



John Menzies plc  
2 Lochside Avenue  
Edinburgh Park  
Edinburgh  
EH12 9DJ

---

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION.**

**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 broker, bank manager, solicitor, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.**

**If you have sold or otherwise transferred all your shares in John Menzies plc, please forward this letter and the accompanying documents to the purchaser, transferee or to the broker or agent through whom you made the sale or transfer was effected for transmission to the purchaser or the transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction where to do so would constitute a violation of the relevant laws or regulations of such jurisdiction.**

**SHAREHOLDERS DO NOT NEED TO TAKE ANY ACTION IN RELATION TO THE OFFER AT THIS TIME.**

30 March 2022

To shareholders of John Menzies plc and, for information only, to holders of convertible securities, options or subscription rights and persons with information rights.

Dear Shareholder

**Recommended cash offer for John Menzies plc ("Company") by GIL International Holdings V Limited ("Bidco") a wholly-owned subsidiary of Agility Public Warehousing Co. K.S.C.P.**

As you may be aware, the Company and Bidco announced a firm intention by Bidco to make an offer for the Company ("**Offer**") under Rule 2.7 of the City Code on Takeovers and Mergers on 30 March 2022 ("**Code**"). The full text of the announcement is enclosed with this letter, as required under Rule 2.11 of the Code.

The formal offer documentation providing further information about the Offer will be posted to you in due course, subject to the restrictions on distribution described in the announcement.

**Shareholders need take no action at this time.**

A copy of this letter, including the full text of the announcement made by Bidco and all other information, documents and announcements relating to the offer process will remain available on the Company's website at [www.menziesaviation.com](http://www.menziesaviation.com). This letter is not to be taken as a summary of the information in the announcement and should not be regarded as a substitute for reading the announcement in full.

---

**People. Passion. Pride.** Since 1833.

John Menzies plc  
Company No.: SC34970  
T +44 131 467 8070 • E [info@johnmenziesplc.com](mailto:info@johnmenziesplc.com)  
W [www.menziesaviation.com](http://www.menziesaviation.com)  
Registered office: 2 Lochside Avenue, Edinburgh Park,  
Edinburgh EH12 9DJ

Should you have any queries regarding your shareholding or this communication, please contact our Registrar, Computershare, via the Computershare shareholder helpline on 0370 703 6303. Alternatively, Computershare can be contacted by clicking the link below:

[www.investorcentre.co.uk/contactus](http://www.investorcentre.co.uk/contactus)

Yours faithfully



Philipp Joeinig  
Chairman & CEO

#### **Availability of hard copies**

*If you received this letter and the attached announcement in electronic form you may request a hard copy of the documents by contacting John Geddes at [Investor.Relations@menziesaviation.com](mailto:Investor.Relations@menziesaviation.com) on 0131 225 8555, or by submitting a request in writing addressed to John Geddes at 2 Lochside Avenue, Edinburgh Park, Edinburgh, Scotland, EH12 9DJ. It is important that you note that unless you make such a request, a hard copy of the documents will not be sent to you. You may also request that all future documents, announcements and information to be sent to you in relation to any offer or the formal sale process should be in hard copy form.*

#### **Directors' responsibility statement**

*The Directors of the Company accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors, who have taken all reasonable care to ensure such is the case, the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. This is for information purposes only and does not constitute an offer to sell or an invitation to purchase any securities or the solicitation of an offer to buy any securities, pursuant to the possible offer or otherwise.*

#### **Provision of addresses, electronic addresses and other details**

*Please note that addresses, electronic addresses and certain other information provided by the shareholders of the Company, persons with information rights and other relevant persons for the receipt of communications from the Company may be provided to the offeror during the offer period as required under Section 4 of Appendix 4 of the Code.*

#### **Dealing disclosure requirements**

*Under Rule 8.3(a) of the Code, any person who is interested in 1 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) of the Code applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) 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 Code, any person who is, or becomes, interested in 1 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 Code. A Dealing*



*Disclosure by a person to whom Rule 8.3(b) of the Code applies must be made by no later than 3.30 pm (London time) 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 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 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](http://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. If you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure, you should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129.*



**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR REGULATIONS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**30 March 2022**

**RECOMMENDED FINAL<sup>1</sup> CASH OFFER**

**by**

**GIL INTERNATIONAL HOLDINGS V LIMITED**

**(a wholly-owned subsidiary of Agility Public Warehousing Company K.S.C.P.)**

**for**

**JOHN MENZIES PLC**

**to be effected by means of a Scheme of Arrangement**

**under Part 26 of the Companies Act 2006**

**Summary**

- The board of directors of GIL International Holdings V Limited (“**Bidco**”), a wholly-owned subsidiary of Agility Public Warehousing Company K.S.C.P. (“**Agility**”), and the board of directors of John Menzies plc (“**Menzies**”) are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued ordinary share capital of Menzies not already owned by Bidco (the “**Acquisition**”).
- Under the terms of the Acquisition, each Menzies Shareholder will be entitled to receive:

**608 pence in cash per Menzies Share (“the Final Offer Price”)**
- The Acquisition values the entire issued and to be issued ordinary share capital of Menzies at approximately £571 million on a fully diluted basis and values Menzies at approximately £763 million on an enterprise value basis.
- The Final Offer Price represents a premium of approximately:
  - 81 per cent. to the Closing Price of 335 pence per Menzies Share on 8 February 2022 (being the last Business Day prior to the commencement of the Offer Period);
  - 107 per cent. to the Volume Weighted Average Price of 294 pence per Menzies Share during the three month period ended 8 February 2022 (being the last Business Day prior

---

<sup>1</sup> Bidco reserves the right to increase the amount of the Final Offer Price if there is an announcement on or after the date of this Announcement of a firm offer for Menzies by a third party offeror.

to the commencement of the Offer Period); and

- 104 per cent. to the Volume Weighted Average Price of 298 pence per Menzies Share during the six month period ended 8 February 2022 (being the last Business Day prior to the commencement of the Offer Period).
- Bidco has confirmed to the Menzies Board that the financial terms of the Acquisition are final and will not be increased, except that Bidco reserves the right to increase the amount of the Final Offer Price if there is an announcement on or after the date of this Announcement of a firm offer for Menzies by a third party offeror.
- The Acquisition implies an enterprise value multiple of approximately 10.7 times Menzies' underlying earnings before interest tax and depreciation for the year ended 31 December 2021 on a pre-IFRS 16 basis.
- It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

### Compelling strategic rationale

- Following completion of the Acquisition, Agility will create the Combined Group by combining Menzies' business with that of its existing wholly-owned subsidiary, National Aviation Services (NAS).
- Menzies is a critical partner to the global aviation industry, delivering time-critical logistics services at more than 200 locations in more than 37 countries, across six continents, through a global team of more than 25,000 highly trained people. Menzies Aviation is firmly established as a global player in cargo, fuelling and ground handling with strong competitive positioning within each of its core focus areas and an excellent reputation in the market.
- NAS is an established and trusted aviation services provider in the emerging markets, with customers including many of the world's leading airlines such as British Airways, Air France, KLM, Emirates and Qatar Airways. It is also one of the industry's fastest growing regional aviation services providers, with a presence in more than 55 airports across the Middle East, Africa and South Asia.
- NAS is part of the Agility group, a global supply chain services, infrastructure and innovation company listed on the Kuwait Stock Exchange and the Dubai Financial Market. Agility has a proven track record of investing in and successfully scaling businesses sustainably and responsibly, both organically and through acquisitions.
- NAS and Agility have long admired Menzies' strong brand, long-standing operational excellence, broad global footprint, many product services, and strong culture and Scottish heritage. The combination of NAS and Menzies represents a compelling opportunity to:
  - **Create a global aviation services leader with greater scale and resources to deploy on growth opportunities:** The Combined Group will be equipped with the scale and resources necessary to serve a broader customer base globally, and capitalise on growth opportunities as the aviation industry continues to recover from the effects of the COVID-19 pandemic. The Combined Group will have the capital to be able to invest in the talent development, technology, infrastructure, sustainability, and innovation required to accelerate growth.
  - **Leverage complementary footprints and product portfolios to create a truly global aviation services and air cargo platform:** The Combined Group is expected to unite NAS' leadership in fast-growing emerging markets across the Middle East and Africa,

with Menzies' strong footprint in large global markets in Europe, North America and Oceania. Customers will benefit from a more diversified product portfolio, and will be able to access Menzies' operational excellence and greater scale in more airports around the world. The Combined Group will be the largest airport services company in the world by the number of countries it operates in, second largest in terms of airports served, and is expected to be third largest in terms of revenue.<sup>2</sup>

— **Establish a stronger and more resilient entity that is better positioned to support the needs of the market:** The Combined Group will expand the breadth and depth of service offerings to customers, as well as meet growing customer expectations to invest in areas including technology, new equipment, warehousing infrastructure and training. Together, the companies will be able to respond more effectively in an increasingly competitive market.

- The combined revenues of Menzies and NAS were in excess of \$1.5 billion in 2021. The Combined Group is expected to have approximately 35,000 employees with a presence at more than 250 airports in 57 countries, handling more than 600,000 aircraft turns a year.
- Following completion of the Acquisition, it is intended that Menzies and NAS will be combined and managed by a team drawn from both Menzies and NAS with the current Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of Menzies in these roles in the Combined Group. The current NAS CEO is expected to assume the role of Chair of the Combined Group. The Combined Group will be governed by a professional board of directors through an appropriate governance structure.
- On 17 February 2022, Agility Strategies Holding Limited, a wholly-owned subsidiary of Agility, acquired 12,133,893 Menzies Shares (representing approximately 13.2 per cent. of the issued ordinary share capital of Menzies). On 18 February 2022, Agility Strategies Holding Limited, acquired a further 5,300,000 Menzies shares (representing approximately 5.8 per cent. of the issued ordinary share capital of Menzies). These Menzies Shares have since been contributed to Bidco. Accordingly, as at the date of this Announcement, Bidco owns in aggregate 17,433,893 Menzies Shares (representing approximately 19.0 per cent. of the issued ordinary share capital of Menzies), making it the largest shareholder in Menzies.

## Recommendation

- The Menzies Board, which has been so advised by Goldman Sachs International as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Menzies Board, Goldman Sachs International has taken into account the commercial assessments of the Menzies Directors.
- **Accordingly, the Menzies Board intends to recommend unanimously that the Menzies Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer), as the Menzies Directors who hold Menzies Shares (in a personal capacity or through a nominee) have irrevocably undertaken to do in respect of their own beneficial holdings (and their connected persons') of 2,991,571 Menzies Shares (representing, in aggregate, approximately 3.25 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)).**

## Irrevocable undertakings and letters of intent

---

<sup>2</sup> Based on 2019 reported revenues.

