shareholder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to FB Investors, is produced with the notice) given by post to Neville Registrars at Neville House, 18 Laurel Lane, West Midlands B63 3DA. Alternatively, in the case of SHH Shares held in Uncertificated Form, withdrawals should be effected in the manner set out in paragraph 5(h) of this Part B. Subject to paragraph 1(c) of this Part B, this right of withdrawal may be terminated not less than eight calendar days after the Relevant Day by FB Investors confirming, if that be the case, that the Partial Offer is still unconditional and complying with the other relevant requirements specified in paragraph 4(a) of this Part B. If any such confirmation is given, the first period of 14 calendar days referred to in paragraph 1(d) of this Part B will run from the date of that confirmation and compliance.
- (b) If by 1.00 p.m. on Day 48 (or such later time and/or date as the Panel may agree) the Partial Offer has not become unconditional, an accepting SHH Shareholder may withdraw his acceptance at any time thereafter in the manner referred to in paragraph 5(a) of this Part B (or, in the case of SHH Shares held in Uncertificated Form, in the manner set out in paragraph 5(h) of this Part B), before the earlier of:
 - (i) the time that the Partial Offer becomes unconditional; and
 - (ii) the final time for lodgement of acceptances which can be taken into account in accordance with paragraph 1(c) of this Part B.
- (c) If an accepting SHH Shareholder holding SHH Shares in Certificated Form withdraws his acceptance, all document(s) of title and other documents lodged with the BLUE Form of Acceptance will be returned as soon as practicable following the receipt of the withdrawal (and in any event within 14 days) and the Receiving Agent will immediately give instructions for the release of securities held in escrow.
- (d) If a "no extension" and/or "no increase" statement is withdrawn in accordance with paragraph 1(f) of this Part B any acceptance made by a SHH Shareholder after the date of that statement may be withdrawn thereafter in the manner referred to in paragraph 5(a) of this Part B (or, in the case of SHH

Shares held in Uncertificated Form, in the manner set out in paragraph 5(h) of this Part B) for a period of eight calendar days following the date on which the notice of the withdrawal of such statement is published.

- (e) Except as provided by this paragraph 5, acceptances of, and elections under, the Partial Offer will be irrevocable.
- (f) In this paragraph 5, "**Written Notice**" (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of (as applicable) the relevant accepting SHH Shareholder or his/their agent(s) duly appointed in writing (evidence of whose appointment reasonably satisfactory to FB Investors is produced with the notice) given by post to Neville Registrars, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA. Telex, email, facsimile or other electronic transmissions or copies will not be sufficient to constitute Written Notice. No notice which is post-marked in, or otherwise appears to FB Investors or its agents to have been sent from, any Restricted Jurisdiction or from a resident of any Restricted Jurisdiction will be treated as valid. The notice must include all relevant information to enable the Receiving Agent to identify the SHH Shares to be withdrawn and a contact telephone number for the SHH Shareholder.
- (g) To be effective, a Written Notice of withdrawal must be received on a timely basis by the Receiving Agent and must specify the name of the person who has tendered the SHH Shares to be withdrawn and (if share certificate(s) or other document(s) of title have been tendered) the name of the holder of the relevant SHH Shares, if different from the name of the person who tendered the SHH Shares.
- (h) In the case of SHH Shares held in Uncertificated Form (i.e. in CREST), if withdrawals are permitted pursuant to paragraph 5(a), 5(b) or 5(d) of this Part B, an accepting SHH Shareholder may withdraw his acceptance through CREST by sending (or, if a CREST sponsored member, procuring that his CREST Sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance to be withdrawn. Each ESA Instruction must, in order for it to be valid and settle, include the following details:
- the number of SHH Shares to be withdrawn, together with their ISIN number which is GB0008659202;
 - the member account ID of the accepting SHH Shareholder;
 - the Participant ID of the accepting SHH Shareholder;
 - the member account ID of the Escrow Agent (this is SHH) included in the relevant Electronic Acceptance;
 - the Escrow Agent's Participant ID (7RA11);
 - the CREST transaction ID of the Electronic Acceptance to be withdrawn, which is to be inserted at the beginning of the shared note field;
 - the intended settlement date for the withdrawal;
 - the corporate action number for the Partial Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
 - input with standard delivery instruction of priority 80; and
 - the name and contact telephone number of the accepting SHH Shareholder inserted into the shared note field.

Any such withdrawal will be conditional upon the Receiving Agent verifying that the withdrawal request is validly made. Accordingly, the Receiving Agent will, on behalf of FB Investors, reject or accept the withdrawal by transmitting in CREST a receiving agent reject (**AEAD**) or receiving agent accept (**AEAN**) message.

- (i) SHH Shares in respect of which acceptances have been validly withdrawn in accordance with this paragraph 5 may subsequently be re-assented to the Partial Offer by following one of the procedures described in paragraph 19 of Part 2 of this document at any time while the Partial Offer remains open for acceptance.

- (j) Any question as to the validity (including time receipt) of any notice of withdrawal will be determined by FB Investors, whose determination, except as otherwise may be determined by the Panel, will be final and binding. Neither FB Investors nor the Receiving Agent nor any other person will be under any duty to give notification of any defect or irregularity in any notice of withdrawal or will incur any liability for failure to do so.

6. Revised Partial Offer

- (a) Although no such revision is envisaged, if the Partial Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or form of the consideration offered or otherwise), and any such revised Partial Offer represents, on the date on which the revision is announced (on such basis as WH Ireland, acting reasonably and solely in its capacity as FB Investors' financial adviser, may consider appropriate), an improvement (or no diminution) in the value of the consideration of the Partial Offer as so revised compared with the value of the consideration or terms previously offered, or in the overall value received by a SHH Shareholder (under or in consequence of the Partial Offer or otherwise), the benefit of the revised Partial Offer will, subject to paragraphs 6(f), 6(g) and 7 of this Part B be made available to any SHH Shareholder who has validly accepted the Partial Offer in its original or any previously revised form(s) and who has not validly withdrawn such acceptance (a "**Previous Acceptor**"). The acceptance by or on behalf of a Previous Acceptor of the Partial Offer in its original or any previously revised form(s) shall, subject to paragraphs 6(f), 6(g) and 7 of this Part B, be deemed to be an acceptance of the Partial Offer as so revised and will also constitute an authority to FB Investors or any of its directors, authorised representatives and agents as his attorney and/or agent ("**attorney**"):
 - (i) to accept any such Partial Offer on behalf of such Previous Acceptor;
 - (ii) if such Partial Offer includes alternative forms of consideration, to make on his behalf elections for and/or accept such alternative forms of consideration on his behalf in such proportions as such attorney in his absolute discretion thinks fit; and
 - (iii) to execute on behalf of and in the name of such Previous Acceptor all such further documents (if any) and take such further actions (if any) as may be required to give effect to such acceptances and/or elections.

In making any such acceptance or making any such election, the attorney will take into account the nature of any previous acceptances and/or elections made by the Previous Acceptor and such other facts or matters as he may reasonably consider relevant. The attorney shall not be liable to any SHH Shareholder or any other person in making such acceptance or in making any determination in respect of it.

- (b) The powers of attorney and authorities conferred by this paragraph 6, and any acceptance of the Partial Offer, shall be irrevocable unless and until the Previous Acceptor withdraws his acceptances having become entitled to do so under paragraph 5 of this Part B.
- (c) FB Investors and the Receiving Agent reserve the right (subject to paragraph 6(a) of this Part B) to treat an executed BLUE Form of Acceptance or TTE Instruction relating to the Partial Offer in its original or any previously revised form(s) which is received (or dated) on or after the announcement or issue of the Partial Offer in any revised form as a valid acceptance of the Partial Offer (and, where applicable, a valid election for the alternative form(s) of consideration). Such acceptance will constitute an authority in the terms of paragraph 6(a) of this Part B, *mutatis mutandis*, on behalf of the relevant SHH Shareholder.
- (d) Although no revision is contemplated, if the Partial Offer is revised, a revised Partial Offer Document will be published. On the day of publication, FB Investors will publish the document on its website and will announce that the document has been so published. Where necessary, a circular containing the opinion of the SHH Directors on the Partial Offer will be published. On the day of publication, SHH will publish the document on its website and will announce that it has been so published.
- (e) Although no revision is contemplated, if a revised Partial Offer Document is published, both FB Investors and SHH will make the revised Partial Offer Document readily and promptly available to the representatives of the employees of FB Investors and SHH respectively or, where there are no such

representatives, to the employees themselves. SHH will make any circular published by the SHH Directors readily and promptly available to its employee representatives or, where there are no such representatives, to the employees themselves.

- (f) The deemed acceptances and/or elections referred to in this paragraph 6 shall not apply and the authorities conferred by this paragraph 6 shall not be exercised by FB Investors or any of its authorised representatives and agents if, as a result thereof, the Previous Acceptor would (on such basis as WH Ireland, acting reasonably and solely as FB Investors' financial adviser may consider appropriate) thereby receive under or in consequence of the Partial Offer, and/or any alternative pursuant thereto as revised or otherwise, less in aggregate consideration under the Partial Offer than he would have received in aggregate consideration as a result of acceptance of the Partial Offer in the form in which it was originally accepted by him or on his behalf, having regard to any previous acceptance or election originally made by him, unless the Previous Acceptor has previously otherwise agreed in writing.
- (g) The deemed acceptances and elections referred to in this paragraph 6 will not apply, and the authorities conferred by this paragraph will be ineffective, to the extent that a Previous Acceptor:
- (i) in respect of SHH Shares in Certificated Form, lodges with the Receiving Agent in the manner specified in paragraph 5(a) of this Part B, within 14 calendar days of the publication of the document pursuant to which the revision of the Partial Offer is made available to SHH Shareholders, a BLUE Form of Acceptance or some other form issued by or on behalf of FB Investors in which the SHH Shareholder validly elects to receive the consideration receivable by him under such revised Partial Offer in some other manner than that set out in his original acceptance; or
 - (ii) in respect of SHH Shares held in Uncertificated Form, sends (or, if a CREST Sponsored member, procures that his CREST Sponsor sends) an ESA Instruction to settle in CREST in relation to each Electronic Acceptance in respect of which an election is to be varied. Each ESA Instruction must, in order for it to be valid and settle, include the following details:
 - the number of SHH Shares in respect of which the changed election is made, together with their ISIN which is GB0008659202;
 - the member account ID of the Previous Acceptor;
 - the Participant ID of the Previous Acceptor;
 - the member account ID of the Escrow Agent (this is SHH) included in the relevant Electronic Acceptance;
 - the Escrow Agent's Participant ID (this is 7RA11);
 - the CREST transaction ID of the Electronic Acceptance in respect of which the election is to be changed;
 - the intended settlement date for the changed election;
 - the corporate action number for the Partial Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
 - and, in order that the desired change of election can be effected, must include:
 - the Member Account ID of the Escrow Agent relevant to the new election; and
 - input with standard delivery instruction of priority 80.

Any such change of election will be conditional upon the Receiving Agent verifying that the request is validly made. Accordingly, the Receiving Agent will on behalf of FB Investors reject or accept the requested change of election by transmitting in CREST a receiving agent reject (**AEAD**) or receiving agent accept (**AEAN**) message.

7. SHH Shareholders outside the United Kingdom

- (a) The making of the Partial Offer in certain jurisdictions, or to certain persons who are Overseas Shareholders, may be prohibited or affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about, and observe, any applicable legal requirements. It is

the responsibility of any Overseas Shareholder wishing to accept the Partial Offer to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Partial Offer, including the obtaining of any governmental, exchange control or other consents which may be required and the compliance with other necessary formalities needing to be observed and the payment of any issue, transfer or other taxes or duties or other requisite payments due in that jurisdiction. Any such Overseas Shareholder will be responsible for the payment of any issue, transfer or other taxes due in that jurisdiction by whomsoever payable and FB Investors (and any person acting on its behalf) shall be fully indemnified and held harmless by such Overseas Shareholder for any such issue, transfer or other taxes as such person may be required to pay. If you are an Overseas Shareholder and you are in doubt about your position, you should consult your professional adviser in the relevant jurisdiction.

- (b) In particular, the Partial Offer is not being made, directly or indirectly, in or into or by use of the mails of, or by any other means or instrumentality of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction and the Partial Offer cannot be accepted and/or approved by any such use, means or instrumentality or otherwise from any Restricted Jurisdiction. Such means or instrumentalities include, but are not limited to, facsimile transmission, email, telex, telephone and internet.
- (c) Copies of this document, the BLUE Form of Acceptance, the PINK Approval Form and any related offer document(s) are not, and must not be, mailed or otherwise distributed or sent in or into any Restricted Jurisdiction including to SHH Shareholders with registered addresses in any Restricted Jurisdiction or to persons whom FB Investors knows to be agents, nominees, custodians or trustees holding SHH Shares for such persons. Persons receiving such documents (including, without limitation, agents, nominees, custodians and trustees) must not distribute, send or mail them in, into or from any Restricted Jurisdiction or use any such mails or any such means, instrumentality or facility for any purpose, directly or indirectly, in connection with the Partial Offer, and doing so may render invalid any related purported acceptance and/or approval of the Partial Offer. Persons wishing to accept and/or approve the Partial Offer must not use the mails of any Restricted Jurisdiction or any such means, instrumentality or facility for any purpose directly or indirectly related to acceptance and/or approval of the Partial Offer. All SHH Shareholders (including nominees, trustees and custodians) who have a contractual or legal obligation, or may otherwise intend, to forward this document (but not any personalised BLUE Form of Acceptance or PINK Approval Form) or any related document, should read further the details in this regard which are contained in this paragraph 7 of Part B and in Parts C, D and E of this Appendix I before taking any action. Envelopes containing the BLUE Form of Acceptance, the PINK Approval Form or other documents relating to the Partial Offer must not be postmarked in or otherwise despatched from any Restricted Jurisdiction and all acceptors must provide addresses outside Restricted Jurisdictions for the receipt of the consideration to which they are entitled under the Partial Offer and which is despatched by post or for the return of the BLUE Form of Acceptance, the PINK Approval Form and (in relation to SHH Shares held in Certificated Form) any SHH Share certificate(s) and/or other document(s) of title.
- (d) Subject as provided below, a SHH Shareholder will be deemed not to have accepted the Partial Offer if:
 - (i) he puts "NO" in Section 3 of the BLUE Form of Acceptance and thereby does not make the representations and warranties set out in paragraph (c) of Part C of this Appendix I;
 - (ii) he has a registered address in any Restricted Jurisdiction and in either case he does not insert in Section 4 of the BLUE Form of Acceptance the name and address of a person or agent outside a Restricted Jurisdiction to whom he wishes the consideration to which he is entitled under the Partial Offer be sent, subject to the provisions of this paragraph and applicable laws;
 - (iii) he inserts in Section A of the BLUE Form of Acceptance a telephone number in a Restricted Jurisdiction for use in the event of queries;
 - (iv) a BLUE Form of Acceptance received from him is received in an envelope postmarked in, or otherwise appears to FB Investors or its agents to have been sent from, any Restricted Jurisdiction; or
 - (v) he makes a Restricted Escrow Transfer pursuant to paragraph 7(g) of this Part B unless he also makes a related Restricted ESA Instruction which is accepted by the Receiving Agent.

FB Investors reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph (c) of Part C (or, as the case may be, paragraph (b) of Part D) of this Appendix I could have been truthfully given by the relevant SHH Shareholder and, if such investigation is made and as a result FB Investors determines that such representations and warranties could not have been so given, such acceptance may be rejected as invalid.