- In addition to the irrevocable undertakings from the Menzies Directors, Bidco has received letters of intent to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) from D.C. Thomson & Company Limited, Axxion S.A., WM Thomson & Sons (acting through its nominee) and SVM Asset Management in respect of 10,146,043 Menzies Shares (representing, in aggregate, approximately 11.04 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)).
- In total therefore, as at the date of this Announcement, Bidco has received irrevocable undertakings and letters of intent to vote or procure votes in favour of the Scheme at the Court Meeting with respect to a total of 13,137,614 Menzies Shares (representing approximately 14.29 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)). Full details of the irrevocable undertakings and letters of intent received by Bidco are set out in Appendix III to the date of this Announcement.

### **Information on Menzies**

- Menzies is an international aviation services provider of time critical ground services, fuel services and air cargo services. Menzies operates at more than 200 airports in 37 countries, supported by a global team of more than 25,000 highly trained people.
- In the 2021 financial year, Menzies handled 0.6 million aircraft turns, 1.7 million tonnes of cargo and fuelled 2.5 million turnarounds. Menzies has over 500 customers including Air Canada, Air China, Air France-KLM, American Airlines, Cathay Pacific, easyJet, Frontier Airlines, IAG, Qantas Group, Qatar Airways, Southwest, United Airlines, WestJet and Wizz Air. Best in class safety and security is the number one priority each day and every day.
- Menzies, one of Scotland's oldest and largest companies, was established in 1833 as a book seller on Edinburgh's Princes Street and is still headquartered in the city.

### **Information on Bidco, NAS and Agility**

- Bidco has been formed under the regulations of the Abu Dhabi Global Market as an intermediate holding company for the Combined Group. It has not traded since its incorporation. Bidco is a wholly-owned subsidiary of Agility.
- NAS is also a wholly-owned subsidiary of Agility and a member of the Wider Bidco Group. The NAS group, which was founded in 2003, provides airport services and ground handling services in more than 55 airports in the Middle East, Africa, and South Asia. The NAS group serves seven of the world's top ten airlines, and manages more than 50 airport lounges. In the 2021 financial year, NAS delivered EBIT of \$31 million.
- Agility is a global supply chain, infrastructure and innovation company. Agility is listed on the Kuwait stock exchange and the Dubai Financial Market with a market capitalisation of approximately \$8 billion, as at 29 March 2022 (being the last Business Day prior to the date of this Announcement). Agility is a long-term, multi-business operator and disciplined investor focusing on companies in high-growth sectors with strong fundamentals, reinforced by management teams with a strong track record, best-practices governance, and alignment with Agility's vision and values. Agility's subsidiary companies build and operate logistics parks, and offer airport services, e-commerce enablement, customs digitisation, remote infrastructure services, fuel logistics, and commercial real estate and facilities management in the world's fastest growing markets. Agility is also an investor in supply chain, real estate, and technology ventures around the world.

- Bidco owns in aggregate 17,433,893 Menzies Shares, representing approximately 19.0 per cent. of the issued ordinary share capital of Menzies as at the date of this Announcement, making it the largest shareholder in Menzies.

### **Timetable and Conditions**

- It is intended that the Acquisition be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. The purpose of the Scheme is to provide for Bidco to become the owner of the whole of the issued and to be issued ordinary share capital of Menzies. The Scheme will be put to Scheme Shareholders at the Court Meeting and to Menzies Shareholders at the General Meeting. In order to become effective, the Scheme must be approved by a majority in number of the Scheme Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Scheme Shares voted. The implementation of the Scheme must also be approved by Menzies Shareholders at the General Meeting.
- The Acquisition is subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. The Conditions include the receipt of regulatory and antitrust approvals as further described in this Announcement.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and General Meeting, together with associated forms of proxy, will be posted to Menzies Shareholders within 28 days of this Announcement (or such later time as Menzies, Bidco and the Takeover Panel agree) and the Meetings are expected to be held as soon as possible thereafter giving the required notice for these Meetings.
- The Acquisition is currently expected to complete during the third quarter of 2022, subject to the satisfaction or waiver of the Conditions. An expected timetable of key events relating to the Acquisition will be provided in the Scheme Document.

### **Commenting on the Acquisition, Hassan El-Houry, Group Chief Executive Officer of NAS, said:**

*“This deal creates a world leader in airport services and unlocks value for all stakeholders. The NAS-Menzies combination brings together highly complementary operations and ensures that the combined business has the scale and resources to grow. Menzies shareholders will realize a premium in return for supporting the transaction. Customers will benefit from Menzies’ operational excellence at more airports around the world and will be able to choose from a broader product offering. Employees of both companies will benefit from being part of a larger, stronger group that offers more career development and advancement opportunities. The combined business will have the capital to invest in the talent, technology, innovation, infrastructure, equipment, and sustainability leadership required to accelerate growth.”*

### **Commenting on the Acquisition, Philipp Joeinig, Chairman and Chief Executive Officer of Menzies, said:**

*“The Menzies Directors believe that the offer represents a fair and recommendable price for shareholders which recognises Menzies’ future prospects.*

*Menzies is an outstanding business with a long and rich history. The Board of Menzies applauds the work that the Menzies management team have done to steer the business through the challenging impacts of the pandemic and position the business for continued future growth and the next evolution in its journey.*

*The Menzies all-cash offer from Bidco represents an opportunity for current shareholders to realise value for their investment at an attractive premium and valuation multiple.”*



**Commenting on the Acquisition, Tarek Sultan, Vice-Chairman of Agility, said:**

*“Agility’s focus is on growth and shareholder value creation. We are a long-term, multi-business operator and investor aiming to create value with a disciplined investment strategy that focuses on companies in high-growth sectors with strong fundamentals, reinforced by management teams with established records, best-practices governance, and alignment with Agility’s vision and values.*

*Menzies is a good fit. The aviation sector has strong growth potential, and Menzies is one of the most-established providers in the industry, with a sustainability focus we share. A NAS-Menzies combination will create a strong and resilient industry player, well positioned to grow and drive future earnings. We expect this acquisition to further diversify Agility’s revenue base and strengthen cash flow generation.”*

**This summary should be read in conjunction with, and is subject to, the full text of this Announcement and its Appendices. In particular, the Acquisition is subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings and letters of intent referred to in this Announcement. Appendix IV contains definitions of certain terms used in this summary and this Announcement. The appendices form part of this Announcement.**

**Enquiries:**

**Menzies**

John Geddes, Corporate Affairs Director

Tel: + 44 (0) 131 459 8144

**Goldman Sachs International (Lead financial adviser to Menzies)**

Eduard van Wyk  
Nick Harper

Tel: + 44 (0) 20 7774 1000

**Moelis & Company (Financial adviser to Menzies)**

Yorick van Slingelandt  
Liam Beere

Tel: +44 (0) 20 7634 3500

**Peel Hunt (Corporate broker to Menzies)**

Charlie Batten  
Mike Bell

Tel: +44 (0) 20 7418 8900

**Berenberg (Corporate broker to Menzies)**

Ben Wright  
Ciaran Walsh

Tel: +44 (0) 20 3207 7800

**FTI Consulting (Public relations adviser to Menzies)**

John Waples  
Alex Beagley

Tel: + 44 (0) 20 3727 1068

**Agility, NAS and Bidco**

Jonathan Kerherve

Tel: + 44 (0) 75 4019 4997

**Barclays (Financial adviser to Agility, NAS and Bidco)**

Omar Faruqui  
Chris Brooks  
Osman Akkaya  
Milan Solanki

Tel: +44 (0) 20 7623 2323

**Finsbury Glover Hering (Public relations adviser to Agility, NAS and Bidco)**

James Murgatroyd  
Richard Webster-Smith

Tel: + 44 (0) 20 7251 3801

Latham & Watkins (London) LLP are retained as legal adviser to Agility, NAS and Bidco.

DLA Piper UK LLP are retained as legal adviser to Menzies.

***Important Notices***

*Goldman Sachs International (“**Goldman Sachs**”), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Menzies and no one else in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections afforded to clients of Goldman Sachs or for providing advice in connection with the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Goldman Sachs as to the contents of this Announcement.*

*Peel Hunt LLP (“**Peel Hunt**”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Menzies and no one else in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections afforded to clients of Peel Hunt or for providing advice in connection with the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Peel Hunt as to the contents of this Announcement.*

*Berenberg, which is regulated by the Federal Financial Supervisory Authority in Germany and in the United Kingdom is deemed authorised under the Temporary Permissions Regime and subject to limited regulation by the Financial Conduct Authority, is acting exclusively for Menzies in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections offered to the clients of Berenberg, nor for providing advice in relation to any matters referred to in this Announcement. No representation or warranty, express or implied, is made by Berenberg as to the contents of this Announcement.*

*Moelis & Company UK LLP (“**Moelis**”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Menzies and no one else in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections afforded to clients of Moelis or for providing advice in connection with the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Moelis as to the contents of this Announcement.*

*Barclays Bank PLC, acting through its Investment Bank (“**Barclays**”), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Agility, NAS and Bidco and no one else in connection with the matters set out in this Announcement and will not be responsible to anyone other than Agility, NAS and Bidco for providing the protections afforded to clients of Barclays nor for providing advice in relation to the matters set out in this Announcement.*

*This Announcement is for information purposes only and is not intended to and does not constitute, or*

*form any part of, an offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition will be made solely through and on the terms set out in the Scheme Document (or, in the event that the Acquisition is to be implemented by means of a Takeover Offer, the offer document) and the accompanying Forms of Proxy, which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any approval, decision or other response to the Acquisition should be made only on the basis of the information in the Scheme Document. Scheme Shareholders are strongly advised to read the formal documentation in relation to the Acquisition once it has been despatched.*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

### **Overseas shareholders**

*This Announcement has been prepared for the purpose of complying with English law, Scottish law, the Listing Rules and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.*

*The laws of the relevant jurisdictions may affect the availability of the Acquisition to persons who are not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their Menzies Shares at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their Menzies Shares in respect of the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.*

*Any failure to comply with the applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.*

*The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement and formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this Announcement (including custodians, nominees and trustees) must not distribute or send it into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer and extended into the US, Bidco will do so in satisfaction of the procedural and filing requirements of the US securities laws at that time, to the extent applicable thereto. The Acquisition relates to the shares of a company incorporated in Scotland and it is proposed to be made by means of a scheme of arrangement provided for under the Companies Act 2006 as it applies to Scottish companies. The Scheme will relate to the shares of a Scottish company that is a "foreign private issuer" as defined under Rule 3b-4 under the US Exchange Act. A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy solicitation and*

tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of US shareholder vote, proxy solicitation and tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial statements of US companies. However, if Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer shall be made in compliance with all applicable laws and regulations, including section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such Takeover Offer would be made in the US by Bidco and no one else. In addition to any such Takeover Offer, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Menzies outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase are made they would be made outside the United States in compliance with applicable law, including the US Exchange Act.

### **Forward-looking statements**

This Announcement may contain certain “forward-looking statements” with respect to Menzies, Bidco, NAS and Agility. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as “anticipate”, “target”, “expect”, “estimate”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could”, “aims”, “projects” or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies of Agility, NAS and/or Bidco and the expansion and growth of Menzies and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of Menzies.

These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding present and future strategies and environments. None of Agility, NAS, Bidco or Menzies, nor any of their respective associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Agility, NAS, Bidco or Menzies or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this Announcement. Bidco, NAS, Agility and Menzies assume no obligation to update publicly or revise forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.

### **No profit forecasts or estimates**

No statement in this Announcement is intended as a profit forecast or estimate for Agility, NAS, Bidco or Menzies in respect of any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per Menzies Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per Menzies Share.

### **Right to switch to a Takeover Offer**

Bidco reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of Menzies as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same

*terms or, if Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Appendix I to this Announcement.*

### **Publication on website**

*In accordance with Rule 26.1 of the Code, a copy of this Announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Menzies' website at [www.Menziesaviation.com](http://www.Menziesaviation.com) and on NAS' website at [NAS.aero](http://NAS.aero) by no later than 12:00 noon on the Business Day following the date of this Announcement. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.*

### **Requesting hard copies**

*In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting Computershare Investor Services Plc on 0370 703 6303 (or from outside of the UK, on +44 (0)370 703 6303) between 8:30 a.m. to 5:30 p.m. Monday to Friday (London time) or by submitting a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### **Electronic communications – information for Menzies Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by Menzies Shareholders, persons with information rights and other relevant persons for the receipt of communications from Menzies may be provided to Bidco during the Offer Period as required under section 4 of Appendix 4 of the Code.*

### **Rounding**

*Certain figures included in this Announcement 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.*

### **Disclosure requirements of the Code**

*Under Rule 8.3(a) of the Code, any person who is interested in 1 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 pm on the 10th Business Day (as defined in the Code) following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm on the 10th Business Day (as defined in the Code) 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 Code, any person who is, or becomes, interested in 1 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. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the Business Day (as defined in the Code) 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.*

*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).*

*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 Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://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 Takeover 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.*

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART,  
DIRECTLY OR INDIRECTLY, IN, INTO OR FROM ANY JURISDICTION WHERE TO  
DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OR  
REGULATIONS OF SUCH JURISDICTION**

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION**

**FOR IMMEDIATE RELEASE**

**30 March 2022**

**RECOMMENDED FINAL<sup>3</sup> CASH OFFER**

**by**

**GIL INTERNATIONAL HOLDINGS V LIMITED**

**(a wholly-owned subsidiary of Agility Public Warehousing Company K.S.C.P.)**

**for**

**JOHN MENZIES PLC**

**to be effected by means of a Scheme of Arrangement**

**under Part 26 of the Companies Act 2006**

**1. Introduction**

The board of directors of GIL International Holdings V Limited (“**Bidco**”), a wholly-owned subsidiary of Agility Public Warehousing Company K.S.C.P. (“**Agility**”), and the board of directors of John Menzies plc (“**Menzies**”) are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Bidco for the entire issued and to be issued ordinary share capital of Menzies not already owned by Bidco (the “**Acquisition**”).

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (although Bidco reserves the right to effect the Acquisition by way of an Offer, with the consent of the Takeover Panel).

**2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document, each Menzies Shareholder will be entitled to receive:

**608 pence in cash per Menzies Share (the “Final Offer Price”)**

- The Acquisition values the entire issued and to be issued ordinary share capital of Menzies at approximately £571 million on a fully diluted basis and values Menzies at approximately £763 million on an enterprise value basis.
- The Final Offer Price represents a premium of approximately:

---

<sup>3</sup> Bidco reserves the right to increase the amount of the Final Offer Price if there is an announcement on or after the date of this Announcement of a firm offer for Menzies by a third party offeror.

- 81 per cent. to the Closing Price of 335 pence per Menzies Share on 8 February 2022 (being the last Business Day prior to the commencement of the Offer Period);
- 107 per cent. to the Volume Weighted Average Price of 294 pence per Menzies Share during the three month period ended 8 February 2022 (being the last Business Day prior to the commencement of the Offer Period); and
- 104 per cent. to the Volume Weighted Average Price of 298 pence per Menzies Share during the six month period ended 8 February 2022 (being the last Business Day prior to the commencement of the Offer Period).

Bidco has confirmed to the Menzies Board that the financial terms of the Acquisition are final and will not be increased, except that Bidco reserves the right to increase the amount of the Final Offer Price if there is an announcement on or after the date of this Announcement of a firm offer for Menzies by a third party offeror.

The Acquisition implies an enterprise value multiple of approximately 10.7 times Menzies' underlying earnings before interest tax and depreciation for the year ended 31 December 2021 on a pre-IFRS 16 basis.

The Menzies Shares will be acquired by Bidco with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights or interests whatsoever and together with all rights existing at the date of this Announcement or thereafter attaching thereto, including (without limitation) 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 Announcement in respect of the Menzies Shares.

If any dividend or other distribution in respect of the Menzies Shares is declared, paid or made on or after the date of this Announcement, Bidco reserves the right to reduce the consideration payable for each Menzies Share under the terms of the Acquisition by the amount per Menzies Share of such dividend or distribution, in which case any reference in this Announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced.

### **3. Recommendation**

The Menzies Board, which has been so advised by Goldman Sachs International as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Menzies Board, Goldman Sachs International has taken into account the commercial assessments of the Menzies Directors.

Accordingly, the Menzies Directors intend to recommend unanimously that Menzies Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, as the Menzies Directors have irrevocably undertaken to do in respect of their own (and their connected persons') beneficial holdings of 2,991,571 Menzies Shares (representing, in aggregate, approximately 3.25 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)).

### **4. Background to and reasons for the Acquisition**

Following completion of the Acquisition, Agility will create the Combined Group by combining Menzies' business with that of its existing wholly-owned subsidiary, National Aviation Services (NAS).

Menzies is a critical partner to the global aviation industry, delivering time-critical logistics services at more than 200 locations in more than 37 countries, across six continents, through a global team of more than 25,000 highly trained people. Menzies Aviation is firmly established as a global player in cargo,



fuelling and ground handling with strong competitive positioning within each of its core focus areas and an excellent reputation in the market.

NAS is an established and trusted aviation services provider in the emerging markets, with customers including many of the world's leading airlines such as British Airways, Air France, KLM, Emirates and Qatar Airways. It is also one of the industry's fastest growing regional aviation services providers, with a presence in more than 55 airports across the Middle East, Africa and South Asia.

NAS is part of the Agility group, a global supply chain services, infrastructure and innovation company listed on the Kuwait Stock Exchange and the Dubai Financial Market. Agility has a proven track record of investing in and successfully scaling businesses sustainably and responsibly, both organically and through acquisitions.

NAS and Agility have long admired Menzies' strong brand, long-standing operational excellence, broad global footprint, many product services, and strong culture and Scottish heritage. The combination of NAS and Menzies represents a compelling opportunity to:

- **Create a global aviation services leader with greater scale and resources to deploy on growth opportunities:** The Combined Group will be equipped with the scale and resources necessary to serve a broader customer base globally, and capitalise on growth opportunities as the aviation industry continues to recover from the effects of the COVID-19 pandemic. The Combined Group will have the capital to be able to invest in the talent development, technology, infrastructure, sustainability, and innovation required to accelerate growth;
- **Leverage complementary footprints and product portfolios to create a truly global aviation services and air cargo platform:** The Combined Group is expected to unite NAS' leadership in fast-growing emerging markets across the Middle East and Africa, with Menzies' strong footprint in large global markets in Europe, North America and Oceania. Customers will benefit from a more diversified product portfolio, and will be able to access Menzies' operational excellence and greater scale in more airports around the world. The Combined Group will be the largest airport services company in the world by the number of countries it operates in, second largest in terms of airports served, and is expected to be the third largest in terms of revenue;<sup>4</sup> and
- **Establish a stronger and more resilient entity that is better positioned to support the needs of the market:** The Combined Group will expand the breadth and depth of service offerings to customers, as well as meet growing customer expectations to invest in technology, new equipment, warehousing infrastructure, training and more. Together, the companies will be able to respond more effectively in an increasingly competitive market.

The combined revenues of Menzies and NAS were in excess of \$1.5 billion in 2021. The Combined Group is expected to have approximately 35,000 employees with a presence at more than 250 airports in 57 countries, handling more than 600,000 aircraft turns a year.

On 17 February 2022, Agility Strategies Holding Limited, a wholly-owned subsidiary of Agility, acquired 12,133,893 Menzies Shares (representing approximately 13.2 per cent. of the issued ordinary share capital of Menzies). On 18 February 2022, Agility Strategies Holding Limited, acquired a further 5,300,000 Menzies shares (representing approximately 5.8 per cent. of the issued ordinary share capital of Menzies). These Menzies Shares have since been contributed to Bidco. Accordingly, as at the date of this Announcement, Bidco owns in aggregate 17,433,893 Menzies Shares (representing approximately 19.0 per cent. of the issued ordinary share capital of Menzies), making it the largest shareholder in Menzies.

---

<sup>4</sup> Based on 2019 reported revenues.

## 5. Background to and reasons for the recommendation

From its roots as a bookseller founded in 1833, Menzies has developed to become a critical partner in the global aviation industry, delivering time-critical logistics services at more than 200 locations in more than 37 countries, across six continents. Menzies Aviation is firmly established as a global player in cargo, fuelling and ground handling with strong competitive positioning within each of its core focus areas and an excellent reputation in the market.

In recent years, Menzies has experienced an unprecedented period for the aviation industry and its business which services this industry. As the impact of COVID-19 increased and spread globally leading to a dramatic reduction in aircraft movements across its operations, Menzies implemented a series of steps to React, Reset and Rebuild its operations during 2020 and 2021. The proactive and effective steps taken by the Menzies management team protected the Menzies business and allowed actions to be taken that have positioned the business strongly for the long term. During this challenging period, Menzies remained focused on its long term growth strategy in order to be in a position to emerge from the pandemic strongly as the aviation market recovered. The five strategic priorities that the Menzies Board and management focused on during this period were: optimise portfolio mix; targeted growth; focus on margin improvement, customer orientated and people centric.

Through the implementation of these strategic priorities, Menzies successfully navigated a challenging period and the potential impact of the pandemic. The Menzies Board believes that Menzies is now well positioned for the significant opportunities ahead as:

- aviation industry continues to recover with underlying volumes returning towards pre-pandemic levels;
- Menzies benefits from the decisive management actions taken over the last two years to reshape the business with £25 million of permanent cost removed;
- a clear and deliverable strategy has been implemented with tangible evidence of delivery against Menzies' five strategic priorities – focusing on air cargo services, new fuelling operations and high quality ground handling with new operations being targeted in emerging markets where margins are typically higher; and
- a refocused commercial approach has been embedded in the business with \$112 million of net new annualised revenue generated and a full pipeline of opportunities already created with commercial opportunities expected to generate approximately \$100 million of net new annualised revenue and several business development opportunities expected to deliver approximately \$200 – 275 million of new revenue over the short to medium term – all of which are expected to be at higher margins.