- (e) If, notwithstanding the restrictions described above, any person (including, without limitation, agents, nominees, custodians and trustees) whether pursuant to a contractual or legal obligation or otherwise forwards this document, the BLUE Form of Acceptance, the PINK Approval Form or any related offer document in, into or from any Restricted Jurisdiction or uses the mails or any means or instrumentality (including, without limitation, facsimile transmission, email, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction in connection with such forwarding, such person should:
- (i) inform the recipient of such fact;
 - (ii) explain to the recipient that such action may invalidate any purported acceptance by the recipient; and
 - (iii) draw the attention of the recipient to this paragraph 7.
- (f) Notwithstanding anything to the contrary contained in this document, the BLUE Form of Acceptance, the PINK Approval Form or any related document, FB Investors may in its sole and absolute discretion make the Partial Offer (with or without giving effect to the foregoing paragraphs of this paragraph 7) in any Restricted Jurisdiction pursuant to an exemption under applicable law in a Restricted Jurisdiction if FB Investors is satisfied in that particular case that to do so would not constitute a breach of any securities or other relevant legislation of any Restricted Jurisdiction and, in this connection, the provisions of paragraph (c) of Part C and paragraph (b) of Part D of this Appendix I will be varied accordingly.
- (g) The provisions of this paragraph 7 supersede any terms of the Partial Offer inconsistent with them. The provisions of this paragraph 7 and/or any other terms of the Partial Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific SHH Shareholder(s) or on a general basis by FB Investors in its absolute discretion.

If a holder of SHH Shares held in Uncertificated Form is unable to give the warranty set out in paragraph (b) of Part D of this Appendix I, but nevertheless can provide evidence satisfactory to FB Investors that he is able to accept the Partial Offer in compliance with all relevant legal and regulatory requirements, he may only purport to accept the Partial Offer by sending (or if a CREST Sponsored member, procuring that his CREST Sponsor sends) both (i) a valid TTE Instruction to a designated escrow balance detailed below (a “**Restricted Escrow Transfer**”); and (ii) one or more valid ESA Instructions (a “**Restricted ESA Instruction**”). Such purported acceptance will not be treated as a valid acceptance unless both the Restricted Escrow Transfer and, if applicable, the Restricted ESA Instruction(s) settle in CREST and FB Investors decides, in its absolute discretion, to exercise its right described in paragraph 7(f) of this Part B to waive, vary or modify the terms of the Partial Offer relating to Overseas Shareholders, to the extent required to permit such acceptance to be made, in each case during the acceptance period set out in paragraph 1 of this Part B. If FB Investors accordingly decides to permit such acceptance to be made, the Receiving Agent will on behalf of FB Investors accept the purported acceptance as an Electronic Acceptance on the terms of this document (as so waived, varied or modified) by transmitting in CREST a receiving agent accept (AEAN) message. Otherwise, the Receiving Agent will on behalf of FB Investors reject the purported acceptance by transmitting in CREST a receiving agent reject (AEAD) message.

Each Restricted Escrow Transfer must, in order for it to be valid and settle, include the following details:

- the ISIN for the SHH Shares (this is GB0008659202);
- the number of SHH Shares in Uncertificated Form in respect of which the Partial Offer is to be accepted;
- the member account ID and Participant ID of the SHH Shareholder;

- the Participant ID of the Escrow Agent (this is 7RA11) and its Member Account ID specific to a Restricted Escrow Transfer (this is SHH);
- the intended settlement date, which should be as soon as possible and no later than 1.00 p.m.;
- the corporate action reference number for the Partial Offer which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST;
- input standard delivery instruction of priority 80; and
- contact name and telephone number to be inserted in the shared note field.

Each Restricted ESA Instruction must, in order for it to be valid and settle, include the following details:

- the ISIN for the SHH Shares (this is GB0008659202);
- the number of SHH Shares held in Uncertificated Form relevant to that Restricted ESA Instruction;
- the member account ID and Participant ID of the accepting SHH Shareholder;
- the Participant ID of the Escrow Agent. This is 7RA11;
- the member account ID of the Escrow Agent set out in the Restricted Escrow Transfer (this is SHH);
- the member account ID of the Escrow Agent in respect of the Partial Offer (this is SHH);
- the CREST transaction ID of the Restricted Escrow Transfer to which the Restricted ESA Instruction relates;
- the intended settlement date, which should be as soon as possible and no later than 1.00 p.m.;
- the corporate action number for the Partial Offer, which is allocated by Euroclear and can be found by viewing the relevant corporate action details in CREST; and
- input standard delivery instruction priority of 80.

- (h) The provisions of this paragraph 7 and/or any other terms of the Partial Offer relating to Overseas Shareholders may be waived, varied or modified as regards specific SHH Shareholder(s) or on a general basis by FB Investors in its absolute discretion. Subject thereto, the provisions of this paragraph 7 of Part B supersede any terms of the Partial Offer inconsistent with them. References in this paragraph 7 of Part B to a SHH Shareholder shall (as appropriate) include the person or persons executing a BLUE Form of Acceptance or making an Electronic Acceptance and, in the event of more than one person executing a BLUE Form of Acceptance or making an Electronic Acceptance (as the case may be), the provisions of this paragraph shall apply to them jointly and severally.
- (i) Neither FB Investors nor any of its advisers nor any person on behalf of any of them shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Partial Offer on any of the bases set out above or otherwise in connection therewith.
- (j) FB Investors reserves the right to notify any matter, including the making of the Partial Offer, to all or any Overseas Shareholders by announcement in the United Kingdom through a Regulatory Information Service or in any other appropriate manner or by notice in the London Gazette or paid advertisement in one or more newspapers published and circulated in the United Kingdom. Such notice shall be deemed to have been sufficiently given, despite any failure by any such Overseas Shareholder to receive or see that notice. A reference in this document to a notice or the provision of information in writing by or on behalf of FB Investors is to be construed accordingly.
- (k) **Overseas Shareholders should inform themselves about and observe any applicable legal or regulatory requirements. If you are in any doubt about your position, you should consult your appropriate adviser in the relevant jurisdiction.**

8. General

- (a) The Conditions are inserted for the benefit of FB Investors and no SHH Shareholder shall be entitled to waive any of the Conditions without the prior written consent of FB Investors. FB Investors reserves

the right in its sole discretion (subject to the requirements of the Takeover Code and the Panel) to waive (if capable of waiver) in whole or in part all or any of the Conditions in Part A of this Appendix I.

- (b) Except with the consent of the Panel, the Partial Offer will lapse unless all the Conditions relating to the Partial Offer have been satisfied or (if capable of waiver) waived or, where appropriate, have been determined by FB Investors in its reasonable opinion to be and remain satisfied by midnight on the later of Day 48 and the date which is 21 days after the date on which the Partial Offer becomes, or is declared, unconditional, or such later date(s) as FB Investors, with the consent of the Panel, may decide. FB Investors shall be under no obligation to waive (if capable of waiver) or determine to be, or treat as, satisfied, any of the Conditions set out in paragraph (c) to (i) inclusive of Part A of this Appendix 1 by a date earlier than the latest date specified above for the satisfaction thereof notwithstanding that the other Conditions of the Partial Offer may at such earlier date have been waived or satisfied and that there are, at such earlier date, no circumstances indicating that any of such Conditions may not be capable of satisfaction. In any event, all of the Conditions must be satisfied as at, or (if capable of waiver) waived on or before, midnight on 26 February 2018, being the 81st day following the date on which this document was published, or such other date as may be agreed with the Panel.
- (c) At such time as the Conditions have been satisfied, FB Investors will declare the Partial Offer unconditional in all respects unless it has at that time notified the Panel and SHH of some fact or circumstance which entitles (or might reasonably be expected with further investigation to entitle) it to declare the Partial Offer to have lapsed.
- (d) If:
 - (i) in so far as the Partial Offer or any matter arising from or relating to the Partial Offer constitutes a concentration with a Community dimension within the scope of Council Regulation 139/2004/EC (the "**Regulation**"), the European Commission either initiates proceedings under Article 6(1)(c) of the Regulation or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the Regulation and there is then a CMA Phase 2 reference (as defined in the Takeover Code); or
 - (ii) in so far as the Partial Offer or any matter arising from or relating to the Partial Offer does not constitute a concentration with a Community dimension within the scope of the Regulation, the Partial Offer or any matter arising from or relating to it becomes subject to a CMA Phase 2 reference (as defined in the Takeover Code),

in each case, before the later of midnight on the First Closing Date and the date on which the Partial Offer becomes, or is declared, unconditional as to acceptances, the Partial Offer will lapse. If the Partial Offer does so lapse, not only will the Partial Offer cease to be capable of further acceptance but also SHH Shareholders and FB Investors will thereafter cease to be bound by prior acceptances.

- (e) If the Partial Offer lapses, it will cease to be capable of further acceptance and accepting SHH Shareholders, and FB Investors will cease to be bound by: (i) in the case of SHH Shares held in Certificated Form, BLUE Forms of Acceptance; and (ii) in the case of holders of SHH Shares held in Uncertificated Form, Electronic Acceptances inputted and settled, in each case submitted before the time the Partial Offer lapses.
- (f) The expression "Offer Period" when used in this document means, in relation to the Partial Offer, the period commencing on (and including) 21 April 2016 until the later of the following:
 - (i) the date on which the Partial Offer is withdrawn or lapses; and
 - (ii) the date on which the Partial Offer becomes unconditional.
- (g) Except with the consent of the Panel, settlement of the consideration to which any SHH Shareholder is entitled under the Partial Offer will be implemented in full in accordance with the terms of the Partial Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which FB Investors may otherwise be, or claim to be, entitled as against such SHH Shareholder and will be effected:
 - (i) in the case of acceptances of the Partial Offer received, complete in all respects (including the relevant transfer to escrow or (as applicable) receipt of relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to FB Investors) by the date on which the Partial

- Offer becomes, or is declared, unconditional in all respects, within 14 calendar days of such date (or such later date as the Panel may permit); or
- (ii) in the case of acceptances of the Partial Offer received, complete in all respects, after the date on which the Partial Offer becomes, or is declared, unconditional in all respects, but while it remains open for acceptance, within 14 calendar days of such receipt (or such later date as the Panel may permit).
- (h) All cash payments (other than payments made by means of CREST) will be made by cheque drawn on a branch of a United Kingdom clearing bank. No consideration will be sent to an address in a Restricted Jurisdiction.
 - (i) Notwithstanding the right reserved by FB Investors to treat an acceptance of the Partial Offer as valid (even though, in the case of SHH Shares held in Certificated Form, the relevant BLUE Form of Acceptance is not entirely in order or not accompanied by the relevant share certificate(s) and/or other document(s) of title), except as otherwise agreed with the Panel:
 - (i) an acceptance of the Partial Offer will only be counted towards fulfilling the Acceptance Condition if the requirements of Note 4 and, if applicable, Note 6 of Rule 10 of the Takeover Code are satisfied in respect of it; and
 - (ii) the Partial Offer will not become unconditional unless the Receiving Agent has issued a certificate to FB Investors or its agents stating (i) the number of SHH Shares in respect of which approval of the Partial Offer has been obtained and (ii) the number of SHH Shares in respect of which acceptances have been received and not validly withdrawn which comply with subparagraph (i) above. FB Investors will procure that a copy of such certificate is sent to the Panel and to SHH's financial advisers as soon as possible after it is issued.
 - (j) For the purposes of determining whether the Acceptance Condition and Approval Condition has been satisfied, FB Investors will not be bound (unless otherwise required by the Panel) to take into account any SHH Shares which have been issued or unconditionally allotted or which arise as the result of the exercise of subscription or conversion rights (if any) before that determination takes place unless written notice containing relevant details of the allotment, issue, subscription or conversion has been received from SHH or its agents before that time by FB Investors or the Receiving Agent on behalf of FB Investors at the address specified in paragraph 5(a) of this Part B. Notification by telex or facsimile or other electronic transmissions will not be sufficient.
 - (k) Except with the consent of the Panel, SHH Shares which have been borrowed by FB Investors may not be counted towards fulfilling the Acceptance Condition or the Approval Condition.
 - (l) The terms, provisions, instructions and authorities contained, or deemed to be incorporated, in the BLUE Form of Acceptance and PINK Approval Form, and such further terms as may be required to comply with the AIM Rules, the applicable rules and regulations of the London Stock Exchange and the Takeover Code, constitute part of the terms of the Partial Offer. Words and expressions defined in this document have the same meanings when used in the BLUE Form of Acceptance, unless the context otherwise requires. The provisions of this Appendix I shall be deemed to be incorporated into, and form part of, the BLUE Form of Acceptance and the PINK Approval Form.
 - (m) All references in this document, the BLUE Form of Acceptance and the PINK Approval Form to the "First Closing Date" will (except in paragraph 1(a) of this Part B and where the context otherwise requires) be deemed, if the expiry date of the Partial Offer is extended, to refer to the expiry date of the Partial Offer as so extended.
 - (n) References in paragraph 7 of this Part B and in Parts C, D and E of this Appendix I to a "SHH Shareholder" will include references to the person or persons executing a BLUE Form of Acceptance, making an Electronic Acceptance or executing a PINK Approval Form and, in the event of more than one person executing a BLUE Form of Acceptance, making an Electronic Acceptance or executing a PINK Approval Form, such paragraphs will apply to them jointly and severally.
 - (o) The Partial Offer is made in respect of all SHH Shares issued and unconditionally allotted or issued before the date on which the Partial Offer closes (or such earlier date as FB Investors, subject to the rules of the Takeover Code or with the consent of the Panel, may determine). Any omission to despatch

this document, the BLUE Form of Acceptance (if applicable), the PINK Approval Form or any notice required to be despatched under the terms of the Partial Offer to, or any failure to receive the same by, any person to whom the Partial Offer is made, or should be made, will not invalidate the Partial Offer in any way or create any implication that the Partial Offer has not been made to any such person. Subject to the provisions of paragraph 7 of this Part B, the Partial Offer is made to any SHH Shareholder to whom this document, the BLUE Form of Acceptance (if applicable) and the PINK Approval Form or any related document may not be sent or by whom such documents may not be received, and these persons may collect these documents from the Receiving Agent at the address set out in paragraph 5(a) of this Part B. The Partial Offer is not being made, and will not be made, directly or indirectly, in or into or by the use of the mails of, or by any other means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or other forms of electronic transmission) of interstate or foreign commerce of, or by any facility of a national, state or other securities exchange of any Restricted Jurisdiction and will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

- (p) Subject to the Takeover Code, and notwithstanding any other provision of this Part B, FB Investors reserves the right to treat as valid in whole or in part any acceptance or approval of the Partial Offer received by the Receiving Agent or otherwise on behalf of FB Investors which is not entirely in order or in correct form or which is not accompanied by (as applicable) the relevant document(s) or the relevant TTE Instruction or is received by it at any place or places or in any form or manner determined by either the Receiving Agent or FB Investors otherwise than as set out in this document, the BLUE Form of Acceptance or the PINK Approval Form. In the event of any acceptance that is not entirely in order being treated as valid, in whole or in part, no payment of cash under the Partial Offer will be made until after the acceptance is entirely in order and (as applicable) the relevant transfer to escrow has settled or the relevant document(s) of title or satisfactory indemnities have been received by the Receiving Agent.
- (q) No acknowledgement of receipt of any BLUE Form of Acceptance, PINK Approval Form, transfer by means of CREST, communication, notice, share certificate(s) or other document(s) of title will be given by, or on behalf of, FB Investors. All communications, notices, certificate(s), document(s) of title and remittances to be delivered by, or sent to or from, SHH Shareholders (or their designated agent(s)) will be delivered by or sent to or from them (or their designated agent(s)) at their own risk.
- (r) The Partial Offer extends to persons to whom the Partial Offer is made, or should be made, to whom this document, the BLUE Form of Acceptance, the PINK Approval Form or any related documents may not be despatched and such persons may collect copies of these documents from the Receiving Agent at the address set out in paragraph 5(a) of this Part B.
- (s) The Partial Offer is made at 1.00 p.m. on 7 December 2017 and is capable of acceptance from and after that time.
- (t) If the Partial Offer does not become unconditional in all respects:
 - (i) in respect of SHH Shares held in Certificated Form, the BLUE Form of Acceptance, share certificate(s) and/or other document(s) of title will be returned by post (or such other method as may be approved by the Panel) within 14 calendar days of the Partial Offer lapsing to the person or agent whose name and address outside a Restricted Jurisdiction is set out in the relevant section in the BLUE Form of Acceptance or, if none is set out, to the first named holder at his registered address outside a Restricted Jurisdiction (no such documents will be sent to an address in a Restricted Jurisdiction); and
 - (ii) in respect of SHH Shares held in Uncertificated Form, the Receiving Agent will, immediately after the lapsing or withdrawal of the Partial Offer (or within such longer period as the Panel may permit, not exceeding 14 calendar days of the lapsing of the Partial Offer), give TFE Instructions to Euroclear to transfer all SHH Shares held in escrow balances and in relation to which it is the Escrow Agent for the purposes of the Partial Offer to the original available balances of the SHH Shareholders concerned.
- (u) If a SHH Shareholder accepts the Partial Offer in respect of some but not all of this registered holding of SHH Shares, at the Record Date, or if a SHH Shareholder accepts the Partial Offer in respect of more than the Relevant Percentage of his registered holding (or deemed registered holding) of SHH

Shares at the Record Date and such acceptance is scaled down, and the Partial Offer becomes or is declared wholly unconditional:

- (i) in respect of SHH Shares held in Certificated Form that have not been acquired by FB Investors in accordance with the terms of the Partial Offer, new share certificate(s) evidencing the remaining holding of SHH Shares not so acquired will be sent by post (or such other method as may be approved by the Panel) as soon as practicable following the date on which the Partial Offer becomes, or is declared, wholly unconditional, at the risk of the person entitled thereto, to the person or agent whose name and address outside a Restricted Jurisdiction is set out in the relevant section in the BLUE Acceptance Form or, if none is set out, to the first-named holder at this registered address outside a Restricted Jurisdiction (no such documents will be sent to an address in a Restricted Jurisdiction); and
 - (ii) in respect of SHH Shares held in Uncertificated Form that have not been acquired by FB Investors in accordance with the terms of the Partial Offer, the Receiving Agent will, as soon as practicable following the date on which the Partial Offer becomes, or is declared, wholly unconditional, give instructions to Euroclear to transfer the relevant SHH Shares held in escrow.
- (v) All powers of attorney, appointments of agents and authorities conferred by this Appendix I, the BLUE Form of Acceptance or in the PINK Approval Form are given by way of security for the performance of the obligations of the SHH Shareholder concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 except in the circumstances where the donor of such power of attorney or authority or appointor is entitled to withdraw his acceptance in accordance with paragraph 5 of this Part B and duly does so.
- (w) In relation to any acceptance of the Partial Offer in respect of a holding of SHH Shares held in Uncertificated Form, FB Investors reserves the right to make such alterations, additions or modifications as may be necessary or desirable to give effect to any purported acceptance of the Partial Offer, whether in order to comply with the facilities or requirements of CREST or otherwise, provided any such alterations, additions or modifications are consistent with the requirements of the Takeover Code or are otherwise made with the consent of the Panel.
- (x) For the purposes of this document, the time of receipt of a TTE Instruction, an ESA Instruction or an Electronic Acceptance shall be the time at which the relevant instruction settles in CREST.
- (y) No member of the FB Investors Group, nor any person acting on behalf of any of them, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances or approvals of the Partial Offer or otherwise in connection therewith.
- (z) The Partial Offer, all BLUE Forms of Acceptance, all PINK Approval Forms, all Electronic Acceptances, all acceptances and elections in respect thereof, and all contractual and non-contractual obligations pursuant thereto and action taken or made or deemed to be taken or made under any of the foregoing, will be governed by and construed in accordance with the laws of England and Wales and be subject to the jurisdiction of the Courts of England and Wales and to the Acceptance Condition, the Approval Condition and further terms set out in this document. The Partial Offer will be subject to the applicable requirements of the FCA, FSMA, the London Stock Exchange and the Takeover Code.
- (aa) Where the Partial Offer is validly accepted in respect of SHH Shares held in Uncertificated Form in accordance with Part D of this Appendix I, unless the relevant SHH Shareholder has become the registered shareholder of the related SHH Shares, no separate acceptance of the Partial Offer may be made by the relevant holder of the SHH Shares, the custodian in respect of the SHH Shares and no person other than FB Investors shall have any rights whatsoever under the Partial Offer in respect of the SHH Shares (save for the rights of such SHH Shareholder under paragraph 5 of this Part B).
- (bb) The SHH Shares will be acquired by FB Investors fully paid with full title guarantee and free from all liens, charges, encumbrances, equitable interests, pre-emption rights and any other third party interests and rights of whatsoever nature and together with all rights attaching to them as at the date of this document or subsequently attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made on or after the date of this document. Accordingly, insofar as a dividend

and/or distribution and/or a return of capital is proposed, declared, made, paid or payable by SHH in respect of a SHH Share on or after the date of this document FB Investors reserves the right to reduce by the amount of the dividend and/or distribution and/or return of capital, the price payable under the Partial Offer in respect of a SHH Share, except insofar as the SHH Share is or will be transferred pursuant to the Partial Offer on a basis which entitles FB Investors alone to receive the dividend and/or distribution and/or return of capital but if that reduction in price has not been effected, the person to whom the Partial Offer Price is paid in respect of that SHH Share, will be obliged to account to FB Investors for the amount of such dividend and/or distribution and/or return of capital.

- (cc) Under Rule 13.5 of the Takeover Code, except with the Panel's consent, FB Investors may not invoke any of the Conditions so as to cause the Partial Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the relevant condition are of material significance to FB Investors in the context of the Partial Offer. Conditions (a) and (b) of Part A are not subject to this provision of the Takeover Code.

PART C : BLUE FORM OF ACCEPTANCE FOR SHH SHARES IN CERTIFICATED FORM

Each SHH Shareholder by whom, or on whose behalf, any BLUE Form of Acceptance is executed irrevocably undertakes, represents, warrants and agrees to and with FB Investors, WH Ireland and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect:

- (a) that the execution of the BLUE Form of Acceptance shall constitute:
 - (i) an acceptance of the Partial Offer in respect of the number of SHH Shares held in Certificated Form inserted or deemed to be inserted in Section 1 of the BLUE Form of Acceptance; and
 - (ii) an undertaking to execute any further documents, take any further action and give any further assurances which may be required in connection with the foregoing,

in each case on and subject to the terms and conditions set out in this document and the BLUE Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 5 of Part B of this Appendix I, each such acceptance and undertaking shall be irrevocable.

If Section 1 of the BLUE Form of Acceptance is left blank or a number greater than such SHH Shareholder's registered holding of SHH Shares in Certificated Form appears in Section 1 or the BLUE Form of Acceptance is otherwise completed incorrectly, but the BLUE Form of Acceptance is signed, it will be deemed to be an acceptance by such SHH Shareholder of the terms of the Partial Offer in respect of the total number of SHH Shares in Certificated Form registered in his name:

- (b) that he is irrevocably and unconditionally entitled to transfer the SHH Shares in respect of which the BLUE Form of Acceptance is completed and that the SHH Shares in Certificated Form in respect of which the Partial Offer is accepted, or is deemed to be accepted, are sold fully paid and free from all liens, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this document or subsequently attaching to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions, if any, declared, made or paid or any other return of capital (whether by way of reduction of share capital or share premium account or otherwise) made, on or after the date of this document;
- (c) that unless "NO" is inserted or deemed to be inserted in Section 3 of the BLUE Form of Acceptance, such SHH Shareholder:
 - (i) has not received or sent copies of this document, the BLUE Form of Acceptance, the PINK Approval Form or any related Partial Offer documents in, into or from any Restricted Jurisdiction or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
 - (ii) has not otherwise utilised in connection with the Partial Offer, directly or indirectly, the use of the mails or of any means or instrumentality (including, without limitation, facsimile transmission, email, telex and telephone) of interstate or foreign commerce, or any facilities of a national securities exchange, of any Restricted Jurisdiction;
 - (iii) is accepting the Partial Offer from outside any Restricted Jurisdiction and was outside such jurisdictions when the BLUE Form of Acceptance was delivered and at the time of accepting the Partial Offer, and in respect of the SHH Shares to which the BLUE Form of Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Partial Offer from within any Restricted Jurisdiction;
 - (iv) warrants that the BLUE Form of Acceptance and any related Partial Offer documents have not been mailed or otherwise sent in, into or from any Restricted Jurisdiction; and
 - (v) if such SHH Shareholder is a citizen, resident or national of a jurisdiction outside the United Kingdom, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Partial Offer, obtained all governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in FB Investors or any

other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Partial Offer or his acceptance of the Partial Offer;

- (d) that, in relation to SHH Shares in Certificated Form, the execution of the BLUE Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Partial Offer becoming, or being declared, unconditional in all respects in accordance with its terms and to the accepting SHH Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of FB Investors as such SHH Shareholder's attorney and/or agent ("**attorney**"), with an irrevocable instruction to the attorney to:
- (i) complete and execute all or any form(s) of transfer and/or renunciation and/or other document(s) in the attorney's discretion in relation to the SHH Shares referred to in paragraph (a)(i) of this Part C in favour of FB Investors or as FB Investors or its agents may direct;
 - (ii) deliver such form(s) of transfer and/or renunciation and/or other document(s) at the attorney's discretion together with any certificate(s) and/or other document(s) of title relating to such SHH Shares for registration within six months of the Partial Offer becoming, or being declared, unconditional in all respects; and
 - (iii) do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance or deemed acceptance of the Partial Offer pursuant to the BLUE Form of Acceptance and to vest in FB Investors or its nominee the SHH Shares as aforesaid;
- (e) that, in relation to SHH Shares in Certificated Form, the execution of the BLUE Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Partial Offer becoming, or being declared, unconditional in all respects in accordance with its terms and to the accepting SHH Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request:
- (i) to SHH or its agents to procure the registration of the transfer of those SHH Shares pursuant to the Partial Offer and the delivery of the share certificate(s) and/ or other document(s) of title in respect thereof to FB Investors or as it may direct; and
 - (ii) to FB Investors or its agents to procure the despatch by post (or such other method as may be approved by the Panel) of a cheque drawn on a branch of a United Kingdom clearing bank in respect of any cash consideration to which he is entitled under the Partial Offer, at the risk of such SHH Shareholder, to the person or agent whose name and address (outside any Restricted Jurisdiction) is set out in Section 4 of the BLUE Form of Acceptance or, if none is set out, to the first-named holder at his registered address (outside any Restricted Jurisdiction);
- (f) that the execution of the BLUE Form of Acceptance and its delivery constitutes a separate authority to each of FB Investors and/or its agents within the terms of Parts B and C of this Appendix I;
- (g) subject to the Partial Offer becoming, or being declared, unconditional in all respects or if the Panel otherwise gives its consent, and pending registration, that:
- (i) FB Investors or its agents be entitled to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of SHH or of any class of its shareholders) attaching to any SHH Shares in Certificated Form in respect of which the Partial Offer has been accepted, or is deemed to have been accepted, and such acceptance is not validly withdrawn;
 - (ii) the execution of a BLUE Form of Acceptance by a SHH Shareholder constitutes, in respect of the SHH Shares comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - A. an authority to SHH and/or its agents from such SHH Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of SHH at its registered office or care of the Receiving Agent;
 - B. an irrevocable authority to FB Investors and/or its agents to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such SHH Shares appointing any person nominated by FB Investors to attend general meetings and separate class meetings of SHH or its members (or any of them) (and any adjournments thereof) and

to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding Condition of the Partial Offer; and

- C. the agreement of such SHH Shareholder not to exercise any of such rights without the consent of FB Investors and the irrevocable undertaking of such SHH Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;
- (h) that he will deliver (or procure the delivery) to the Receiving Agent at the address referred to in paragraph 5(a) of Part B of this Appendix I his share certificate(s) or other document(s) of title in respect of all SHH Shares held by him in Certificated Form in respect of which the Partial Offer has been accepted or is deemed to have been accepted and not validly withdrawn, or an indemnity acceptable to FB Investors in lieu thereof, as soon as possible and in any event within six months of the Partial Offer becoming, or being declared, unconditional in all respects;
 - (i) that, if he accepts the Partial Offer, he will do all such acts and things as shall, in the opinion of FB Investors or the Receiving Agent, be necessary or expedient to vest in FB Investors or its nominee(s) or such other person as FB Investors may decide the number of SHH Shares inserted or deemed to be inserted in Section 1 of the BLUE Form of Acceptance and all such acts and things as may be necessary or expedient to enable the Receiving Agent to perform its functions for the purposes of the Partial Offer;
 - (j) that the terms and conditions of the Partial Offer contained in this document will be incorporated and deemed to be incorporated in, and form part of, the BLUE Form of Acceptance which will be read and construed accordingly;
 - (k) that he will ratify each and every act or thing which may be done or effected by FB Investors, the Receiving Agent or any FB Investors Executive Committee member or director of FB Investors or the Receiving Agent or their respective agents or SHH or its agents, as the case may be, in the exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom);
 - (l) that, if any provision of Part B of this Appendix I or this Part C will be unenforceable or invalid or will not operate so as to afford FB Investors, the Receiving Agent or any director, officer or duly authorised representative of any of them or their respective agents the benefit of the authority expressed to be given therein, he agrees with all practicable speed to do all such acts and things and execute all such documents that may be required to enable those persons to secure the full benefits of Part B of this Appendix I and this Part C;
 - (m) the *ejusdem generis* principle of construction shall not apply to the terms and conditions of the Partial Offer and/or the BLUE Form of Acceptance. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words;
 - (n) that the execution of the BLUE Form of Acceptance constitutes his submission, in relation to any dispute arising out of or in connection with the Partial Offer and/or the BLUE Form of Acceptance and all acceptances and elections in respect thereof (including a dispute relating to any non-contractual obligations arising out of or in connection with the Partial Offer and/or the BLUE Form of Acceptance and all acceptances and elections in respect thereof), to the exclusive jurisdiction of the courts of England and Wales and that nothing shall limit the right of FB Investors to bring any action, suit or proceedings arising out of or in connection with the Partial Offer and/or the BLUE Form of Acceptance and all acceptances and elections in respect thereof (including in relation to any non-contractual obligations arising out of or in connection with the Partial Offer and/or the BLUE Form of Acceptance and all acceptances and elections in respect thereof) in any other court of competent jurisdiction or concurrently in more than one court of competent jurisdiction; and
 - (o) the BLUE Form of Acceptance will be deemed to be delivered on the date of its execution and will take effect as a deed.

References in this Part C to a "SHH Shareholder" shall include references to the person or persons executing a BLUE Form of Acceptance, and in the event of more than one person executing a BLUE Form of Acceptance, the provisions of this Part C shall apply to them jointly and to each of them.

PART D: ELECTRONIC ACCEPTANCE

For the purposes of this Part D of this Appendix I, the phrase “SHH Shares in Uncertificated Form comprised in the acceptance” shall mean the number of SHH Shares which are transferred by the relevant SHH Shareholder by Electronic Acceptance to an escrow account by means of a TTE Instruction.