The Menzies Board believes that Menzies has now been rebuilt for the future with a broad range of commercial, investment and growth opportunities available to the Group.

The Menzies Board remains confident in the continued recovery and outlook for the global aviation services industry as it returns to and beyond pre-pandemic trading levels and benefits from long term structural growth drivers. Given the strong portfolio mix, positioning of Menzies and the ongoing execution of Menzies' strategy, the Menzies Board remains fully confident in the long-term prospects of the business and that the successful delivery of this strategy will create significant value for shareholders.

The Menzies Board did not solicit an offer for Menzies. However, the Menzies Board regularly considers all options for driving and improving shareholder value. The initial unsolicited proposals received from Agility and NAS at 460 pence, 510 pence and 605 pence per Menzies Share were not at a level the Menzies Board felt adequately reflected an appropriate valuation of Menzies and its future prospects. After Agility and NAS had made three separate proposals and its fourth, final proposal

reached a level of 608 pence per Menzies Share in cash, the Menzies Board felt that the offer from Agility and NAS required more detailed consideration.

In considering the financial terms of the Acquisition and determining whether they reflect an appropriate valuation of Menzies and its future prospects, the Menzies Board took into account a number of factors including that:

- the Acquisition reflects the strength of the Menzies business and its future prospects, and provides an opportunity for Menzies Shareholders to crystallise, in cash, the value of their investments at a fair and reasonable value;
- the Acquisition Value represents an attractive premium of 81 per cent. to the closing price on 8 February 2022 (being the last Business Day before the commencement of the Offer Period) and 107 per cent. to the volume weighted average price in the three months to 8 February 2022;
- the Acquisition Value implies an enterprise value multiple of approximately 10.7 times Menzies' pre-IFRS 16 EBITDA for the 52 weeks ended 31 December 2021;
- the certainty of the Acquisition should be weighed against the inherent uncertainty of the delivery of future value that exists in the business; and
- the Acquisition delivers more immediate value to Menzies Shareholders than other options considered by the Menzies Board.

Furthermore, the Menzies Board believes that the Acquisition will deliver a number of strategic benefits to Menzies' business through the combination of Menzies with the complementary operations of NAS.

In considering the Acquisition, the Menzies Board have taken into account Agility and NAS' stated intentions for the business and its employees. The Menzies Board also believes that the Acquisition represents a positive outcome for Menzies' employees, customers and other stakeholders who will benefit from the opportunities provided by a combination of Menzies with NAS given the greater scale and diversification across services, markets and airports to support Menzies' future growth and development.

Following careful consideration of the financial terms of the Acquisition, Menzies' and NAS' intentions regarding the conduct of the Menzies business under Agility ownership, and the above factors, the Menzies Board intend to recommend unanimously the Acquisition to Menzies Shareholders. The Menzies Directors who hold or are beneficially entitled to Menzies Shares have each irrevocably undertaken to vote in favour of the Scheme at the Court Meeting and in favour of the Resolutions to be proposed at the Menzies General Meeting in respect of all their Menzies Shares, being in aggregate a total of 2,991,571 Menzies Shares (representing approximately 3.25 per cent. of the ordinary share capital of Menzies).

## **6. Conditions**

The Acquisition is conditional, amongst other things, upon:

- (a) the approval of the Scheme by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders entitled to vote and present and voting, either in person or by proxy, at the Court Meeting (or at any adjournment, postponement or reconvention of such meeting) on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Menzies and the Court may allow);
- (b) the passing of the Resolutions necessary to implement the Scheme by the requisite majority at the General Meeting to be held on or before the 22nd day after the expected date of the General

Meeting to be set out in the Scheme Document (or such later date, if any, as Bidco and Menzies may agree and the Court may allow); and

- (c) the satisfaction or waiver of the Antitrust Conditions and the FDI Conditions.

**The attention of Menzies Shareholders is drawn to the fact that the Acquisition is also conditional on other Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document.**

The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Menzies Shareholders within 28 days of the date of this Announcement, unless Bidco and Menzies otherwise agree, and the Takeover Panel consents, to a later date.

## **7. Irrevocable undertakings and letters of intent**

Bidco has received irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) from all of the Menzies Directors who hold Menzies Shares (in a personal capacity or through a nominee) in respect of their entire beneficial holdings of Menzies Shares, amounting, in aggregate, to 2,991,571 Menzies Shares (representing, in aggregate, approximately 3.25 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)).

In addition to the irrevocable undertakings from the Menzies Directors, Bidco has received letters of intent to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (or, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) from D.C. Thomson & Company Limited, Axxion S.A., WM Thomson & Sons (acting through its nominee) and SVM Asset Management in respect of 10,146,043 Menzies Shares (representing, in aggregate, approximately 11.04 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)).

In total therefore, as at the date of this Announcement, Bidco has received irrevocable undertakings or letters of intent to vote or procure votes in favour of the Scheme at the Court Meeting with respect to a total of 13,137,614 Menzies Shares (representing approximately 14.29 per cent. of the Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)). Further details of these irrevocable undertakings (including details of the circumstances in which they cease to be binding) and letters of intent are set out in Appendix III to this Announcement.

## **8. Information on Bidco, NAS and Agility**

### **Bidco**

Bidco has been formed under the regulations of the Abu Dhabi Global Market as an intermediate holding company for the Combined Group. It has not traded since its incorporation. Bidco is a wholly-owned subsidiary of Agility.

Bidco owns in aggregate 17,433,893 Menzies Shares, representing approximately 19.0 per cent. of the issued ordinary share capital of Menzies as at the date of this Announcement, making it the largest shareholder of Menzies.

### **NAS**

NAS is also a wholly-owned subsidiary of Agility and a member of the Wider Bidco Group. The NAS group, which was founded in 2003, provides airport services and ground handling services in more than 55 airports in the Middle East, Africa, and South Asia. The NAS group serves seven of the world's top

ten airlines, and manages more than 50 airport lounges. In the financial year 2021, NAS delivered EBIT of \$31 million.

## **Agility**

Agility is a global supply chain, infrastructure and innovation company. Agility is listed on the Kuwait stock exchange and the Dubai Financial Market with a market capitalisation of approximately \$8 billion, as at 29 March 2022 (being the last Business Day prior to the date of this Announcement). Agility is a long-term, multi-business operator and disciplined investor focusing on companies in high-growth sectors with strong fundamentals, reinforced by management teams with a strong track record, best-practices governance, and alignment with Agility's vision and values. Agility's subsidiary companies build and operate logistics parks, and offer airport services, e-commerce enablement, customs digitisation, remote infrastructure services, fuel logistics, and commercial real estate and facilities management in the world's fastest growing markets. Agility is also an investor in supply chain, real estate, and technology ventures around the world.

## **9. Information on Menzies**

Menzies is an international aviation services provider of time critical ground services, fuel services and air cargo services. Menzies operates at more than 200 airports in 37 countries, supported by a global team of more than 25,000 highly trained people. Menzies' core products are:

**Ground services:** Menzies provides frontline airport services, both above and below wing, ensuring passengers and aircraft complete journeys efficiently and on schedule. Menzies' services include welcoming and serving passengers at check-in and baggage drops, sorting, loading and unloading baggage, ramp handling services, de-icing aircraft in icy conditions, cleaning cabins ready for the next flight, providing premium experiences for travellers via executive lounges, VIP meet-and-greet services, and more;

**Fuelling services:** Menzies provides into-plane fuelling services and fuel farm management to airlines, airports, oil companies and other partners across the world. Managing the refuelling of aircraft and the infrastructure required to support this service, is a precision activity which must operate to exacting government and industry standards, including safety and environmental regulations and

**Air cargo services:** Air cargo travels the world every day either in dedicated freighter aircraft or in the holds of passenger aircraft. Menzies plays an important role in this vital part of global logistics. Menzies supports its airline customers with reliable, safe, secure and timely handling of customers' cargo. These shipments tend to be high value and/or time critical. Menzies' role includes receiving cargo, security screening, storing and readying it for onward transit. Menzies also provides wholesale air cargo services.

In the 2021 financial year, Menzies handled 0.6 million aircraft turns, 1.7 million tonnes of cargo and fuelled 2.5 million turnarounds. Menzies has over 500 customers including Air Canada, Air China, Air France-KLM, American Airlines, Cathay Pacific, easyJet, Frontier Airlines, IAG, Qantas Group, Qatar Airways, Southwest, United Airlines, WestJet and Wizz Air. Best in class safety and security is the number one priority each day and every day.

Menzies, one of Scotland's oldest and largest companies, was established in 1833 as a book seller on Edinburgh's Princes Street and is still headquartered in the city.

## **10. Management, employees, pension scheme and locations of the Menzies Group**

### **Strategic plans for the Combined Group**

As set out in paragraph 4, Bidco believes that the Acquisition is a compelling strategic proposition for both Menzies and NAS, bringing together two highly complementary businesses to create a global

leader positioned to compete in a dynamic and growing market under the Menzies brand with Menzies' reputation for service-excellence. The Combined Group will provide the scale and resources to serve a broader customer base globally, respond more effectively to market developments and take advantage of the many growth opportunities within the structurally growing aviation services market. Menzies and NAS share highly complementary geographical footprints and product portfolios. The Combined Group will unite NAS' leadership and expertise in emerging markets with Menzies' broader international leadership, heritage, and reputation for operational excellence across a global footprint in both developed and emerging markets. The Combined Group will have greater geographical diversification and the ability to forge even deeper relationships with the combined customer base.

Prior to the date of this Announcement, consistent with market practice, Bidco has been granted access to Menzies' senior management team for the purposes of undertaking detailed confirmatory due diligence. As soon as practicable following completion of the Acquisition, with the benefit of greater access to the customers, employees and stakeholders of both businesses, a full integration plan for the combination of Menzies and NAS will be prepared which will include a review of both businesses (the "Review"). The Review will be focused on the existing strategies, operations, systems and recent performance of both Menzies and NAS with a view to formulating a long-term strategic plan for the Combined Group to become a strong platform for growth. The Review will also focus on ensuring that the operations of the Combined Group deliver attractive returns at each location where the Combined Group operates. Whilst no decisions have been taken in relation to any operational sites where the provision of services by Menzies is or becomes no longer profitable, the Review will encompass an assessment of the future provision of Menzies' services at such sites and the potential impact on operational locations following the expiration of relevant current contractual commitments. Subject to the outcome of the Review, this may result in the retention, sale, restructuring or closure of the provision of such services at the relevant sites. The Review is anticipated to be completed within 12 months of completion of the Acquisition.