Without prejudice to the provisions of Part A and Part B of this Appendix I, each SHH Shareholder by whom, or on whose behalf, an Electronic Acceptance is made (subject to the rights of withdrawal set out in this document), irrevocably undertakes, represents, warrants and agrees to and with FB Investors and the Receiving Agent so as to bind him and his personal representatives, heirs, successors and assigns to the following effect:

- (a) that the Electronic Acceptance shall constitute:
 - (i) an acceptance of the Partial Offer in respect of the number of SHH Shares in Uncertificated Form to which the TTE Instruction relates; and
 - (ii) an undertaking to execute any further documents, take any further action and give any further assurances which may be required in connection with the foregoing,

in each case on and subject to the terms and conditions set out or referred to in this document and that, subject to the rights of withdrawal set out in paragraph 5 of Part B of this Appendix I, each such acceptance and undertaking shall be irrevocable;

- (b) that such SHH Shareholder:
 - (i) has not received or sent copies of this document, the BLUE Form of Acceptance, the PINK Approval Form or any related offer documents, in, into or from any Restricted Jurisdiction or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
 - (ii) has not otherwise utilised in connection with the Partial Offer, directly or indirectly, the use of the mails of or any means or instrumentality (including, without limitation, facsimile transmission, telex and telephone) of interstate or foreign commerce of, or any facilities of a national securities exchange of, any Restricted Jurisdiction;
 - (iii) is accepting the Partial Offer from outside any Restricted Jurisdiction and was outside those jurisdictions at the time of the input and settlement of the relevant TTE Instruction(s) and in respect of the SHH Shares to which an Electronic Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for a principal who has given any instructions with respect to the Partial Offer from within any Restricted Jurisdiction;
 - (iv) no TTE Instruction has been sent from any Restricted Jurisdiction; and
 - (v) if such SHH Shareholder is a citizen, resident or national of a jurisdiction outside the United Kingdom, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Partial Offer, obtained all requisite governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in FB Investors or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Partial Offer or his acceptance of the Partial Offer;
- (c) that the Electronic Acceptance constitutes, subject to the Partial Offer becoming, or being declared, unconditional in all respects in accordance with its terms and to the accepting SHH Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of FB Investors, or any of the FB Investors Executive Committee members, or any person authorised by FB Investors, as such SHH Shareholder’s attorney and/or agent (“**attorney**”), with an irrevocable instruction to the attorney to purpose of, or in connection with, the acceptance or deemed acceptance of the Partial Offer;
- (d) that the Electronic Acceptance constitutes the irrevocable appointment of the Receiving Agent as the Escrow Agent to the Partial Offer, with an irrevocable instruction and authority to the Escrow Agent:

- (i) subject to the Partial Offer becoming, or being declared, unconditional in all respects in accordance with its terms and to an accepting SHH Shareholder not having validly withdrawn his acceptance, to transfer (if FB Investors so requests) to FB Investors (or to such other person or persons as FB Investors or its agents may direct) by means of CREST all or any of the SHH Shares in Uncertificated Form which are the subject of a TTE Instruction in respect of that Electronic Acceptance; and
 - (ii) if the Partial Offer does not become, or is not declared, unconditional in all respects, to give instructions to Euroclear, immediately after the lapsing of the Partial Offer (or within such longer period as the Panel may permit), to transfer all such SHH Shares to the original available balance of the accepting SHH Shareholder;
- (e) that the Electronic Acceptance constitutes, subject to the Partial Offer becoming, or being declared, unconditional in all respects in accordance with its terms and to an accepting SHH Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request to FB Investors or its agents to procure the making of a CREST Payment obligation in favour of the SHH Shareholder's payment bank in accordance with the CREST Payment arrangements in respect of any cash consideration to which such SHH Shareholder is entitled under the Partial Offer, provided that:
- (i) FB Investors may (if, for any reason, it wishes to do so) determine that all or any part of any such cash consideration shall be paid by cheque drawn on a branch of a United Kingdom clearing bank despatched by post; and
 - (ii) if the SHH Shareholder concerned is a CREST Member whose registered address is in a Restricted Jurisdiction, any cash consideration to which such SHH Shareholder is entitled shall be paid by cheque drawn on a branch of a United Kingdom clearing bank despatched by post, at the risk of such SHH Shareholder, such cheques shall be despatched to the first-named holder at an address outside a Restricted Jurisdiction stipulated by such SHH Shareholder or as otherwise determined by FB Investors;
- (f) that the Electronic Acceptance constitutes a separate authority to FB Investors or the Receiving Agent and/or their respective agents within the terms of Part B of Appendix I and this Part D;
- (g) subject to the Partial Offer becoming, or being declared, unconditional in all respects or if the Panel otherwise gives its consent, and pending registration, that:
- (i) FB Investors or its agents be entitled to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of SHH or of any class of its shareholders) attaching to any SHH Shares represented by the SHH Shares comprised, or deemed to be comprised, in the Electronic Acceptance and in respect of which such acceptance has not been validly withdrawn; and
 - (ii) an Electronic Acceptance by a SHH Shareholder constitutes, in respect of the SHH Shares in Uncertificated Form comprised in such acceptance and in respect of which such acceptance has not been validly withdrawn:
 - A. an authority to SHH and/or its agents from such SHH Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of SHH (including any share certificate(s) or other document(s) of title issued), at its registered office or care of the Receiving Agent;
 - B. an irrevocable authority to FB Investors and/or its agents to sign any document and do such things as may, in the opinion of that agent and/or attorney, seem necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the SHH Shares represented by the SHH Shares held by him (including, without limitation, signing any consent to short notice on his behalf and/or attending and/or executing a form of proxy in respect of such SHH Shares represented by the SHH Shares held in Uncertificated Form appointing any person nominated by FB Investors to attend general meetings and separate class meetings of SHH or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding condition of the Partial Offer); and
 - C. the agreement of such SHH Shareholder not to exercise any of such rights without the consent of FB Investors and the irrevocable undertaking of such SHH Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;

- (h) that if, for any reason, any SHH Shares in respect of which a TTE Instruction has been effected in accordance with paragraph 19.3 of the letter from FB Investors set out in Part 2 of this document converted to Certificated Form, he will (without prejudice to paragraph (g)(ii)A of this Part D) immediately deliver or procure the immediate delivery of the share certificate(s) or other document(s) of title in respect of the SHH Shares that are so converted to the Receiving Agent at the address referred to in paragraph 5(a) of Part B of this Appendix I or to FB Investors at its registered office or as FB Investors or its agents may direct, and he shall be deemed upon conversion to undertake, represent, warrant and agree in the terms set out in Part C of this Appendix I in relation to such SHH Shares without prejudice to the application of this Part D so far as FB Investors deems appropriate;
- (i) that the creation of a CREST Payment obligation in favour of his payment bank in accordance with the CREST Payment arrangements referred to in paragraph (e) of this Part D shall, to the extent of the obligation so created, discharge in full any obligation of FB Investors to pay to him the cash consideration to which he is entitled pursuant to the Partial Offer;
- (j) he will do all such acts and things as shall, in the reasonable opinion of FB Investors be necessary or desirable to enable the Receiving Agent to perform its function as Escrow Agent for the purposes of the Partial Offer or to vest in FB Investors or its nominee(s), upon the Partial Offer becoming, or being declared, unconditional in all respects and subject to the Electronic Acceptance not having been validly withdrawn, the SHH Shares in Uncertificated Form comprised, or deemed to be comprised, in the acceptance;
- (k) he will ratify each and every act or thing which may be done or effected by FB Investors, the Escrow Agent or the Receiving Agent or any of their respective directors or agents or SHH or its agents, as the case may be, in the exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom);
- (l) that, if any provision of Part B of this Appendix I or this Part D will be unenforceable or invalid or will not operate so as to afford FB Investors, the Escrow Agent or the Receiving Agent or any director or duly authorised representative of any of them or their respective agents the benefit of the authority expressed to be given therein, he agrees with all practicable speed to do all such acts and things and execute all such documents that may be required to enable those persons to secure the full benefits of Part B of this Appendix I and this Part D;
- (m) the *ejusdem generis* principle of construction shall not apply to the terms and conditions of the Partial Offer and/or the BLUE Form of Acceptance. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words; and
- (n) the making of an Electronic Acceptance constitutes his submission, in relation to any dispute arising out of or in connection with the Partial Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof (including a dispute relating to any non-contractual obligations arising out of or in connection with the Partial Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof), to the exclusive jurisdiction of the courts of England and Wales and that nothing shall limit the right of FB Investors to bring any action, suit or proceedings arising out of or in connection with the Partial Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof (including in relation to any non-contractual obligations arising out of or in connection with the Partial Offer and/or the Electronic Acceptance and all acceptances and elections in respect thereof) in any other court of competent jurisdiction or concurrently in more than one court of competent jurisdiction.

References in this Part D to a "SHH Shareholder" shall include references to the person or persons making an Electronic Acceptance.

PART E: APPROVAL FORM

Each SHH Shareholder by whom, or on whose behalf, any PINK Approval Form is executed irrevocably undertakes, represents, warrants and agrees to and with FB Investors, WH Ireland and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect that:

1. the execution of the PINK Approval Form shall constitute:
 - 1.1 an approval of the Partial Offer in respect of the number of SHH Shares (whether those shares are held in Certificated Form or held in Uncertificated Form) inserted or deemed to be inserted in Box 3 of the Approval Form; and
 - 1.2 an undertaking to execute any further documents, take any further action and give any further assurances which may be required to enable FB Investors to obtain the full benefit of this Part E, in each case on and subject to the terms and conditions set out or referred to in this document and the PINK Approval Form and that each such approval shall be irrevocable. If Box 3A is left blank or a number greater than such SHH Shareholder's registered holdings appears in Box 3B or the PINK Approval Form is otherwise completed incorrectly, but the PINK Approval Form is signed, it will be deemed to be an approval by such SHH Shareholder of the Partial Offer in respect of the total number of SHH Shares registered in his name on the Record Date;
2. such SHH Shareholder has not received or sent copies or originals of this document, the BLUE Form of Acceptance, the PINK Approval Form or any related documents in, into or from, a Restricted Jurisdiction and has not otherwise utilised in connection with the Partial Offer, directly or indirectly, the use of the mails of, or any means or instrumentality (including, without limitation, facsimile transmission, e-mail, telex, telephone and the internet) of interstate or foreign commerce, or any facilities of a national securities exchange, of a Restricted Jurisdiction, was outside a Restricted Jurisdiction when the PINK Approval Form was delivered and at the time of approving the Partial Offer and, in respect of any SHH Shares to which the PINK Approval Form relates, he is not an agent or fiduciary acting on a non-discretionary basis for a principal, who has given any instructions with respect to the Partial Offer from within a Restricted Jurisdiction or is a resident of any Restricted Jurisdiction and the PINK Approval Form has not been mailed or otherwise sent in, into or from a Restricted Jurisdiction and such SHH Shareholder is approving the Partial Offer from outside such jurisdiction;
3. the terms and conditions of the Partial Offer contained in this document will be deemed to be incorporated in, and form part of, the PINK Approval Form, which will be construed accordingly;
4. the execution of the PINK Approval Form constitutes his submission, in relation to all matters arising out of the Partial Offer and the PINK Approval Form, to the jurisdiction of the courts of England and Wales and his agreement that nothing shall limit the right of FB Investors and/or WH Ireland and/or any of their respective directors or agents to bring any action, suit or proceeding arising out of or in connection with the Partial Offer and the PINK Approval Form in any other manner permitted by law or in any court of competent jurisdiction; and
5. on execution, the Approval Form will take effect as a deed.

References in this Part E to a SHH Shareholder shall include reference to the person or persons executing a PINK Approval Form and, in the event of more than one person executing a PINK Approval Form, the provisions of this Part E shall apply to them jointly and severally.

APPENDIX II: NOTICE OF GENERAL MEETING

SUTTON HARBOUR HOLDINGS PLC

(Registered in England, No: 2425189)

NOTICE OF GENERAL MEETING

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice from your stockbroker or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser.

If you have sold or have otherwise transferred all of your shares in Sutton Harbour Holdings plc (the “**Company**”), please send this document (but not the WHITE Form of Proxy) at once to the purchaser or transferee of those shares or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee.

NOTICE IS HEREBY GIVEN that the GENERAL MEETING (the “**Meeting**”) of the Company will be held at 10.00 a.m. on 3 January 2018 at the New Continental Hotel, Millbay Road, Plymouth PL1 3LD, to consider and, if thought fit, pass the following Resolutions:

Ordinary Resolution

1. That the directors of the Company be and they are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the “**2006 Act**”) to exercise all the powers of the Company to allot ordinary shares in the Company and grant rights to subscribe for, or convert any security into, ordinary shares in the Company in connection with the proposed subscription by FB Investors LLP of 9,322,034 ordinary shares in the Company (the “**Subscription Shares**”) at a price of 29.5 pence per Subscription Share up to an aggregate nominal amount of £93,220.34 on, and subject to, such terms as the directors may determine. This authority, unless renewed, extended, varied or revoked by the Company in a general meeting, shall expire at the conclusion of the Company’s annual general meeting in 2018, save that the Company may, prior to the expiry of such period, make an offer or agreement which would or might require ordinary shares to be allotted in the Company after such expiry and the directors may allot ordinary shares in the Company in pursuance of such offer or agreement notwithstanding the expiry of the authority given by this Resolution.

Special Resolution

2. That, subject to the passing of Resolution 1, the directors of the Company be and they are hereby empowered pursuant to section 570 of the 2006 Act to allot equity securities (as defined in section 560 of the 2006 Act) of the Company for cash pursuant to the authority conferred by Resolution 1 above as if section 561 of the 2006 Act did not apply to any such allotment. This power, unless renewed, extended, varied or revoked by the Company in general meeting, shall expire at the conclusion of the Company’s annual general meeting in 2018, save that the Company may before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot the relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

By order of the Board

Natasha Gadsdon
Company Secretary
Sutton Harbour Holdings plc

Registered Office:
Tin Quay House
Sutton Harbour
Plymouth
PL4 0RA
United Kingdom

7 December 2017

NOTES TO THE NOTICE OF GENERAL MEETING

Ordinary and Special Resolutions

Resolution 1 is proposed as an Ordinary Resolution. This means that, for the Resolution to be passed, more than half of the votes cast on such Resolution must be in favour of such Resolution. Resolution 2 is proposed as a Special Resolution. This means that, for such Resolution to be passed, at least three-quarters of the votes cast on such Resolution must be in favour of such Resolution.

Entitlement to attend and vote at the General Meeting

To be entitled to attend and vote at the General Meeting (and for the purpose of the determination by the Company of the votes they may cast) members must be registered in the register of members of the Company at close of business on 29 December 2017 (or, in the event of any adjournment, 48 hours (excluding any part of a day which is not a working day) before the time of the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the right of any person to attend and vote at the General Meeting.

Appointment of proxies

Members of the Company are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote at a meeting of the Company. A proxy does not need to be a member of the Company but must attend the General Meeting to represent a member. A member may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

A WHITE Form of Proxy which may be used to make such appointment and give proxy directions accompanies this notice. If you do not receive a WHITE Form of Proxy and believe that you should have one, or if you require additional WHITE Forms of Proxy in order to appoint more than one proxy, please contact the Company's registrars, Computershare Investor Services PLC.

The cut-off time for the duly completed and signed appointment of proxies and for changing proxy instructions is 10.00 a.m. on 29 December 2017 (or, in the event of any adjournment, 48 hours (excluding any part of a day which is not a working day) before the time of the adjourned meeting); however, the return of a completed WHITE Form of Proxy will not preclude a member from attending the General Meeting and voting in person if he or she wishes to do so, to the exclusion of any proxy previously appointed.

Appointment of proxy using hard copy proxy form

The notes to the WHITE Form of Proxy explain how to direct your proxy how to vote on each resolution or how to withhold your vote.

In the case of a member which is a company ("**corporate member**"), the WHITE Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the corporate member or an attorney for the corporate member.

Any power of attorney or any other authority under which the WHITE Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the WHITE Form of Proxy.

Changing proxy instructions

To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments also applies in relation to amended instructions; any amended proxy appointment received after 10.00 a.m. on 29 December 2017 will be disregarded.

Where you have appointed a proxy using the hard-copy WHITE Form of Proxy and would like to change the instructions using another hard-copy WHITE Form of Proxy, please contact the Company's Registrars, Computershare Investor Services PLC.

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company at its registered office at Tin Quay House, Sutton Harbour, Plymouth, Devon PL4 0RA. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

In either case, the revocation notice must be received by the Company at the registered office above by no later than 10.00 a.m. on 29 December 2017.

CREST Members

CREST Members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual (which can be viewed at www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST Members who have appointed a voting service provider(s), should refer to their CREST Sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made by means of the CREST service 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 instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to an instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the SHH's registrar, Computershare Investor Services PLC (ID 3RA50), by no later than 10.00 a.m. on 29 December 2017 or, in the case of an adjournment, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting. 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 Application Host) from which the Company'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 proxies appointed through CREST should be communicated to the appointee through other means.

CREST Members and, where applicable, their CREST Sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore apply in relation to the input of CREST Proxy Instructions. It is therefore the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST Sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST Members and, where applicable, their CREST Sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST System and timings.

The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Corporate representatives

A corporate member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Issued shares and total voting rights

As at 6 December 2017 (being the last Business Day prior to the publication of this Notice) the Company's issued share capital comprised 96,277,086 ordinary shares of 1 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 6 December 2017 is 96,277,086.

Communication

Except as provided above, members who have general queries about the General Meeting should use the following means of communication (no other methods of communication will be accepted):

- contacting the Company's registrars, Computershare Investor Services PLC, +44 (0) 370 707 1326.

You may not use any electronic address provided either:

- in this notice of General Meeting; or
- any related documents including the proxy form,

to communicate with the Company for any purposes other than those expressly stated.

APPENDIX III: SOURCES OF INFORMATION AND BASES OF CALCULATION

In this document, unless otherwise stated, or the context otherwise requires, the following bases and sources have been used:

- (a) the financial information relating to SHH has been extracted or derived, without material adjustment, from SHH's audited consolidated financial statements for the year ended 31 March 2017 and SHH's unaudited interim results of the six months ended 30 September 2017 as announced on 5 December 2017;
- (b) the financial information relating to Beinhaker Design Services has been extracted or derived, without material adjustment, from its accounts for the financial year ended 31 May 2016;
- (c) the value attributed to the existing issued share capital of SHH is based upon the Offer Price of 29.5 pence for each SHH Share and 96,277,086 SHH Shares being in issue on 6 December 2017 (being the last Business Day prior to the date of this document);
- (d) the value attributed to the Partial Offer is based upon the Offer Price of 29.5 pence for each SHH Share and 67,393,960 SHH Shares (being the number of SHH Shares subject to the Partial Offer); and
- (e) prices quoted for SHH Shares are closing middle market prices on the relevant date, derived from the Daily Official List.

APPENDIX IV: THE SHH ASSET VALUATION

THE SHH ASSET VALUATION

The interim balance sheet is set out below:

Consolidated Balance Sheet

	<i>As at 30 September 2017 (unaudited) £000</i>	<i>As at 30 September 2016 (unaudited) £000</i>	<i>As at 31 March 2017 (audited) £000</i>
Non-current assets			
Property, plant and equipment	24,966	26,153	26,289
Investment property	19,485	19,460	19,460
	<u>44,451</u>	<u>45,613</u>	<u>45,749</u>
Current assets			
Inventories	20,759	20,389	20,569
Trade and other receivables	2,030	1,781	2,060
Cash and cash equivalents	281	123	703
Tax recoverable	14	37	13
	<u>23,084</u>	<u>22,330</u>	<u>23,345</u>
Total assets	<u>67,535</u>	<u>67,943</u>	<u>69,094</u>
Current liabilities			
Other interest-bearing loans and borrowings	–	–	–
Trade and other payables	1,038	1,010	1,173
Finance lease liabilities	111	100	123
Deferred income	1,083	979	1,479
Provisions	70	26	71
Derivative financial instruments	–	–	–
	<u>2,302</u>	<u>2,115</u>	<u>2,846</u>
Non-current liabilities			
Other interest-bearing loans and borrowings	22,950	22,500	22,800
Finance lease liabilities	185	260	238
Deferred government grants	1,146	1,193	1,169
Deferred tax liabilities	1,670	1,622	1,642
Provisions	168	84	182
Derivative financial instruments	30	144	76
	<u>26,149</u>	<u>25,803</u>	<u>26,107</u>
Total liabilities	<u>28,451</u>	<u>27,918</u>	<u>28,953</u>
Net assets	<u>39,084</u>	<u>40,025</u>	<u>40,141</u>
Issued capital and reserves attributable to owners of the parent			
Share capital	16,069	16,069	16,069
Share premium	5,368	5,368	5,368
Other reserves	12,355	12,638	12,683
Retained earnings	5,292	5,950	6,021
Total equity	<u>39,084</u>	<u>40,025</u>	<u>40,141</u>

The non-current assets are made up of the following:

	<i>Marine</i>	<i>Car Parks</i>	<i>Regen</i>	<i>Unallocated</i>	<i>Property, plant and equipment Sub-total</i>	<i>Real Estate</i>	<i>Investment property Sub-total</i>	<i>Total</i>
Assets valued by JLL	20,350	4,100			24,450	19,485	19,485	43,935
Other plant and equipment	332	34	55	94	516		0	516
Total	<u>20,682</u>	<u>4,134</u>	<u>55</u>	<u>94</u>	<u>24,966</u>	<u>19,485</u>	<u>19,485</u>	<u>44,451</u>

Notes

1. The financial information as at 30 September 2017 has been extracted, without adjustment, from the Interim Report for the 6 months ended 30 September 2017, which is available on the Company's website at www.suttonharbourholdings.co.uk.
2. The valuation on SHH's properties at 30 September 2017 is derived from the valuation report produced by JLL, external valuers for the purpose of Rule 29 of the Takeover Code, which is set out in in Appendix IV of this document
3. JLL value the assets within the Marine, Real Estate and Car Parking segments. The assets within Regeneration and Unallocated segments are not subject to valuation by JLL.

THE SHH ASSET VALUATION REPORT



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Sutton Harbour Holdings Plc
Tin Quay House
North Quay
Sutton Harbour
Plymouth
PL4 ORA

Your ref Sutton Harbour
Our ref DB/RS/1000382923
Direct line 0117 930 5991
daniel.bishop@eu.jll.com

The Directors
N M Rothschild & Sons Limited
New Court
St. Swithin's Lane
London
EC4N 8AL

Private & Confidential

28 November 2017

Dear Sirs,

Valuation of the Freehold and Leasehold property interests in the Sutton Harbour Holdings Portfolio

Introduction

In accordance with our signed engagement letter with Sutton Harbour Holdings Plc (the "**Company**"), dated 23 November 2017, we, Jones Lang LaSalle Limited, Chartered Surveyors, have considered the Properties referred to in the attached schedule (the "**Schedule**"), in order to advise you of our opinion of the Market Value (as defined below) as at 30 September 2017, of the Freehold ("**F/H**") and Leasehold ("**LH**") interests in each of these properties (the "**Properties**" and each a "**Property**"), as appropriate.

The effective valuation date is 30 September 2017.

Purpose of valuation

We understand that this valuation report and schedule (together, the "**Summary Valuation Report**") are required to confirm the Market Value of certain real estate assets of the Company as at 30 September 2017. Furthermore this Summary Valuation Report will be included in the offer document (the "**Partial Offer Document**") to be published in connection with the recommended partial cash offer by FB Investors LLP to acquire up to 67,393,960 ordinary shares in the Company not already owned by it (the "**Partial Offer**"). We understand the number of shares to be purchased equates to up to 70% of the total.

We can confirm that we are a corporate member of The Royal Institution of Chartered Surveyors and that we have sufficient current local and national knowledge of the particular market and the skills and understanding necessary to undertake the valuation competently. We have prepared our Valuation as independent External Valuers as defined in the RICS Valuation – Professional Standards, January 2014 (revised April 2015), and are qualified for the purposes of the valuations. The valuation accords with the



RICS Valuation – Professional Standards, January 2014 (revised April 2015) and the International Valuation Standards.

We confirm that there is no conflict of interest in undertaking this instruction.

Basis of valuation and assumptions

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the Freehold and Leasehold interests in the Properties described in the attached Schedule.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of both the current Practice Statements (“**PS**”), and United Kingdom Practice Statements (“**UKPS**”) contained within the RICS Valuation – Professional Standards, January 2014 (revised April 2015) (the “**Red Book**”). This is an internationally accepted method of valuation in accordance with the International Valuation Standards (“**IVS**”).

The Definition of Market Value as defined in the IVS Framework paragraph 29 is: “The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion”.

Our valuation has also been undertaken in accordance with the relevant provisions of the City Code on Takeovers and Mergers and has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and trading assets and we have therefore used the appropriate property investment and profits method valuation methodology to calculate the Market Values.

Material change

We hereby confirm that as at the date of this Summary Valuation Report:

- The Company has confirmed that there has not been any material changes since 30 September 2017, in any matter relating to any specific property covered by our Summary Valuation Report which in our opinion would have an adverse material effect on the value as at the date of this report; and
- in relation to market conditions and movements in the property markets in which the Properties covered by our Summary Valuation Report are located, we do not consider that the movement in respect of the Properties constitutes a material change in value since 30 September 2017.

Valuation approaches

We have utilised three valuation approaches.

The income capitalisation method is based on capitalising the net income stream at an appropriate yield. In establishing the net income stream we have reflected the current rent (gross rent) payable to lease expiry, at which point the valuer has assumed that each unit of occupation will be let at their opinion of Market Rent. The valuer has made allowances for voids and rent free periods where appropriate, as well as deducting non-recoverable costs where applicable.

The above involves an element of the comparable method and is used to select the appropriate market rent and yield, which are adjusted for the location of the building, specification, tenant credit quality, lease terms and lot size amongst other factors.

We have also adopted the profits method of valuation. This applies to the Marina at Sutton Harbour and Fisheries, the two car parks, and King Point Marina at Millbay.

The process is to arrive at a fair maintainable operating profit that a reasonably efficient operator would expect, based on EBITDA (earnings before interest, taxes other than business rates, depreciation and amortisation). This is then capitalised based on general and specific property criteria. We do not see any reason for any special assumptions, but we should point out that such market valuations are particularly sensitive to variations in trade, arising from competition or changes in external factors.

Valuation

On the basis outlined in this Summary Valuation Report, we are of the opinion that the aggregate of the individual Market Values, as at 30 September 2017, of the Freehold and Leasehold interests subject to and with the benefit of various occupational leases, as summarised in the attached Schedule, but subject to the Special Assumption stated in this report, is:

<i>No</i>	<i>Address</i>	<i>Market Value 30/09/2017</i>	<i>Tenure</i>
1	The Marina at Sutton Harbour and Tin Quay House, Plymouth	£11,750,000	Freehold
2	Plymouth Fisheries, Fish Quay, Plymouth	£5,700,000	Freehold
3	Century House, 130 Vauxhall Street, Plymouth, PL4 0EP	£300,000	Leasehold
4	North Quay House, Plymouth, PL4 0RA	£3,225,000	Freehold
5	Pinnacle Quay, Harbour Avenue, Plymouth, PL4 0BJ	£410,000	Freehold
6	East Quay House, North East Quay, Plymouth, PL4 0BJ	£650,000	Freehold
7	Jamaica House, 82-84 Vauxhall Street, Plymouth, PL4 0EX	£725,000	Freehold
8	Penrose House, Sutton Road, Plymouth, PL4 0JF	£425,000	Leasehold
9	The Stable, The Barbican, Little Vauxhall Quay, Plymouth, PL3 0DW	£950,000	Freehold
10	China House, Marrowbone Slip, Plymouth, PL1 0DX	£830,000	Freehold
11	St Catherine's Warehouse, Lockyers Quay, Plymouth, PL4 0DX	£135,000	Freehold
12	Fish Merchants Units, Bayly's Wharf, Plymouth, PL4 0LH	£1,500,000	Freehold
13	Barbican Market and Whitehouse Pier, Plymouth, PL1 2NA	£3,800,000	Freehold
14	Coxside Creek & Lockyer's Quay, Plymouth, PL4	£2,475,000	Freehold
15	Lambhay Hill Car Park, Plymouth, PL1 2NR	£2,200,000	Leasehold
16	Harbour Car Park, Lockyers Quay, Plymouth, PL4 0DX	£1,900,000	Freehold*
17	National Marine Aquarium, Ropewalk, Coxside, Plymouth, PL4 0LF	£2,200,000	Freehold
18	The Old Harbour Office/Guys Quay, Sutton Harbour, Plymouth, PL4 0LF	£465,000	Freehold
19	Lunar Rise (Moon Street), Exeter Street, Plymouth, PL4 0AJ	£1,000,000	Leasehold
20	The Mill Bay Marina Restaurant, King Point Marina, PL1 3EF	£395,000	Leasehold
21	King Point Marina, Millbay, PL1 3EF*	£2,900,000	Leasehold
TOTAL		£43,935,000	

*See Special Assumption below

Realisation costs

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for taxation which might arise in the event of a disposal of any Property.

In the event that the Properties were to be sold at the valuations contained in this Summary Valuation Report, any gains realised on such disposals over the book value for tax purposes would be subject to taxation in the applicable jurisdiction. In connection with the Partial Offer it is not contemplated that the liability to taxation as described above will crystallise.

Assumptions and sources of information

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our valuations should be reviewed. The assumptions we have made for the purposes of our valuations are referred to below.

We have made the following **Special Assumption** as agreed with the Company:

The Harbour Car Park is in effect freehold as it is held on an inter-company lease expiring on 31 December 2148 on an indexed rent based on £20,000. We have not been provided with a copy of this document and have been told there is no intention to charge rent on the operating subsidiary. We have been instructed to make the Special Assumption that the inter-company lease is to be disregarded in our valuation.

Inspections

We inspected the Properties contained within the Schedule between August 2016 – August 2017.

Information

We have made an assumption that the information which the Company and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as prospective lettings, rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

Title

We have relied on details of tenure provided to us previously by the Company. We have considered the available information in the valuation of the Properties.

Floor areas

We have been provided with floor areas by the Company and have assumed that these are gross or net and have been prepared in accordance with the RICS' Code of Measuring Practice. As agreed, we have relied upon these floor areas for the purposes of this valuation exercise. We have taken some check measurements and where undertaken the floor areas provided were found to be accurate.

Plant and machinery

For the investment properties, landlords' fixtures such as lifts, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our valuations.

For the marinas, fisheries and car parks all plant and machinery, specialist trade fittings, lifts and service installations are included within our valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our valuations, we have assumed that the majority are in good working order and in compliance with any relevant statute bye-law or regulation. Where we are aware that this is not the case our valuation approach factors in appropriate costs.