### **Locations of business; headquarter functions**

Bidco intends to support Menzies' heritage and presence in the UK, including retention of a corporate office in Edinburgh with significant head office functions. In addition, Bidco intends to open a new head office for the Combined Group in London, where certain senior management and some head office functions will be located. These arrangements will reflect the global footprint of the Combined Group's operations and enable the Combined Group to have a new centre in London, where many of its clients have a presence. Save as set out above, Bidco does not intend to change the headquarters functions of Menzies.

It is intended that the Combined Group will use the "Menzies" and "Menzies Aviation" brands following completion of the Acquisition. Therefore, following completion of the Acquisition and subject to local operational and legal requirements, NAS' operations will transition to using the "Menzies" and "Menzies Aviation" brands.

### **Employees and Management**

Significant value is attached by Bidco to the skills, experience and deep commitment of the existing management and employees of Menzies. Bidco believes that the presence and continuity of the Menzies management team and the preservation of Menzies' unique culture and heritage are critical components in maximising the long-term success of the Combined Group. As such, it is Bidco's expectation that, following completion of the Acquisition, the current Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of Menzies will remain in these roles in the Combined Group. In addition, Bidco expects that the current Corporate Affairs Director and EVP People of Menzies will continue in their roles at Menzies.

Bidco believes that the Combined Group will provide both Menzies and NAS with greater resources to grow the combined business. It is Bidco's intention to facilitate the growth of the Combined Group across the geographies in which Menzies and NAS currently operate and to continue the expansion of

both businesses into new geographies and markets. Bidco's ambition is to continue to develop and grow the Combined Group into a global leader across all of its markets and services. The Review may result in targeted headcount reductions in certain areas including operational and management functions, however no decisions have yet been made in this regard. Any individuals impacted will be treated in a manner consistent with Menzies' high standards and culture. Bidco will observe Menzies' existing redundancy practices and policies including undertaking appropriate consultation with any affected employees.

Save as set out above, and subject to the outcome of the Review, Bidco does not intend to make any material changes in the number of, balance of skills and functions of, or terms and conditions of employment of, the employees and management of Menzies.

Bidco confirms that, upon the Scheme becoming Effective, the existing contractual and statutory employment rights, including pension rights, of all management and employees of Menzies will be fully safeguarded in accordance with applicable law.

It is intended, upon the Scheme becoming Effective, that each of the non-executive directors of Menzies will resign and from that point will cease to be directors of Menzies.

### **Governance and Management of the Combined Group**

Following completion of the Acquisition, it is intended that Menzies and NAS will be combined and operated as one business. The Combined Group will be managed by a team drawn from both Menzies and NAS with the current Chief Executive Officer, Chief Financial Officer and Chief Operating Officer of Menzies in these roles in the Combined Group. The current NAS CEO is expected to assume the role of Chair of the Combined Group. The Combined Group will be governed by a professional board of directors through an appropriate governance structure.

### **Pension schemes**

Menzies operates the Menzies Pension Fund, a defined benefit pension scheme in the United Kingdom for the benefit of certain of its past and current employees (the "**Menzies DB Scheme**"). The Menzies DB Scheme closed to new members in 2003 and closed to future accrual in 2017.

In addition, Menzies operates or participates in other defined contribution pension arrangements for the benefit of employees.

Bidco recognises the importance of upholding Menzies' pension obligations and ensuring that all of Menzies' pension schemes, including the Menzies DB Scheme, are appropriately funded in accordance with statutory requirements and their governing documentation. Bidco does not intend to make any material changes to the terms and conditions of Menzies' pension schemes, including to the level of employer contributions. Bidco has engaged with and had constructive discussions with the trustee of the Menzies DB Scheme and looks forward to continuing a positive and supportive relationship with the trustee in the period prior to and following completion of the Acquisition.

### **Incentivisation and retention arrangements**

Bidco believes that the ongoing participation of senior management of the Menzies Group is very important to the future success of the Combined Group. Whilst Bidco has not entered into, and has not discussed any form of incentivisation or retention arrangements with members of Menzies' management, Bidco intends to enter into such discussions and / or put in place appropriate arrangements for selected members of the Menzies senior management team following completion of the Acquisition.

### **Fixed assets; research and development**

Save as set out above, Bidco has no intention to redeploy the fixed assets of Menzies. Neither Menzies nor NAS currently has a research and development function and Bidco has no plans to make any changes in this regard.

### **Trading Facilities**

The Menzies Shares are currently listed on the Official List and admitted to trading on the London Stock Exchange. As set out in paragraph 16, applications will be made for the cancellation of the listing of the Menzies Shares on the Official List and the cancellation of trading of the Menzies Shares on the London Stock Exchange.

The Menzies Preference Shares are also currently listed on the Official List and admitted to trading on the London Stock Exchange. As set out in paragraph 14, a separate proposal is expected to be made by Menzies to the holders of Menzies Preference Shares pursuant to which the Menzies Preference Shares will be cancelled or acquired. In connection with such proposal, applications will be made for the cancellation of the listing of the Menzies Preference Shares on the Official List and the cancellation of trading of the Menzies Preference Shares on the London Stock Exchange.

No statements in this paragraph 10 constitute “post-offer undertakings” for the purposes of Rule 19.5 of the Code.

### **Views of the Menzies Board**

In considering the recommendation of the Acquisition to Menzies Shareholders, the Menzies Board have given due consideration to the assurances given to employees of Menzies. The Menzies Board welcome Bidco’s intentions with respect to the future governance, management, structure and branding of the operations of the Combined Group. The Menzies Board also welcomes Bidco’s intentions in relation to Menzies’ employees, in particular that, in the event that any headcount reductions take place, the Combined Group will observe the existing contractual and statutory employment rights, including pension rights, of Menzies employees.

## **11. Financing**

The cash consideration payable by Bidco to Menzies Shareholders under the terms of the Acquisition will be funded by Bidco’s existing cash resources (and/or those of Agility or Agility Mayan (as defined below)).

On 30 March 2022, in order to enable Barclays to give the confirmation referred to in Rule 2.7(d) of the Code, Agility (as original guarantor), Agility Mayan Holding W.L.L. (as original borrower) (“**Agility Mayan**”) and Barclays Bank PLC (acting as mandated lead arranger and bookrunner, agent and lender) entered into the Acquisition Facility Agreement, pursuant to which a £480,000,000 term loan is available to Agility Mayan which may be drawn on to finance the cash consideration payable pursuant to the Acquisition (and to finance fees, costs and expenses in connection with the Acquisition). Agility Mayan has agreed to provide Bidco with funds received under the Acquisition Facility Agreement to the extent necessary to pay the cash consideration payable by Bidco to Menzies Shareholders under the terms of the Acquisition.

Barclays, in its capacity as financial adviser to Bidco, is satisfied that sufficient cash resources are available to Bidco to enable it to satisfy in full the consideration payable to Menzies Shareholders in connection with the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.



## 12. Offer-related arrangements

### *Confidentiality Agreement*

NAS and Menzies entered into a confidentiality agreement dated 24 February 2022 (the “**Confidentiality Agreement**”) pursuant to which, amongst other things, NAS has undertaken to: (a) subject to certain exceptions, keep confidential information relating to Menzies confidential and not to disclose it to third parties; and (b) use such confidential information only in connection with the Acquisition. The confidentiality obligations remain in force notwithstanding termination of discussions relating to the Acquisition. The Confidentiality Agreement further includes standstill obligations which restricted NAS from acquiring or offering to acquire interest in certain securities of Menzies; those restrictions ceased to apply on the making of this Announcement. The Confidentiality Agreement also contains restrictions on NAS soliciting or employing certain employees of Menzies.

### *Joint Defence Agreement*

Menzies, NAS and their respective external legal counsels entered into a clean team and joint defence agreement (the “**Joint Defence Agreement**”) dated 28 February 2022, the purpose of which is to ensure that the exchange or disclosure of certain materials relating to the parties only takes place between their respective external legal counsels and external experts, and does not diminish in any way the confidentiality of such materials and does not result in a waiver of privilege, right or immunity that might otherwise be available.

### *Co-operation Agreement*

Bidco, Agility and Menzies entered into a co-operation agreement on or around the date of this Announcement (the “**Co-operation Agreement**”) in connection with the Acquisition.

Pursuant to the Co-operation Agreement, each of Bidco and Menzies has agreed to co-operate with each other for the purposes of obtaining all regulatory approvals and preparing the Scheme Document. The Co-operation Agreement also contains certain provisions regarding a switch to implement the Acquisition by way of a Takeover Offer.

The Co-operation Agreement also contains provisions that shall apply in respect of the Menzies Share Plans and certain other employee-related matters.

The Co-operation Agreement will terminate, inter alia, if:

- (a) agreed between the parties to the Co-operation Agreement;
- (b) upon service of written notice by Bidco or Agility to Menzies, if one or more of the following occurs prior to the Long Stop Date:
  - (i) the Menzies Board withdraws, adversely modifies or adversely qualifies its recommendation of the Acquisition;
  - (ii) a competing proposal becomes effective or is declared or becomes unconditional in all respects;
  - (iii) the Scheme is not approved at the Court Meeting and/or any of the Resolutions are not passed at the General Meeting;
  - (iv) the Court refuses to sanction the Scheme;
- (c) upon service of written notice by Bidco or Agility to Menzies, or by Menzies to Bidco and Agility, if the Acquisition is being implemented as a Scheme and:

- (i) the Court Meeting and the General Meeting are not held on or before the 22<sup>nd</sup> day after the expected day set out in the Scheme Document; or
  - (ii) the Sanction Hearing is not held within 30 days after all other Conditions have been satisfied or waived;
- (d) upon service of written notice by Bidco or Agility to Menzies, or by Menzies to Bidco and Agility, if prior to the Long Stop Date, any Condition has been invoked by Bidco (where the invocation of the relevant Condition has been permitted by the Panel) or any Conditions which is incapable of waiver or is incapable of satisfaction;
- (e) if the Acquisition is withdrawn, terminated or lapses in accordance with its terms prior to the Long Stop Date and, where required, with the consent of the Panel (other than (i) where such lapse or withdrawal is as a result of the exercise of Bidco's right to effect a switch from the Scheme to an Offer; or (ii) it is otherwise to be followed within five Business Days (or such other period as Menzies and Bidco may agree) by an announcement under Rule 2.7 of the Code made by Bidco or any person acting in concert with Bidco (or deemed to be acting in concert with Bidco) to implement the Acquisition by a different offer or scheme).

The Co-operation Agreement contains certain provisions in relation to the obtaining of regulatory clearances which are typical of agreements of this nature, relating to the satisfaction or waiver of certain regulatory conditions Agility.

### **13. Structure of the Acquisition**

#### ***Scheme***

It is intended that the Acquisition will be effected by a Court-sanctioned scheme of arrangement between Menzies and the Scheme Shareholders under Part 26 of the Companies Act. The purpose of the Scheme is to provide for Bidco to become the owner of the whole of the issued and to be issued ordinary share capital of Menzies. Under the Scheme, the Acquisition is to be achieved by the transfer of the Scheme Shares held by Scheme Shareholders to Bidco in consideration for which the Scheme Shareholders will receive cash consideration pursuant to the Scheme.