Environmental investigations and ground conditions

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information to the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. Properties have been valued on the basis of the Company's advice. Save where we have been specifically advised to the contrary, we have assumed that no deleterious materials have been used in the construction of any of the subject buildings.

Planning

We have relied on planning information provided to us by the Company and that available within the public domain. We understand that there are no adverse Town Planning, Highway or other schemes or proposals, which would materially impact our opinion of value. We have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices that would materially impact our opinion of value. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations.

Tenure and tenancies

We have not read copies of all the leases and have instead relied on the tenancy information provided to us by the Company for the purposes of our valuation. Where we have checked leases the information provided by the company was found to be correct.

We have not conducted credit enquires into the financial status of any of the tenants. However, in undertaking our valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its leasehold obligations and that there are no undisclosed breaches of covenant.

Responsibility

This Valuation and the Schedule are provided to the addressees as set out on the first page of this certificate in accordance with Rule 29 of the City Code on Takeovers and Mergers and solely for the purpose of the Partial Offer.

Neither the whole nor any part of this Summary Valuation Report nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear. For the avoidance of doubt, such approval is required whether or not Jones Lang LaSalle Limited are referred to by name and whether or not the contents of our Summary Valuation Report are combined with other reports. Such approval shall not be unreasonably withheld. Notwithstanding the foregoing, the contents and data contained in this Summary Valuation Report may be cited and summarised elsewhere in this Partial Offer Document.

Notwithstanding any other provision contained within this Summary Valuation Report, this Summary Valuation Report may also be relied upon by the Company and may be disclosed in any litigation or regulatory enquiry or investigation or action in connection with the Partial Offer.

Jones Lang La Salle has given and not withdrawn its consent for the inclusion of this Summary Valuation Report in the Partial Offer Document.

Yours faithfully

Daniel Bishop MRICS

Director

For and on behalf of

Jones Lang La Salle Limited

Andrew Bowyer MRICS

Director

For and on behalf of

Jones Lang La Salle Limited

APPENDIX V: FINANCIAL INFORMATION

PART A: SHH

1. The following sets out the financial information in respect of SHH as required by Rule 24.3 of the Takeover Code. The documents referred to below (or parts thereof), the contents of which have been previously announced through a Regulatory Information Service, are incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code:
 - (a) audited consolidated accounts of SHH (and the notes thereto) for the financial year ended 31 March 2016 are set out on pages 23 to 61 (inclusive) of the Annual Report and Accounts of SHH for the financial year ended 31 March 2016 and are available free of charge on SHH's website at www.suttonharbourholdings.co.uk;
 - (b) audited consolidated accounts of SHH (and the notes thereto) for the financial year ended 31 March 2017 are set out on pages 21 to 61 (inclusive) of the Annual Report and Accounts of SHH for the financial year ended 31 March 2017 and are available free of charge on SHH's website at www.suttonharbourholdings.co.uk; and
 - (c) unaudited interim results of SHH for the six months ended 30 September 2017 are available free of charge on SHH's website at www.suttonharbourholdings.co.uk.
2. For the avoidance of doubt, neither the content of SHH's website nor the content of any website accessible from hyperlinks on SHH's website is incorporated by reference into, or forms part of, this document.

PART B: BEINHAKER DESIGN SERVICES

1. The following sets out the financial information in respect to Beinhaker Design Services as required by Rule 24.3 of the Takeover Code. The unaudited financial statements for the period ended 31 May are incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code and are available on www.fbllp.co.uk.
2. For the avoidance of doubt, neither the content of FB Investors' website nor the content of any website accessible from hyperlinks on FB Investors' website is incorporated by reference into, or forms part of, this document.

Hard copies of the above-referenced financial information will not be sent to recipients of this document unless specifically requested. Recipients of this document may request hard copies of the above-referenced financial information from the Receiving Agent, Neville Registrars on +44 (0) 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Partial Offer nor give any financial, legal or tax advice.

APPENDIX VI: ADDITIONAL INFORMATION

1. Responsibility

- 1.1 The members of the FB Investors Executive Committee and Corey Beinhaker, whose names and business addresses are set out in paragraphs 2.1 and 2.2 below, accept responsibility for the information contained in this document (including any expressions of opinion attributed to them) other than (a) information in respect of SHH, the SHH Directors and their respective connected persons and persons deemed to be acting in concert (as such term is defined in the Takeover Code) with SHH and (b) the opinions and recommendations of the SHH Directors in respect of the Partial Offer. To the best of the knowledge and belief of the members of the FB Investors Executive Committee and Corey Beinhaker (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The SHH Directors, whose names and business addresses are set out in paragraph 2.4 below, accept responsibility for the information contained in this document relating to the SHH Group, the SHH Directors and their respective connected persons and persons deemed to be acting in concert (as such term is defined in the Takeover Code) with SHH and the opinions and recommendations of the SHH Directors relating to the Partial Offer. To the best of the knowledge and belief of the SHH Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Directors, registered offices and business addresses

- 2.1 The members of the FB Investors Executive Committee and their respective positions are set out below:

<i>Name</i>	<i>Position</i>
Philip Beinhaker	Executive Committee Member
Albert Friedberg	Executive Committee Member

The registered office of FB Investors is 6th Floor, Cardinal House, 20 St. Mary's Parsonage, Manchester, Lancashire, M3 2LG.

- 2.2 The directors of Beinhaker Design Services are set out below:

<i>Name</i>	<i>Position</i>
Philip Beinhaker	Chairman
Corey Beinhaker	Director
Constance Beinhaker	Director and Secretary

The registered office of Beinhaker Design Services and the business address of the persons listed above is 6th Floor, Cardinal House, 20 St. Mary's Parsonage, Manchester, Lancashire, M3 2LG.

- 2.3 The directors of 1895 Management Holdings are Albert Friedberg and Dan Scheiner. The registered office of 1895 Management Holdings and the business address of each director is 181 Bay Street, Suite 250, Toronto, Canada, M5J 2T3.

- 2.4 The SHH Directors and their respective positions are set out below:

<i>Name</i>	<i>Position</i>
Graham Miller	Non-Executive Chairman
Jason Schofield	Chief Executive Officer
Natasha Gadsdon	Chief Financial Officer
Robert De Barr	Non-Executive Director
Sean Swales	Non-Executive Director

2.5 The registered office of SHH and the business address of each SHH Director is Tin Quay House, Sutton Harbour, Plymouth PL4 0RA.

3. Market quotations

3.1 The following table shows the Closing Price for SHH Shares as derived from the Daily Official List in each case on:

- (a) 20 April 2016 (being the last Business Day prior to the commencement of the Offer Period);
- (b) the first Business Day of each month for the six months immediately before the date of this document;
- (c) 22 November 2017 (being the last Business Day prior to the date of the Rule 2.7 Announcement); and
- (d) 6 December 2017 (being the last Business Day prior to the publication of this document).

<i>Date</i>	<i>SHH Share (pence per share)</i>
20 April 2016	26.00
3 July 2017	27.50
1 August 2017	27.25
1 September 2017	26.50
2 October 2017	26.25
1 November 2017	25.75
22 November 2017	26.25
1 December 2017	29.00
6 December 2017	28.25

4. Disclosure of interests and dealings

4.1 For the purpose of this paragraph 4 of this Appendix VI:

acting in concert has the meaning given to it in the Takeover Code;

arrangement includes any indemnity or option arrangement and any agreement or understanding, formal or informal, of whatever nature relating to relevant securities which may be an inducement to deal or refrain from dealing, but excludes irrevocable commitments;

connected adviser has the meaning given to it in the Takeover Code;

control has the meaning given to it in the Takeover Code;

dealing has the meaning given to it in the Takeover Code;

derivative has the meaning given to it in the Takeover Code;

disclosure date means 6 December 2017, being the last Business Day before publication of this document;

disclosure period means the period which began on 21 April 2015 (being the date 12 months before the start of the Offer Period) and ended on the disclosure date;

exempt fund manager means a person who manages investment accounts on a discretionary basis and is recognised by the Panel as an exempt fund manager for the purposes of the Takeover Code;

a person has an **interest** or is **interested** in relevant securities if he has a long economic exposure, whether absolute or conditional, to changes in the price of those securities (but not if he only has a short position in such securities) and in particular if: (i) he owns them; (ii) he has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to them or has general control of them; by virtue of any agreement to purchase, option or derivative, he: (A) has the right or option to acquire them or call for their delivery; or (B) is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or (iv) he is party to any derivative: (I) whose value is determined by reference to their price; and (II) which results, or may result, in his having a long position in them;

references to directors being **interested** in relevant securities include details of all interests, short positions and borrowings of any other persons whose interests in shares the relevant director is taken to be interested pursuant to Part 22 of the Companies Act 2006 and related regulations;

SHH Relevant Securities means (i) SHH Shares and any other securities of SHH conferring voting rights; (ii) equity share capital of SHH; and (iii) securities of SHH carrying conversion or subscription rights into any of the foregoing;

relevant securities means SHH Relevant Securities and/or FB Investors Relevant Securities, as the context requires; and

FB Investors Relevant Securities means (i) membership interests in FB Investors; and (ii) any right carrying conversion or subscription rights into any of the foregoing.

4.2 **Persons acting in concert with FB Investors**

The persons deemed to be acting in concert with FB Investors (in addition to the members of the FB Investors Executive Committee together with their close relatives and related trusts and controlled companies) for the purposes of the Partial Offer are:

<i>Name</i>	<i>Type</i>	<i>Registered Office</i>	<i>Relationship to FB Investors</i>
WH Ireland	Private limited company	24 Martin Lane, London, EC4R 0DR	Financial Adviser
Beinhaker Design Services	Private limited company	6th Floor, Cardinal House, 20 St. Mary's Parsonage, Manchester, Lancashire, United Kingdom, M3 2LG	Partnership member
1895 Management Holdings	Unlimited liability company	181 Bay Street, Suite 250, Toronto, Ontario, Canada, M5J 2T3	Partnership member

Other than the persons identified in this paragraph 4.2 no persons are, for the purposes of the Takeover Code, acting or deemed to be acting in concert with FB Investors in respect of the Partial Offer.

4.3 **Persons acting in concert with SHH**

The persons deemed to be acting in concert with SHH (in addition to the SHH Directors together with their close relatives and related trusts and controlled companies) for the purposes of the Partial Offer are:

<i>Name</i>	<i>Type</i>	<i>Registered Office</i>	<i>Relationship to SHH</i>
Rothschild	Private limited company	New Court, St Swithin's Lane, London EC4N 8AL	Financial adviser
Crystal Amber Fund Limited	Closed-ended company	Heritage Hall, PO Box 225, Le Marchant Street, St Peter Port, GY1 4HY, Guernsey	Shareholder
Rotolok (Holdings) Limited	Private limited company	1 Millennium Place, Tiverton Business Park, Tiverton, Devon EX16 6SB	Shareholder

Other than the persons identified in this paragraph 4.3 no persons are, for the purposes of the Takeover Code, acting or deemed to be acting in concert with SHH in respect of the Partial Offer.

4.4 **Interests in SHH Relevant Securities**

As at the disclosure date:

- (a) none of FB Investors, any persons acting in concert with FB Investors or the members of the FB Investors Executive Committee (together with their respective immediate families, related trusts and connected persons) were interested in, had a right to subscribe for or had a short position in, any SHH Relevant Securities; and
- (b) the following SHH Directors and their respective related parties had an interest in, a right to subscribe for, or a short position in, certain SHH Relevant Securities. The nature of the interests or rights concerned and the number of SHH Relevant Securities to which these apply are as follows:

<i>Name</i>	<i>Type of relevant security held</i>	<i>No. of SHH Relevant Securities</i>
Graham Miller	Ordinary shares	147,000
Jason Schofield	Ordinary shares	14,194
Natasha Gadsdon	Ordinary shares	104,026
Robert De Barr	Ordinary shares	10,000
Sean Swales	Ordinary shares	13,400

- (c) Except as stated in paragraph (b) above, none of SHH, any persons acting in concert with SHH or the SHH Directors (together with their respective immediate families, related trusts and connected persons) were interested in, or had a right to subscribe for or a short position in, any SHH Relevant Securities.

4.5 **Interests in FB Investors Relevant Securities**

As at the disclosure date:

- (a) other than as set out in paragraph 4.9 of this Appendix VI, none of FB Investors, any persons acting in concert with FB Investors or the FB Investors Executive Committee Members (together with their respective immediate families, related trusts and connected persons) were interested in, or had a right to subscribe for or a short position in, any FB Investors Relevant Securities; and
- (b) none of SHH, any persons acting in concert with SHH or the SHH Directors (together with their respective immediate families, related trusts and connected persons) were interested in, or had a right to subscribe for or a short position in, any FB Investors Relevant Securities.

4.6 **Dealings in SHH Relevant Securities**

As at the disclosure date, other than as set out in this document:

- (a) there have been no dealings in SHH Relevant Securities by FB Investors, any persons acting in concert with FB Investors or members of the FB Investors Executive Committee (or any of their respective immediate relatives, related trusts and connected persons) during the disclosure period; and
- (b) there have been no dealings in SHH Relevant Securities by SHH, any persons acting in concert with SHH or the SHH Directors (or any of their respective immediate relatives, related trusts and connected persons) during the period between the start of the Offer Period and the disclosure date.

4.7 **Dealings in FB Investors Relevant Securities**

As at the disclosure date:

- (a) there have been no dealings in FB Investors Relevant Securities by SHH, any persons acting in concert with SHH or the SHH Directors (or any of their respective immediate relatives, related trusts and connected persons) during the period between the start of the Offer Period and the disclosure date; and
- (b) other than as set out in paragraph 4.9 of this Appendix VI there have been no dealings in FB Investors Relevant Securities by FB Investors, any persons acting in concert with FB Investors or the members of FB Investors Executive Committee (or any of their respective immediate relatives, related trusts and connected persons) during the disclosure period.

4.8 **General**

Except as disclosed in this paragraph 4, as at the disclosure date,

(a) none of:

- (i) FB Investors;
- (ii) the members of the FB Investors Executive Committee (and their close relatives and related trusts and controlled companies); or
- (iii) any other person acting in concert with FB Investors,

held any interest or right to subscribe for or any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in any SHH Relevant Securities, nor, save for any borrowed shares which have either been on-lent or sold, had borrowed or lent any SHH Relevant Securities (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code), nor had any such person dealt in any SHH Relevant Securities during the disclosure period; and

(b) none of:

- (i) SHH;
- (ii) the SHH Directors (and their close relatives and related trusts and controlled companies); nor
- (iii) any other person acting in concert with SHH,

held any interest or right to subscribe for or any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery, in any relevant securities, nor, save for any borrowed shares which have either been on-lent or sold, had borrowed or lent any SHH Relevant Securities, (including for these purposes any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code), nor had any such person dealt in any relevant securities between the start of the Offer Period and the disclosure date.

4.9 As per paragraph 7 of Part 2 of this document, FB Investors is an English Limited Liability Partnership and was incorporated on 13 November 2017. The members of FB Investors on incorporation were and remain Beinhaker Design Services and 1895 Management Holdings.

5. United Kingdom taxation

The following statements are intended to be a general guide only and are based on current UK tax law and current published practice of HM Revenue and Customs, both of which are subject to change at any time, possibly with retrospective effect. They relate only to certain limited aspects of the UK taxation treatment of acceptance of the Partial Offer in respect of shareholders (a) who are solely resident in the UK for tax purposes and, in the case of individuals, are domiciled in the UK, (b) who hold the SHH Shares as investments (other than under an individual savings account or a self-invested personal pension) and (c) who are the beneficial owners of both the SHH Shares and any dividends paid on them. The statements may not apply to certain categories of shareholders such as (but not limited to) persons who have (or are deemed to have) acquired their SHH Shares under a share scheme or otherwise in connection with an office or employment, dealers in securities, charities, trustees, insurance companies and collective investment schemes.

The summary below does not constitute tax or legal advice and SHH Shareholders who are in any doubt about their taxation position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately.

5.1 **UK taxation of chargeable gains**

Liability to UK tax on chargeable gains in respect of the disposal of SHH Shares pursuant to the Partial Offer will depend on the circumstances of SHH Shareholders.

The sale by a SHH Shareholder of their SHH Shares will constitute a disposal or a part disposal of SHH Shares for the purposes of UK tax on chargeable gains which may, depending on a SHH Shareholder's circumstances (including the availability of reliefs, exemptions and allowable losses), give rise to a liability to capital gains tax ("**CGT**"), or to corporation tax on chargeable gains or, alternatively, to an allowable loss for those purposes.

Individual SHH Shareholders

For a SHH Shareholder who is an individual, no CGT should be payable on any gain realised on the disposal of SHH Shares if the amount of the chargeable gain realised, when aggregated with other gains realised by that SHH Shareholder in the year of assessment (and after taking account of allowable losses), does not exceed the annual exempt amount (the annual exempt amount for the tax year beginning on 6 April 2017 is £11,300). Broadly, any gains in excess of this amount will be taxed at a rate of 10 per cent. for a taxpayer paying tax at the basic rate and 20 per cent. for higher and additional rate taxpayers, but where the gains of a basic rate taxpayer subject to CGT exceed the part of their basic rate band unused by the individual's taxable income, the excess will be subject to CGT at the 20 per cent. rate.

Corporate SHH Shareholders

For a SHH Shareholder who is within the charge to UK corporation tax, a gain on the disposal or part disposal of SHH Shares will be subject to corporation tax on chargeable gains (subject to any applicable reliefs, exemptions and allowable losses). For such SHH Shareholders, indexation allowance may be available to reduce any chargeable gain arising on the disposal (but not to create or increase any allowable loss).

5.2 **UK stamp duty and stamp duty reserve tax**

No UK stamp duty or stamp duty reserve tax should be payable by SHH Shareholders as a result of accepting the Partial Offer.

6. Material contracts

6.1 **FB Investors**

Except as set out below, neither FB Investors nor any other member of the FB Investors Group has entered into any contract, otherwise than in the ordinary course of business, since 21 April 2014 (being the date two years prior to the commencement of the Offer Period), which is or may be material.

(a) *Share Subscription Agreement*

On 23 November 2017, FB Investors and SHH entered into the Share Subscription Agreement, pursuant to which FB Investors has agreed to subscribe for 9,322,034 Subscription Shares at a price of 29.5 pence per Subscription Share, being the Offer Price. The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms; and (ii) SHH Shareholders approving at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares.

(b) *Irrevocable undertakings*

(i) Each of the SHH Directors has entered into irrevocable undertakings with FB Investors, whereby each SHH Director has irrevocably undertaken to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies

Act 2006, have a beneficial interest, which, in aggregate, represent approximately 0.30 per cent. of the SHH Shares in issue on 6 December 2017 (being the last Business Day prior to the date of this document).

- (ii) Each of Crystal Amber Fund Limited, Rotolok Holdings Limited and Dan McCauley has entered into irrevocable undertakings with FB Investors, whereby each of them has irrevocably undertaken to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they are interested, which, in aggregate, represent approximately 58.07 per cent. of the SHH Shares in issue on 6 December 2017 (being the last Business Day prior to the date of this document).

(c) *Relationship Agreement*

On 23 November 2017, FB Investors, SHH and Arden Partners entered into the Relationship Agreement, which is conditional upon the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms, in order to regulate their relationship on an ongoing basis following completion of the Partial Offer. The principal purpose of the Relationship Agreement is to provide that the relationship between FB Investors and the SHH Group will be conducted independently and on an arm's length basis.

The Relationship Agreement addresses, amongst other things, the composition of the SHH Board (providing FB Investors with the ability to appoint up to two directors to the SHH Board (one of whom may be the Chairman) for so long as it holds, directly or indirectly, 50 per cent. or more of the issued voting share capital of SHH) and contains certain restrictions in relation to directors appointed by FB Investors voting at meetings of the SHH Board on matters in which FB Investors is interested. Under the Relationship Agreement, FB Investors has agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the Board not appointed by FB Investors.

(d) *Costs side letter*

On 23 November 2017, SHH and FB Investors entered into a side letter (the "**Side Letter**") to confirm, amongst other things, that SHH will (a) subject to the Partial Offer becoming, or being declared, unconditional in accordance with its terms, reimburse FB Investors £20,250 in respect of the amount which FB Investors has previously paid to RBS in partial satisfaction of the arrangement fee to be paid by SHH to RBS in connection with the RBS Conditional Amendment and Restatement Agreement; and (b) subject to the Partial Offer becoming, or being declared, unconditional in accordance with its terms and Burges Salmon LLP engaging SHH as its client on substantially the same terms and conditions as it has engaged FB Investors as its client so that SHH may rely fully on the legal advice that it has provided in relation to the RBS Conditional Amendment and Restatement Agreement and SHH's strategy in relation to the Plymouth and South West Joint Local Plan, pay an amount up to £21,490 (exclusive of VAT and any disbursements) in respect of such advice.

6.2 **SHH**

Neither SHH nor any other member of the SHH Group has entered into any contract, otherwise than in the ordinary course of business, since 21 April 2014 (being the date two years prior to the commencement of the Offer Period), which is or may be material.

(a) *Share Subscription Agreement*

See paragraph 6.1(a) above.

(b) *Relationship Agreement*

See paragraph 6.1(c) above.

(c) *RBS Amended and Restatement Facility Agreement*

In connection with the Partial Offer, SHH (and its subsidiaries) entered into a conditional amendment and restatement agreement with RBS on 23 November 2017 (the “**RBS Conditional Amendment and Restatement Agreement**”), in relation to the existing facilities agreement dated 3 March 2016 between RBS (as agent for National Westminster Bank plc) and, among others, SHH and Sutton Harbour Company, as borrowers (the “**Existing RBS Facilities Agreement**”), pursuant to which, amongst other things, the term of the Existing RBS Facilities Agreement has been conditionally extended from 3 March 2019 to 31 March 2021 and a waiver has been conditionally granted in respect of the change of control provision under the Existing RBS Facilities Agreement which would have otherwise become effective as a result of the Partial Offer.

The RBS Conditional Amendment and Restatement Agreement will only become effective in the event that the Partial Offer becomes, or is declared, wholly unconditional in accordance with its terms.

(d) *Costs side letter*

See paragraph 6.1(d) above.

7. Service agreements and letters of appointment of SHH Directors

7.1 Each of the executive directors of SHH has entered into a service agreement with SHH, the principal terms of which are as follows:

<i>Name of director</i>	<i>Date of agreement</i>	<i>Notice period</i>	<i>Current base salary per annum</i>
Jason Schofield	30 August 2011	12 months	£141,350
Natasha Gadsdon	30 August 2011	12 months	£113,500

7.2 Jason Schofield is entitled to receive under his service contract the following benefits:

- (a) 10 per cent. of salary pension contribution payable by SHH;
- (b) private medical insurance for himself, spouse and dependent children;
- (c) permanent health insurance and life insurance;
- (d) 30 days’ paid holiday per year plus bank holidays;
- (e) a bonus payment based on certain qualifying criteria/performance targets linked to the Company’s pre-tax profits and net asset value and achievement of Board – determined qualitative measures, not exceeding 60 per cent. of basic annual salary;
- (f) in the event of the acquisition of 50 per cent. or more of the issued share capital of the Company by any individual, corporation, partnership or any concert party of such person(s) (a “**Specified Event**”), the director is entitled to payment of a sum equivalent to one year’s salary (plus bonus and the value of all other benefits under the service contract) as liquidated damages within 28 days of such Specified Event. In addition, the director may resign on three months’ written notice provided that such notice expires before the period of nine months from the date of the Specified Event in which case he shall be entitled to payment of a further sum equivalent to one year’s salary (plus bonus and the value of all other benefits under the service contract);
- (g) company car and fuel benefit; and
- (h) at his election, critical illness insurance and personal accident insurance coverage.

The service contract can be terminated by either party on 12 months’ written notice and otherwise by the Company in certain customary circumstances, for example, gross misconduct or serious breach, with immediate effect. The Company may elect to put the director on gardening leave during any period of notice provided that it shall pay the director a sum equal to his salary and benefits (including bonus) that he would have been entitled to receive during the notice period.

The director is subject to customary restrictive covenants on termination of employment.

- 7.3 Natasha Gadsdon is entitled to receive under her service contract the following benefits:
- (a) 10 per cent. of salary pension contribution payable by SHH;
 - (b) private medical insurance for herself, spouse and dependent children;
 - (c) permanent health insurance and life insurance;
 - (d) 30 days' paid holiday per year plus bank holidays;
 - (e) a bonus payment based on certain qualifying criteria/performance targets linked to the Company's pre-tax profits and net asset value and achievement of Board – determined qualitative measures, not exceeding 60 per cent. of basic annual salary;
 - (f) in the event of the acquisition of 50 per cent. or more of the issued share capital of the Company by any individual, corporation, partnership or any concert party of such person(s) (a "**Specified Event**"), the director is entitled to payment of a sum equivalent to one year's salary (plus bonus and the value of all other benefits under the service contract) as liquidated damages within 28 days of such Specified Event. In addition, the director may resign on three months' written notice provided that such notice expires before the period of nine months from the date of the Specified Event in which case she shall be entitled to payment of a further sum equivalent to one year's salary (plus bonus and the value of all other benefits under the service contract);
 - (g) company car benefit; and
 - (h) at her election, critical illness insurance and personal accident insurance coverage.

The service contract can be terminated by either party on 12 months' written notice and otherwise by the Company in certain customary circumstances, for example, gross misconduct or serious breach, with immediate effect. The Company may elect to put the director on gardening leave during any period of notice provided that it shall pay the director a sum equal to her salary and benefits (including bonus) that she would have been entitled to receive during the notice period.

- 7.4 Each of the SHH Non-Executive Directors have entered into letters of appointment with SHH, the principal terms of which are as follows:

<i>Name of director</i>	<i>Date of appointment as a director</i>	<i>Anticipated expiry of present term of appointment (subject to annual re-election)</i>	<i>Notice period</i>	<i>Current fee per annum</i>
Graham Miller	23 September 2013	22 September 2018	6 months	£40,000
Robert De Barr	1 May 2012	30 April 2018	3 months	£20,000
Sean Swales	1 December 2009	30 November 2018	3 months	£20,000

- 7.5 The Non-Executive SHH Directors receive reimbursement from SHH for reasonable expenses.
- 7.6 Save as set out above in this paragraph 7, there are no service contracts between any member of the SHH Group and any director or proposed director of SHH and no SHH Director's service contract or letter of appointment has been entered into or amended within the six months preceding the date of this document. As noted in paragraph 10 of Part 2 to this document, Robert De Barr will resign from the SHH Board, subject to and with effect from the Partial Offer becoming, or being declared, wholly unconditional.

8. Financing of Partial Offer and cash confirmation

Full acceptance of the Partial Offer will result in the payment by FB Investors of approximately £19.88 million in cash.

The aggregate cash consideration payable by FB Investors under the Partial Offer and the Share Subscription will be provided from existing cash resources.

WH Ireland is satisfied that FB Investors has the necessary financial resources available to satisfy the consideration that would be payable on full acceptance of the Partial Offer and pursuant to the terms of the Share Subscription Agreement.

9. Irrevocable undertakings

9.1 SHH Directors

The following SHH Directors have entered into irrevocable undertakings in respect of their beneficial holdings of SHH Shares:

<i>Name</i>	<i>Number of SHH Shares</i>	<i>Percentage of issued share capital</i>
Graham Miller	147,000	0.15%
Jason Schofield	14,194	0.01%
Natasha Gadsdon	104,026	0.11%
Robert De Barr	10,000	0.01%
Sean Swales	13,400	0.01%
Total	288,620	0.30%

These irrevocable undertakings include undertakings to:

- (a) to accept, or procure the acceptance of, the Partial Offer;
- (b) to approve, or procure the approval of, the Partial Offer; and
- (c) to vote, or procure the vote, in favour (or to submit, or procure the submission of, WHITE Forms of Proxy, voting in favour) of the Resolutions at the SHH General Meeting.

The irrevocable undertakings given by each of the SHH Directors provide that they will cease to be binding if the Partial Offer lapses or is withdrawn.

9.2 Other SHH Shareholders

The following other SHH Shareholders have entered into irrevocable undertakings:

<i>Name</i>	<i>Number of SHH Shares</i>	<i>Percentage of issued share capital</i>
Crystal Amber Fund Limited	28,184,178	29.27%
Rotolok (Holdings) Limited	27,549,571	28.61%
Dan McCauley	172,399	0.18%
Total	55,906,148	58.07%

These irrevocable undertakings include undertakings to:

- (a) to accept, or procure the acceptance of, the Partial Offer;
- (b) to approve, or procure the approval of, the Partial Offer; and
- (c) to vote, or procure the vote, in favour (or to submit, or procure the submission of, WHITE Forms of Proxy, voting in favour) of the Resolutions at the SHH General Meeting.

The irrevocable undertaking given by such SHH Shareholders provides that it will cease to be binding if the Partial Offer lapses or is withdrawn.

10. Ratings

10.1 As at the commencement of the Offer Period, SHH had no ratings or outlooks publicly accorded to it by ratings agencies.

10.2 As at the commencement of the Offer Period, FB Investors had no ratings or outlooks publicly accorded to it by ratings agencies.

10.3 There has been no change in such ratings since the commencement of the Offer Period.

11. Other information

- 11.1 WH Ireland has given and has not withdrawn its written consent to the issue of this document and the inclusion herein of the references to its name in the form and context in which they are included.
- 11.2 Rothschild has given and has not withdrawn its written consent to the issue of this document and the inclusion in it of the references to its name in the form and context in which they are included.
- 11.3 Jones Lang LaSalle Limited has given and has not withdrawn its written consent to the issue of this document and the inclusion in it of the references to its name in the form and context in which they are included.
- 11.4 Arden Partners has given and has not withdrawn its written consent to the issue of this document and the inclusion herein of the references to its name in the form and context in which they are included.
- 11.5 There has been no significant change in the financial or trading position of SHH since 30 September 2017, being the date to which the Company's most recent unaudited interim results were prepared.
- 11.6 There have been no discussions with respect to the terms of any future management incentivisation arrangements and no such arrangements have been proposed or agreed with the management of SHH.
- 11.7 No agreement, arrangement or understanding (including any compensation arrangement) exists between FB Investors or any concert party of FB Investors and any of the SHH Directors, recent directors, shareholders or recent shareholders of SHH or any person interested or recently interested in SHH Shares having any connection with or dependence on, or which is conditional on, the outcome of the Partial Offer and no proposal exists in connection with the Partial Offer whereby any payment or other benefit will be made or given to any director of SHH as compensation for loss of office or as consideration for or in connection with this retirement from office or otherwise in connection with the Partial Offer.
- 11.8 No agreement, arrangement or understanding of whatever nature, whether formal or informal (including indemnity or option arrangements), relating to relevant securities which may be an inducement to deal or refrain from dealing exists between (i) SHH or any concert party of SHH and any other person having any connection with or any dependence upon the outcome of the Partial Offer; or (ii) FB Investors or any concert party of FB Investors and any other person having any connection with or any dependence upon the outcome of the Partial Offer.
- 11.9 There is no agreement, arrangement or understanding by which the legal or beneficial ownership of any securities to be acquired pursuant to the Partial Offer will be transferred to any other person, but FB Investors reserves the right to transfer any such shares to any member of FB Investors or any joint venture, partnership, firm or company in which it has a substantial interest and the right to assign any such shares by way of security or grant any other security interest over such shares.