#### ***Approval by Court Meeting and General Meeting***

To become Effective, the Scheme requires, amongst other things, the:

- (a) approval of a majority in number of the Scheme Shareholders who vote, representing not less than 75 per cent. in value of the Scheme Shares voted, either in person or by proxy, at the Court Meeting; and
- (b) approval by the requisite majority of the Resolutions at the General Meeting (to be held directly after the Court Meeting) necessary in order to implement the Scheme.

#### ***Application to Court to sanction the Scheme***

Once the approvals have been obtained at the Court Meeting and the General Meeting and the other Conditions have been satisfied or (where applicable) waived, the Scheme must be sanctioned by the Court at the Sanction Hearing before it can become Effective.

The Scheme will become Effective in accordance with its terms on delivery of the Court Order to the Registrar of Companies. Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or General Meeting, or whether they voted in favour of or against the Scheme.

The Scheme will contain a provision for Bidco and Menzies to jointly consent, on behalf of all persons

concerned, to any modification of or addition to the Scheme or to any condition that the Court may approve or impose. Menzies has been advised that the Court would be unlikely to approve any modification of, or addition to, or impose a condition to the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of such modification, addition or condition. It would be a matter for the Court to decide, in its discretion, whether or not a further meeting of the Scheme Shareholders should be held in these circumstances.

#### ***Full details of the Scheme to be set out in the Scheme Document***

The Scheme Document will include full details of the Scheme, including the expected timetable and the action to be taken by Scheme Shareholders. The Scheme will be governed by the Companies Act 2006 as it applies to Scottish companies. The Scheme will be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange and the FCA.

The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Menzies Shareholders within 28 days of the date of this Announcement, unless Bidco and Menzies otherwise agree, and the Takeover Panel consents, to a later date. Subject to certain restrictions relating to persons resident in Restricted Jurisdictions, the Scheme Document will also be made available on Menzies' website at [www.Menziesaviation.com](http://www.Menziesaviation.com) and NAS' website at [NAS.aero](http://NAS.aero).

At this stage, subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix I, Bidco and Menzies expect the Acquisition to become Effective during the third quarter of 2022.

As set out in paragraph 14, a separate proposal is expected to be made by Menzies to the holders of Menzies Preference Shares. Save for the dividend of 4.50 pence per Menzies Preference Share for the half year period to 19 March 2022, which is payable on 1 April 2022, Menzies has confirmed that no amount of dividend on the Menzies Preference Shares is outstanding or in arrears. Other than in very limited circumstances, the Menzies Preference Shares carry no right to receive notice of or attend or vote at the Court Meeting or any general meeting of Menzies, including the General Meeting.

If the Scheme does not become Effective on or before the Long Stop Date (or such later date as Bidco and Menzies may, with the consent of the Takeover Panel and, if required, the Court, agree) it will lapse and the Acquisition will not proceed (unless the Takeover Panel otherwise consents).

#### ***Right to switch to a Takeover Offer***

Bidco reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of Menzies not already owned by the Wider Bidco Group as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Part C of Appendix I to this Announcement.

#### **14. Menzies Preference Shares**

The holders of Menzies Preference Shares will be contacted by Menzies in due course and it is expected that Menzies and Bidco will make a proposal to such holders pursuant to which the Menzies Preference Shares will be cancelled or acquired at or around the time of the completion of the Acquisition.

Further details of the impact of this proposal will be set out in in the Scheme Document.

#### **15. Menzies Share Plans**

Participants in the Menzies Share Plans will be contacted regarding the effect of the Acquisition on their rights under the Menzies Share Plans and, where relevant, an appropriate proposal will be made

to such participants pursuant to Rule 15 of the Code in due course. Further details of the impact of the Acquisition on each of the Menzies Share Plans will be set out in in the Scheme Document.

## **16. De-listing and re-registration**

It is intended that an application will be made to (i) the Financial Conduct Authority to cancel the listing of the Menzies Shares on the Official List, and (ii) the London Stock Exchange to cancel trading of the Menzies Shares on the Main Market of the London Stock Exchange, in each case to take effect on or shortly after the Effective Date. The last day of dealings in Menzies Shares on the Main Market of the London Stock Exchange is expected to be the Business Day immediately prior to the Sanction Hearing and no transfers will be registered after 6.00 p.m. on that date.

Upon the Scheme becoming effective, share certificates in respect of the Menzies Shares will cease to be valid and should be destroyed. In addition, entitlements to Menzies Shares held within the CREST system will be cancelled on the Effective Date.

It is intended that an application will be made to (i) the Financial Conduct Authority to cancel the listing of the Menzies Preference Shares, and (ii) the London Stock Exchange to cancel trading of the Menzies Preference Shares on the Main Market of the London Stock Exchange, in each case to take effect as soon as practicable after requisite approvals have been received from holders of the Menzies Preference Shares.

As soon as practicable after the Effective Date, and subject to the de-listing of the Menzies Preference Shares, it is intended that Menzies will be re-registered as a private limited company under the relevant provisions of the Companies Act.

## **17. Disclosure of interests in Menzies**

As at the close of business on 29 March 2022, being the last Business Day prior to the date of this Announcement, save for (i) the interests disclosed in the Opening Position Disclosure by NAS on 23 February 2022 setting out the details required under Rule 8 of the Code in respect of the 17,433,893 Menzies Shares that Bidco currently holds, and (ii) the irrevocable undertakings and letters of intent referred to in paragraphs 3 and 7 above, so far as Bidco is aware, no person acting, or deemed to be acting, in concert with Bidco:

- (a) had an interest in, or right to subscribe for, relevant securities of Menzies;
- (b) had any short position in (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 of, relevant securities of Menzies;
- (c) had procured an irrevocable commitment or letter of intent to accept the terms of the Acquisition in respect of relevant securities of Menzies; or
- (d) had borrowed or lent any Menzies Shares.

Furthermore, save for the irrevocable undertakings and letters of intent described in paragraph 7 above, no arrangement exists between Bidco or Menzies or a person acting in concert with Bidco or Menzies in relation to Menzies Shares. For these purposes, an “arrangement” includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to Menzies Shares which may be an inducement to deal or refrain from dealing in such securities.

## **18. Documents on display**

Copies of this Announcement and the following documents will, by no later than 12 noon on the Business Day following the date of this Announcement, be made available on Menzies’ website at

www.Menziesaviation.com and on NAS' website NAS.aero until the end of the Offer Period:

- this Announcement;
- the irrevocable undertakings and letters of intent referred to in paragraph 7;
- the Confidentiality Agreement;
- the Joint Defence Agreement;
- the Co-operation Agreement;
- the documents entered into in relation to the financing of the Acquisition referred to in paragraph 11 above; and
- consent letters from each of Barclays, Goldman Sachs International, Moelis, Peel Hunt and Berenberg.

## **19. General**

The Acquisition will be subject to the Conditions and certain further terms set out in Appendix I and to the full terms and conditions which will be set out in the Scheme Document. The Scheme Document, along with the notice of the Court Meeting and the General Meeting and the Forms of Proxy will be despatched to Menzies Shareholders within 28 days of the date of this Announcement, (or by such later date as Bidco and Menzies may agree, with the consent of the Takeover Panel).

In deciding whether or not to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, Menzies Shareholders should rely on the information contained, and follow the procedures described, in the Scheme Document.

Barclays, Goldman Sachs International, Moelis, Peel Hunt and Berenberg have each given and not withdrawn their consent to the inclusion in this Announcement of the references to their names in the form and context in which they appear.

Appendix II contains details of sources of information and bases of calculation contained in this Announcement. Appendix III contains certain details relating to the irrevocable undertakings and letters of intent referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.

### **Enquiries:**

#### **Menzies**

John Geddes, Corporate Affairs Director

Tel: + 44 (0) 131 459 8144

#### **Goldman Sachs International (Lead financial adviser to Menzies)**

Eduard van Wyk  
Nick Harper

Tel: + 44 (0) 20 7774 1000

#### **Moelis & Company (Financial adviser to Menzies)**

Yorick van Slingelandt  
Liam Beere

Tel: +44 (0) 20 7634 3500

#### **Peel Hunt (Corporate broker to Menzies)**

Charlie Batten  
Mike Bell

Tel: +44 (0) 20 7418 8900

**Berenberg (Corporate broker to Menzies)**

Ben Wright  
Ciaran Walsh

Tel: +44 (0) 20 3207 7800

**FTI Consulting (Public relations adviser to Menzies)**

John Waples  
Alex Beagley

Tel: + 44 (0) 20 3727 1068

**Agility, NAS and Bidco**

Jonathan Kerherve

Tel: + 44 (0) 75 4019 4997

**Barclays (Financial adviser to Agility, NAS and Bidco)**

Omar Faruqui  
Chris Brooks  
Osman Akkaya  
Milan Solanki

Tel: +44 (0) 20 7623 2323

**Finsbury Glover Hering (Public relations adviser to Agility, NAS and Bidco)**

James Murgatroyd  
Richard Webster-Smith

Tel: + 44 (0) 20 7251 3801

Latham & Watkins (London) LLP are retained as legal adviser to Agility, NAS and Bidco.

DLA Piper UK LLP are retained as legal adviser to Menzies.

***Important Notices***

*Goldman Sachs International (“**Goldman Sachs**”), which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority in the United Kingdom, is acting exclusively for Menzies and no one else in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections afforded to clients of Goldman Sachs or for providing advice in connection with the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Goldman Sachs as to the contents of this Announcement.*

*Peel Hunt LLP (“**Peel Hunt**”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Menzies and no one else in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections afforded to clients of Peel Hunt or for providing advice in connection with the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Peel Hunt as to the contents of this Announcement.*

*Berenberg, which is regulated by the Federal Financial Supervisory Authority in Germany and in the United Kingdom is deemed authorised under the Temporary Permissions Regime and subject to limited regulation by the Financial Conduct Authority, is acting exclusively for Menzies in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections offered to the clients of Berenberg, nor for providing advice in relation to any matters referred to in*

*this Announcement. No representation or warranty, express or implied, is made by Berenberg as to the contents of this Announcement.*

*Moelis & Company UK LLP (“Moelis”), which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting exclusively for Menzies and no one else in connection with the Acquisition and will not be responsible to anyone other than Menzies for providing the protections afforded to clients of Moelis or for providing advice in connection with the matters referred to in this Announcement. No representation or warranty, express or implied, is made by Moelis as to the contents of this Announcement.*

*Barclays Bank PLC, acting through its Investment Bank (“**Barclays**”), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively for Agility, NAS and Bidco and no one else in connection with the matters set out in this Announcement and will not be responsible to anyone other than Agility, NAS and Bidco for providing the protections afforded to clients of Barclays nor for providing advice in relation to the matters set out in this Announcement.*

*This Announcement is for information purposes only and is not intended to and does not constitute, or form any part of, an offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition will be made solely through and on the terms set out in the Scheme Document (or, in the event that the Acquisition is to be implemented by means of a Takeover Offer, the offer document) and the accompanying Forms of Proxy, which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any approval, decision or other response to the Acquisition should be made only on the basis of the information in the Scheme Document. Scheme Shareholders are strongly advised to read the formal documentation in relation to the Acquisition once it has been despatched.*

*The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and service of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date.*

### **Overseas shareholders**

*This Announcement has been prepared for the purpose of complying with English law, Scottish law, the Listing Rules and the Code and the information disclosed may not be the same as that which would have been disclosed if this Announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.*

*The laws of the relevant jurisdictions may affect the availability of the Acquisition to persons who are not resident in the United Kingdom. Persons who are not resident in the United Kingdom, or who are subject to laws of any jurisdiction other than the United Kingdom, should inform themselves about, and observe any applicable requirements. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this Announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their Menzies Shares at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their Menzies Shares in respect of the Court Meeting or the General Meeting on their behalf, may be affected by the laws of the relevant jurisdiction in which they are located.*

*Any failure to comply with the applicable legal or regulatory requirements may constitute a violation of the laws and/or regulations of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility and liability for the violation of such restrictions by any person.*

*The Acquisition will not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, telephonic or electronic) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of, a Restricted Jurisdiction, and the Acquisition will not be capable of acceptance by any such use, means, instrumentality or facility or from within a Restricted Jurisdiction. Accordingly, copies of this Announcement and formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded or distributed in, into or from a Restricted Jurisdiction and persons receiving this Announcement (including custodians, nominees and trustees) must not distribute or send it into or from a Restricted Jurisdiction. In the event that the Acquisition is implemented by way of a Takeover Offer and extended into the US, Bidco will do so in satisfaction of the procedural and filing requirements of the US securities laws at that time, to the extent applicable thereto. The Acquisition relates to the shares of a company incorporated in Scotland and it is proposed to be made by means of a scheme of arrangement provided for under the Companies Act 2006 as it applies to Scottish companies. The Scheme will relate to the shares of a Scottish company that is a "foreign private issuer" as defined under Rule 3b-4 under the US Exchange Act. A transaction effected by means of a scheme of arrangement is not subject to the shareholder vote, proxy solicitation and tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements and practices applicable in the UK to schemes of arrangement, which differ from the disclosure requirements and practices of US shareholder vote, proxy solicitation and tender offer rules. Financial information included in the relevant documentation will have been prepared in accordance with accounting standards applicable in the UK and may not be comparable to the financial statements of US companies. However, if Bidco were to elect to implement the Acquisition by means of a Takeover Offer, such Takeover Offer shall be made in compliance with all applicable laws and regulations, including section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such Takeover Offer would be made in the US by Bidco and no one else. In addition to any such Takeover Offer, Bidco, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Menzies outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase are made they would be made outside the United States in compliance with applicable law, including the US Exchange Act.*

### **Forward-looking statements**

*This Announcement may contain certain "forward-looking statements" with respect to Menzies, Bidco, NAS and Agility. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could", "aims", "projects" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies of Agility, NAS and/or Bidco and the expansion and growth of Menzies and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of Menzies.*

*These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or developments to differ materially from those expressed in or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding present and future strategies and environments. None of Agility, NAS, Bidco or Menzies, nor any of their respective associates, directors, officers, employees or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. All subsequent oral or written forward-looking statements attributable to Agility, NAS, Bidco or Menzies or any person acting on their behalf are expressly qualified in their entirety by the cautionary statement above. Should one or more of these risks or uncertainties materialise, or should underlying*



*assumptions prove incorrect, actual results may vary materially from those described in this Announcement. Bidco, NAS, Agility and Menzies assume no obligation to update publicly or revise forward-looking or other statements contained in this Announcement, whether as a result of new information, future events or otherwise, except to the extent legally required.*

### **No profit forecasts or estimates**

*No statement in this Announcement is intended as a profit forecast or estimate for Agility, NAS, Bidco or Menzies in respect of any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per Menzies Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per Menzies Share.*

### **Right to switch to a Takeover Offer**

*Bidco reserves the right to elect, with the consent of the Takeover Panel, to implement the Acquisition by way of a Takeover Offer for the entire issued and to be issued ordinary share capital of Menzies as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms or, if Bidco so decides, on such other terms being no less favourable (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme and subject to the amendment referred to in Appendix I to this Announcement.*

### **Publication on website**

*In accordance with Rule 26.1 of the Code, a copy of this Announcement will be made available (subject to certain restrictions relating to persons resident in Restricted Jurisdictions), free of charge, on Menzies' website at [www.Menziesaviation.com](http://www.Menziesaviation.com) and on NAS' website at [NAS.aero](http://NAS.aero) by no later than 12:00 noon on the Business Day following the date of this Announcement. Neither the contents of these websites nor the content of any other website accessible from hyperlinks on such websites is incorporated into, or forms part of, this Announcement.*

### **Requesting hard copies**

*In accordance with Rule 30.3 of the Code, a person so entitled may request a hard copy of this Announcement, free of charge, by contacting Computershare Investor Services Plc on 0370 703 6303 (or from outside of the UK, on +44 (0)370 703 6303) between 8:30 a.m. to 5:30 p.m. Monday to Friday (London time) or by submitting a request in writing to Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZZ. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Code, a person so entitled may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### **Electronic communications – information for Menzies Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by Menzies Shareholders, persons with information rights and other relevant persons for the receipt of communications from Menzies may be provided to Bidco during the Offer Period as required under section 4 of Appendix 4 of the Code.*

### **Rounding**

*Certain figures included in this Announcement 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.*

## **Disclosure requirements of the Code**

*Under Rule 8.3(a) of the Code, any person who is interested in 1 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 pm on the 10th Business Day (as defined in the Code) following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm on the 10th Business Day (as defined in the Code) 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 Code, any person who is, or becomes, interested in 1 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. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm on the Business Day (as defined in the Code) 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.*

*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).*

*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 Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://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 Takeover 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.*

## APPENDIX I

### CONDITIONS OF THE ACQUISITION AND CERTAIN FURTHER TERMS

#### Part A: Conditions of the Scheme and the Acquisition

##### Long Stop Date

1. The Acquisition will be conditional upon the Scheme becoming unconditional and effective, subject to the Code, by not later than 11:59 p.m. on the Long Stop Date.

##### Scheme approval

2. The Scheme will be subject to the following conditions:
  - (a) (i) its approval by a majority in number of the Scheme Shareholders who are on the register of members of Menzies at the Voting Record Time and who are present and vote, whether in person or by proxy, at the Court Meeting (and at any separate class meeting which may be required by the Court) and who represent not less than 75 per cent. in value of the Scheme Shares voted by those Scheme Shareholders, and (ii) such Court Meeting (and any separate class meeting which may be required) being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document (or such later date, if any, as Bidco and Menzies may agree, with the consent of the Takeover Panel and/or approval of the Court, if such consent and/or approval is required);
  - (b) (i) the passing of the Resolutions necessary in order to implement the Scheme by the requisite majority at the General Meeting (or any adjournment thereof), and (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document (or such later date, if any, as Bidco and Menzies may agree, with the consent of the Takeover Panel and/or approval of the Court, if such consent and/or approval is required);
  - (c) (i) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Bidco and Menzies), and (ii) the Sanction Hearing being held on or before the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document (or such later date, if any, as Bidco and Menzies may agree, with the consent of the Takeover Panel and/or approval of the Court, if such consent and/or approval is required); and
  - (d) delivery of a copy of the Court Order to the Registrar of Companies.
3. In addition, subject as stated in Part B below and to the requirements of the Takeover Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the Court Order shall not be delivered to the Registrar of Companies unless such Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived in writing:

##### Antitrust Approvals

###### *United States*

- (a) all required filings having been made under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 (as amended) and the rules and regulations made thereunder and all applicable waiting periods (including any agreements with the U.S. Federal Trade Commission or the Antitrust Division of the U.S. Department of Justice

to delay consummation of the Acquisition) relating to the Acquisition having expired, lapsed or been terminated;

*South Africa*

- (b) the South African Competition Commission having received a joint merger notification filed on behalf of the parties by Bidco for the Acquisition and the South African Competition Commission having approved the Acquisition, either unconditionally, or subject to conditions as required under the Competition Act, No. 89 of 1998 (as amended);

*Pakistan*

- (c) the Competition Commission of Pakistan, having received a pre-merger application filed by Bidco for the Acquisition, has allowed the Acquisition to proceed under the Competition Act 2010 read with the Competition Regulations 2016 (Merger Control);

**Foreign Investment Approvals**

*United Kingdom*

- (d) the Secretary of State for Business, Energy and Industrial Strategy having approved the Acquisition if it becomes subject to review pursuant to the National Security and Investment Act 2021 (as amended) (the “**NSI Act**”);

*United States*

- (e) the parties having submitted a joint voluntary notice of the Acquisition to the Committee on Foreign Investment in the United States (“**CFIUS**”), and:
  - (i) the parties having received a written notification issued by CFIUS that it has concluded its review (or, if applicable, investigation) under section 721 of the Defense Production Act of 1950 (as amended) (the “**DPA**”) and determined that (A) the Acquisition is not a “covered transaction” pursuant to the DPA or (B) there are no unresolved national security concerns with respect to the Acquisition; or
  - (ii) CFIUS having sent a report to the President of the United States (the “**President**”) requesting the President’ decision with respect to the Acquisition, and either (A) the President has not taken any action after fifteen days from the earlier of the date the President having received such report from CFIUS or the end of the investigation period, or (B) the President has announced a decision not to take any action to suspend or prohibit the Acquisition;

*Denmark*

- (f) the Danish Business Authority or the Danish Minister for Industry, Business and Financial Affairs having approved the transaction if it becomes subject to review pursuant to the Danish Investment Screening Act (Act no. 842 of 10 May 2021);

*France*

- (g) the French Minister of the Economy having approved the transaction pursuant to article L.151-3 and seq. of the French Monetary and Financial Code;

*India*

- (h) the parties having received approval by the Government of India for an indirect acquisition of shares in an Indian company providing scheduled air transport services and regional air transport services for 100% of the shares of the Indian company pursuant to the provisions of the foreign direct investment policy of the Government of India dated 29 October 2020 and the Reserve Bank of India (Non-debt Instrument) Rules, 2019;

*Australia*

- (i) Bidco having submitted an Australian foreign investment application with the Foreign Investment Review Board and the Treasurer of the Commonwealth of Australia either:
  - (i) providing written notice that there is no objection under the Foreign Acquisitions and Takeovers Act 1975 (Cth) to the Acquisition; or
  - (ii) becoming precluded from exercising any power to make an order under Division 2 of Part 3 of the Foreign Acquisitions and Takeovers Act 1975 (Cth) in relation to the Acquisition;