12. Fees and expenses

- 12.1 The aggregate fees and expenses expected to be incurred by FB Investors in connection with the Partial Offer are estimated to amount to approximately £825,000 (excluding applicable VAT and disbursements). This aggregate number consists of the following categories:
- (a) financial advice: £200,000 (excluding applicable VAT and disbursements);
 - (b) legal advice: £585,000 (excluding applicable VAT and disbursements); and
 - (c) other costs and expenses (including the Receiving Agent's fees, the Panel's fees and printing costs): £40,000 (excluding applicable VAT and disbursements).
- 12.2 The aggregate fees and expenses expected to be incurred by SHH in connection with the Partial Offer are estimated to amount to approximately £1,250,000 (excluding applicable VAT and disbursements). This aggregate number consists of the following categories:
- (a) financial and corporate broking advice: £825,000 (excluding applicable VAT and disbursements);

- (b) legal advice: £250,000 (excluding applicable VAT and disbursements); and
- (c) other costs and expenses: £175,000 (excluding applicable VAT and disbursements).

13. Documents on display

Copies of the following documents will be available (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions), free of charge, for inspection on FB Investors' website at www.fbllp.co.uk and on SHH's website at www.suttonharbourholdings.co.uk (in the section "Partial Offer from FB Investors") and from SHH while the Partial Offer remains open for acceptance:

- (a) the articles of association of SHH;
- (b) certificate of incorporation of FB Investors;
- (c) the consent letters referred to in paragraphs 11.1, 11.2, 11.3 and 11.4 above;
- (d) the irrevocable undertakings referred to in paragraph 9 above;
- (e) this document, the BLUE Form of Acceptance, the PINK Approval Form and the WHITE Form of Proxy;
- (f) the confidentiality agreement entered into between SHH, Philip Beinhaker and Albert Friedberg and dated 9 August 2017;
- (g) the SHH Asset Valuation Report set out in Appendix IV to this document;
- (h) the published and audited consolidated financial statements of SHH for the two financial years ended 31 March 2017 and its unaudited condensed consolidated interim financial statements for the six months ended 30 September 2017;
- (i) the unaudited financial statements for Beinhaker Design Services for the period ended 31 May 2016; and
- (j) the material contracts which have been entered into in connection with the Partial Offer which are referred to in paragraph 6 above.

14. Documents incorporated by reference

Appendix V to this document sets out which parts of certain documents are incorporated by reference in, and form part of, this document.

15. Bases of calculations and sources of information

Appendix III to this document sets out the bases of calculations and sources of information used in preparing this document.

16. Date of despatch and publication

This document was despatched and published on 7 December 2017.

APPENDIX VII: DEFINITIONS

The following definitions apply throughout this document, unless otherwise stated or the context otherwise requires.

“1895 Management Holdings”	1895 Management Holdings Company whose registered office is at 181 Bay Street, Suite 250, Toronto, Canada M5J 2T3;
“AIM”	a market established by the London Stock Exchange plc;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;
“Approval Form”	the PINK Approval Form relating to the Partial Offer being despatched to all SHH Shareholders (other than those in any Restricted Jurisdiction);
“Arden Partners”	Arden Partners plc, nominated adviser to SHH;
“Articles”	the articles of association of SHH currently adopted and filed with Companies House;
“Australia”	the Commonwealth of Australia, its states, possessions and territories and all areas subject to its jurisdiction or any political subdivision thereof;
“Beinhaker Design Services”	Beinhaker Design Services Limited, (company number 09613864) whose registered office is at 6th Floor Cardinal House, 20 St. Mary’s Parsonage, Manchester, Lancashire M3 2LG;
“BLUE Form of Acceptance”	the form of acceptance and authority relating to the Partial Offer being despatched to SHH Shareholders who hold their SHH Shares in Certificated Form (other than those in any Restricted Jurisdiction), together with this document;
“Business Day”	any day (other than a Saturday, Sunday or public holiday) on which banks in London are open for normal business;
“Canada”	Canada, its possessions and territories and all areas subject to its jurisdiction and any political sub-division thereof;
“Chairman”	the chairman of the SHH Board from time to time;
“Certificated” or “Certificated Form”	in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security as being held in Certificated Form (that is, not in CREST);
“CMA”	UK Competition and Markets Authority;
“Closing Price”	the middle market price of a SHH Share at the close of business on the day to which such price relates, as derived from the AIM Appendix of the Daily Official List;
“Conditions”	the conditions to the Partial Offer set out in Part A of Appendix I to this document;
“connected person(s)”	has the same meaning as in Sections 252 to 256 of the CA 2006;

“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001) in respect of which Euroclear is the operator (as defined in the Uncertificated Securities Regulations 2001);
“CREST Manual”	the manual issued by Euroclear for further information on the CREST procedure;
“CREST Member”	a person who is, in relation to CREST, a system member (as defined in the Regulations);
“CREST Participant”	a person who is, in relation to CREST, a systems participant (as defined in the Regulations);
“CREST Payment”	has the meaning given to it in the CREST Manual;
“CREST Sponsor”	a person who is, in relation to CREST, a sponsoring system participant (as defined in the Regulations);
“CREST sponsored member”	CREST member admitted to CREST as a sponsored member;
“Daily Official List”	the Daily Official List of the London Stock Exchange;
“Dealing Disclosure”	a dealing disclosure made in accordance with Rule 8 of the Takeover Code;
“Deferred Shares”	deferred shares of 24 pence each in the capital of SHH
“Disclosed”	the information which has been fairly disclosed by SHH: (i) in its published annual report and accounts for the year ended 31 March 2017 (ii) in its published interim results for the six months ended 30 September 2017; (iii) in any public announcement on or before 5 p.m. on the Business Day prior to the date of this document; (iv) otherwise in writing to FB Investors prior to the date of this document; or (v) in this document;
“Electronic Acceptance”	the inputting and settling of a TTE Instruction which constitutes or is deemed to constitute an acceptance of the Partial Offer on the terms set out in this document;
“ESA Instruction”	an Escrow Account Adjustment Input (AESN), transaction type “ESA” (as described in the CREST Manual);
“Escrow Agent”	the Receiving Agent in its capacity as escrow agent (as described in the CREST Manual issued by Euroclear);
“Euroclear”	Euroclear UK & Ireland Limited, the operator of CREST;
“Existing RBS Facilities Agreement”	has the meaning given to it in paragraph 15 of Part 2 of this document;
“FB Investors”	FB Investors LLP, a limited liability partnership incorporated in England and Wales with partnership number OC419889 and whose registered office is at Lopian Gross Barnett & Co., 6th Floor, Cardinal House, 20 St. Mary’s Parsonage, Manchester, Lancashire, M3 2LG;
“FB Investors Executive Committee”	the members of the executive committee of FB Investors, being Philip Beinhaker and Albert Friedberg;
“FB Investors Group”	FB Investors and its direct and indirect subsidiaries or subsidiary undertakings from time to time;

“Financial Conduct Authority” or “FCA”	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA, including its successor(s) from time to time;
“First Closing Date”	1.00 p.m. on 2 January 2018;
“Formal Sale Process”	has the meaning given in paragraph 4 of Part 1 of this document;
“FSMA”	the Financial Services and Markets Act 2000 (as amended);
“Japan”	Japan, its cities, prefectures, territories and possessions and all areas subject to its jurisdiction or any political sub-division thereof;
“London Stock Exchange”	London Stock Exchange plc together with any successors thereto;
“member account ID”	the identification code or number attached to any member account in CREST;
“Offeror”	FB Investors
“Offer Period”	the offer period (as defined in the Takeover Code) relating to the Company that commenced on 21 April 2016 and shall end on the earlier of the date on which the Partial Offer becomes or is declared unconditional as to acceptances and/or the date on which the Partial Offer lapses or is withdrawn (or such other date as the Panel may decide);
“Offer Price”	the consideration for the Partial Offer, being 29.5 pence per in cash for each SHH Share to be sold pursuant to the Partial Offer;
“Opening Position Disclosure”	an opening position disclosure made in accordance with Rule 8 of the Takeover Code;
“Overseas Shareholder”	SHH Shareholders who are resident in, or nationals or citizens of, jurisdictions outside the UK or who are nominees of, or custodians, or trustees for, SHH Shareholders who are citizens, residents or nationals of countries other than the UK;
“Panel”	the Panel on Takeovers and Mergers;
“Partial Offer”	the recommended partial cash offer being made by FB Investors at the Offer Price, to acquire up to 67,393,960 SHH Shares on the terms and subject to the Conditions set out in this document and (where applicable) the BLUE Form of Acceptance and including, where the context so requires, any subsequent revision, variation, extension or renewal of, or election available under, such offer;
“Partial Offer Document”	this document and any subsequent document containing the Partial Offer;
“Participant ID”	the identification code or membership number used in CREST to identify a CREST Member or other CREST Participant;
“Phase 2 CMA reference”	a reference of the Partial Offer to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013;
“Phase 2 European Commission proceedings”	proceedings initiated by the European Commission under Article 6(1)(c) of Council Regulation 139/2004/EC in respect of the Partial Offer;

“PINK Approval Form”	the form of approval relating to the Partial Offer being despatched to all SHH Shareholders (other than those in any Restricted Jurisdiction), together with this document;
“Plymouth and South West Devon Joint Local Plan”	the joint plan between Plymouth City Council, South Hams District Council and West Devon Borough Council that was submitted to the Planning Inspectorate for examination on 31 July 2017;
“Previous Acceptor”	has the meaning given to it in paragraph 6(a) of Part B of Appendix I to this document;
“RBS”	The Royal Bank of Scotland plc, bankers to SHH;
“Receiving Agent”	Neville Registrars Limited;
“Record Date”	the Business Day immediately preceding the date on which the Partial Offer becomes, or is declared, wholly unconditional or such other date as FB Investors may, with the consent of the Panel, decide;
“Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended, modified, consolidated, re-enacted or replaced from time to time);
“Regulatory Information Service”	any of the services authorised from time to time by the FCA for the purposes of disseminating regulatory announcements;
“Relationship Agreement”	the relationship agreement entered into on 23 November 2017 between FB Investors, SHH and Arden Partners to govern their relationship following the Partial Offer becoming or being declared wholly unconditional in accordance with its terms;
“Relevant Day”	has the meaning given to it in paragraph 4(a) of Part B of Appendix I to this document;
“Relevant Percentage”	70 per cent. (this has been calculated on the basis of the current issued ordinary share capital of the Company, being 96,277,086 SHH Shares);
“Resolutions”	the ordinary resolution and special resolution to be proposed at the SHH General Meeting in connection with the Partial Offer for the purposes of granting the Company sufficient authorities to issue 9,322,034 newly issued Ordinary Shares to FB Investors at a subscription price of 29.5 pence per share;
“Restricted ESA Instruction”	has the meaning given to it in paragraph 7(g) of Part B of Appendix I to this document;
“Restricted Escrow Transfer”	has the meaning given to it in paragraph 7(g) of Part B of Appendix I to this document;
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Partial Offer is sent or made available in that jurisdiction, including the United States, Canada, Australia, Japan, or the Republic of South Africa;
“Rothschild”	N M Rothschild & Sons Limited, the financial adviser to SHH;

“Rule 2.7 Announcement”	the joint announcement by FB Investors and SHH of a firm intention by FB Investors to make the Partial Offer pursuant to Rule 2.7 of the Takeover Code, which was published on 23 November 2017;
“Share Subscription”	the proposed subscription by FB Investors of 9,322,034 new FB Investors Shares at a price of 29.5 pence in accordance with the terms of the Share Subscription Agreement;
“Share Subscription Agreement”	the share subscription agreement entered into between FB Investors and SHH on 23 November 2017;
“SHH Asset Valuation Report”	the report of Jones Lang LaSalle Limited set out in Appendix IV to this document;
“SHH” or the “Company”	Sutton Harbour Holdings plc, a public company incorporated in England and Wales with registered number 02425189 and whose registered office is at Tin Quay House, Sutton Harbour, Plymouth, Devon, PL4 0RA;
“SHH Directors” or “SHH Board”	the board of directors of SHH;
“SHH General Meeting”	the general meeting to be convened by SHH (including any adjournment thereof) in connection with the Share Subscription for the purposes of passing the Resolutions, the notice of which is set out in Appendix II to this document;
“SHH Group”	SHH and its subsidiary undertakings from time to time, and “member of the SHH Group” shall be construed accordingly;
“SHH Shareholders”	registered holders of SHH Shares from time to time;
“SHH Shares”	ordinary shares of 1p each in the capital of SHH;
“South Africa”	the Republic of South Africa and its respective territories or possessions;
“Subscription Shares”	the 9,322,034 new SHH Shares to be allotted and issued to FB Investors pursuant to the terms of the Share Subscription Agreement;
“subsidiary, subsidiary undertaking, associated undertaking and undertaking”	shall be construed in accordance with CA 2006;
“Substantial Interest”	a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking;
“Sugar House”	the property of SHH at Sutton Harbour, Plymouth PL4 0RA;
“Sutton Harbour Company”	Sutton Harbour Company Limited (company no. ZC000187) whose registered office is at Tin Quay House, Sutton Harbour, Plymouth, Devon, PL4 0RA;
“Takeover Code”	the City Code on Takeovers and Mergers;
“TFE Instruction”	a Transfer from Escrow instruction (as described in the CREST Manual);
“Third Party”	has the meaning given in paragraph (c) of Part A of Appendix I to this document, and “Third Parties” shall be construed accordingly;

“TTE Instruction”	a Cash Offer TTE Instruction or other Transfer to Escrow instruction (as described in the CREST Manual) (as the context requires);
“Uncertificated” or “Uncertificated Form”	in relation to a share or other security, a share or other security which is not held in Certificated Form (that is, in CREST);
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“United States”, “USA” or “US”	the United States of America, the territories and possessions, any state of the United States of America, the District of Columbia and all areas subject to its jurisdiction or any political sub-division thereof;
“US Dollars”, “US\$” or “\$”	US dollars, the currency of the United States;
“VAT”	value added tax as provided for in the Sixth Directive of the European Community, as provided for in the provisions of the Value Added Tax Act 1994 or any tax of a similar nature;
“WH Ireland”	WH Ireland Limited, the financial adviser to FB Investors;
“WHITE Form of Proxy”	the WHITE form of proxy for use in connection with the SHH General Meeting being despatched to all SHH Shareholders, together with this document;
“Wider SHH Group”	SHH and its subsidiaries, subsidiary undertakings, any joint venture, partnership, firm or company in which any member of the SHH Group has a significant interest or any undertaking in which SHH and such member or undertakings (aggregating their interests) have a Substantial Interest; and
“Written Notice”	has the meaning given thereto in paragraph 5(f) of Part B of Appendix I to this document.

In this document:

- the expressions “associated undertaking” and “undertaking” have the meanings given by the Companies Act 2006, references to the singular include the plural and vice versa, unless the context otherwise requires and words importing the masculine gender shall include the feminine or neutral gender;
- all references to “GBP”, “pounds”, “£”, “penny” “pence” or “p” are to the lawful currency of the United Kingdom;
- the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender;
- all references to legislation are to English legislation unless the contrary is indicated, and any reference to any provision of any legislation includes any amendment, modification, re-enactment or extension thereof; and
- all times referred to are London time unless otherwise stated.