**Third Party Regulatory action**

- (j) save as set in respect of Conditions 3(a) to 3(i), no Third Party having given notice in writing of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to (in any case to an extent or in a manner which is material in the context of the Acquisition, the Wider Menzies Group or the Wider Bidco Group, as the case may be, in each case, taken as a whole):
  - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Bidco Group or by any member of the Wider Menzies Group of all or any material part of their respective businesses, assets, property or any shares or other securities (or the equivalent) in any member of the Wider Menzies Group or any member of the Wider Bidco Group or impose any material limitation on the ability of all or any of them to conduct their respective businesses (or any part thereof) or to own, control or manage any of their respective assets or properties (or any part thereof);
  - (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act, in the event that Bidco elects to implement the Acquisition by way of a Takeover Offer, require any member of the Wider Bidco Group or the Wider Menzies Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Menzies Group or any asset owned by any Third Party (other than in connection with the implementation of the Acquisition);
  - (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Bidco Group, directly or indirectly, to acquire, hold or exercise effectively all or any rights of ownership in respect of shares or loans or securities convertible into shares or other securities (or the equivalent) in Menzies or on the ability of any member of the Wider Menzies Group or any member of the Wider Bidco Group, directly or indirectly, to hold or exercise effectively all or any rights of ownership in respect of shares or loans or any

other securities (or the equivalent) in, or to exercise voting or management control over, any other member of the Wider Menzies Group;

- (iv) result in any member of the Wider Menzies Group or any member of the Wider Bidco Group ceasing to be able to carry on business under any names under which it currently carries on business;
- (v) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Menzies by any member of the Wider Bidco Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, prevent or prohibit, restrict, restrain or delay or otherwise interfere with the implementation of, or impose additional conditions or obligations with respect to, or otherwise challenge, impede, interfere or require material amendment to the terms of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of Menzies by any member of the Wider Bidco Group;
- (vi) impose any material limitation on, or result in material delay in, the ability of any member of the Wider Bidco Group or any member of the Wider Menzies Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Bidco Group and/or the Wider Menzies Group;
- (vii) require any member of the Wider Menzies Group to relinquish, terminate or amend in any material way any material contract to which any member of the Wider Menzies Group or the Wider Bidco Group is a party;
- (viii) require any member of the Wider Bidco Group or any member of the Wider Menzies Group or any of their respective affiliates to: (A) invest, contribute or loan any capital or assets to; or (B) guarantee or pledge capital assets for the benefit of any member of the Wider Bidco Group or any member of the Wider Menzies Group, which in each such case or together is material and adverse in the context of any member of the Wider Bidco Group or any member of the Wider Menzies Group or in the context of the Acquisition; or
- (ix) otherwise materially adversely affect all or any of the business, value, assets, liabilities, profits, operational performance, financial or trading position or prospects of any member of the Wider Menzies Group or any member of the Wider Bidco Group;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any Menzies Shares or other securities in, or control or management of, Menzies or otherwise intervene having expired, lapsed or been terminated;

#### **Other regulatory approvals**

- (k) each Governmental Entity, which regulates or licences any member of the Menzies Group or any other body corporate in which any member of the Menzies Group has an interest in shares, and whose prior approval, consent or non-objection to any change in control, or acquisition of (or increase in) control in respect of that or any other member of the Menzies Group is required, or any Governmental Entity, whose prior approval,

consent or non-objection of the Acquisition is otherwise required, or from whom one or more material licences or permissions are required in order to complete the Acquisition, having given its approval, non-objection or legitimate deemed consent or consent in writing thereto and, as the case may be, having granted such licences and permissions (in each case where required and on terms reasonably satisfactory to Bidco), and in each case the impact of which would materially adversely affect the Wider Menzies Group or the Wider Bidco Group, taken as a whole;

#### **Notifications, waiting periods and authorisations**

- (l) all material notifications, filings or applications which are necessary or considered appropriate or desirable by Bidco having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with, in each case, in respect of the Scheme and the Acquisition and all Authorisations deemed reasonably necessary or appropriate by Bidco in any jurisdiction for or in respect of the Acquisition and, except pursuant to Chapter 3 of Part 28 of the Companies Act, the Acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Menzies or any other member of the Wider Menzies Group by any member of the Wider Bidco Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Menzies Group or the Wider Bidco Group has entered into contractual arrangements and all such Authorisations necessary, appropriate or desirable to carry on the business of any member of the Wider Menzies Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes otherwise wholly unconditional and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

#### **Menzies Shareholder resolution**

- (m) except with the consent or the agreement of Bidco, no action having been taken or proposed by any member of the Menzies Group, or having been approved by a resolution of Menzies Shareholders, or consented to by the Takeover Panel, which falls within or under Rule 21.1 of the Code;

#### **Certain matters arising as a result of any arrangement, agreement, etc.**

- (n) except as Disclosed, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Menzies Group is a party, or by or to which any such member or any of its assets is or may be bound, entitled or subject, or any event or circumstance which, as a consequence of the Acquisition or the acquisition or the proposed acquisition by any member of the Wider Bidco Group of any shares or other securities (or the equivalent) in, or because of a change in the control or management of, Menzies or any other member of the Wider Menzies Group or otherwise, would or might reasonably be expected to result in (in each case to an extent or in a manner which is material in the context of the Wider Menzies Group taken as a whole):
  - (i) any monies borrowed by, or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any such member being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or

inhibited or being capable of becoming or being withdrawn or inhibited;

- (ii) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of such member or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument or the rights, liabilities, obligations or interests of any such member in or with any other person (or any arrangement or arrangements relating to any such interests or business) being adversely modified or adversely affected or any onerous obligation or liability arising or any adverse action being terminated, taken or arising thereunder;
- (iv) any liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers;
- (v) the rights, liabilities, obligations, interests or business of any such member under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any such member or any member of the Wider Menzies Group in or with any other person or body or firm or company (or any arrangement relating to any such interests or business) being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vi) any such member ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) any assets or interests of, or any asset the use of which is enjoyed by, any such member being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;
- (viii) the financial or trading position of any such member being prejudiced or adversely affected; or
- (ix) the creation of any liability (actual or contingent) by any such member other than trade creditors or other liabilities incurred in the ordinary course of business,

and no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Menzies Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in Conditions (n)(i) to (ix) above, in each case which is or would be material in the context of the Wider Menzies Group taken as a whole;

#### **Certain events occurring since 31 December 2021**

- (o) except as Disclosed, no member of the Wider Menzies Group having since 31 December 2021:



- (i) issued or agreed to issue or authorised or announced its intention to authorise the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Menzies Shares out of treasury (except, where relevant, as between Menzies and wholly-owned subsidiaries of Menzies or between the wholly-owned subsidiaries of Menzies) and except for the issue or transfer out of treasury of Menzies Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the Menzies Share Schemes);
- (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, 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 Menzies to Menzies or any of its wholly-owned subsidiaries or in respect of the Menzies Preference Shares;
- (iii) other than pursuant to the Acquisition (and except for transactions between Menzies and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Menzies and transactions in the ordinary course of business) implemented, effected, authorised or announced its intention to implement, effect, authorise any merger, 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 to an extent which is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition;
- (iv) except for transactions between Menzies and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Menzies and transactions in the ordinary course of business, disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised or announced any intention to do so;
- (v) except for transactions between Menzies and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of Menzies issued, authorised or announced an intention to authorise, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness which in any such case is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition;
- (vi) entered into or varied 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 of a long term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of an onerous nature or magnitude, otherwise than in the ordinary course of business and in each case to an extent which is material in the context of the Wider Menzies Group taken as a whole;
- (vii) entered into or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any director of Menzies;

- (viii) establish any share option scheme, incentive scheme or other benefit in respect of the Wider Menzies Group;
- (ix) 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 any part of its share capital (except, in each case, where relevant, as between Menzies and wholly-owned subsidiaries of Menzies or between the wholly-owned subsidiaries of Menzies);
- (x) waived, compromised or settled any claim other than in the ordinary course of business and which is material in the context of the Wider Menzies Group as a whole;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider Menzies Group and any other person in a manner which would or might have a material adverse effect on the financial position of the Wider Menzies Group taken as a whole;
- (xii) save as required in connection with the Acquisition, made any material alteration to its memorandum, articles of association or other incorporation documents;
- (xiii) made, agreed or consented to any significant change to: (A) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Menzies Group for its directors, employees or their dependants; (B) the contributions payable to any such scheme(s) or to the benefits which accrue, or to the pensions which are payable, thereunder; (C) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or (D) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued, made, agreed or consented to;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business which is material in the context of the Wider Menzies Group taken as a whole;
- (xv) (other than in respect of a member of the Wider Menzies Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvi) (except for transactions between Menzies and its wholly-owned subsidiaries or between the wholly-owned subsidiaries) made, authorised, proposed or announced an intention to propose any change in its loan capital;
- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate

entities, which in any such case is material in the context of the Wider Menzies Group as a whole or in the context of the Acquisition; or

- (xviii) otherwise than in the ordinary course of business, entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (o) and which is material in the context of the Wider Menzies Group taken as a whole;

**No adverse change, litigation, regulatory enquiry or similar**

- (p) except as Disclosed, since 31 December 2021 there having been:
  - (i) no adverse change and no circumstance having arisen which would reasonably be expected to result in any adverse change in, the business, value, assets, liabilities, shareholders' equity, financial or trading position or profits, operational performance or prospects of any member of the Wider Menzies Group which is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Menzies Group is or may become a party (whether as a claimant, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Menzies Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Menzies Group taken as a whole or in the context of the Acquisition;
  - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Menzies Group (or any person in respect of which any such member has or may have responsibility or liability) having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of the Wider Menzies Group, in each case, which would reasonably be expected to have a material adverse effect on the Wider Menzies Group taken as a whole or in the context of the Acquisition;
  - (iv) no contingent or other liability having arisen or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position, profits or operational performance of any member of the Wider Menzies Group to an extent which is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition;
  - (v) 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 licence held by any member of the Wider Menzies Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Menzies Group taken as a whole or in the context of the Acquisition; and
  - (vi) no member of the Wider Menzies Group having conducted its business in material breach of any applicable laws and regulations which in any case is material in the context of the Wider Menzies Group taken as a whole; and

**No discovery of certain matters regarding information and liabilities, corruption, intellectual property and environmental liabilities**

- (q) except as Disclosed, Bidco not having discovered that:
- (i) any financial, business or other information concerning the Wider Menzies Group announced publicly and delivered by or on behalf of Menzies through a regulatory news service prior to the date of this Announcement is misleading, contains a misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, in any such case which is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition;
  - (ii) any member of the Wider Menzies Group or any partnership, company or other entity in which any member of the Wider Menzies Group has a significant economic interest and which is not a subsidiary undertaking of Menzies, otherwise than in the ordinary course of business, is subject to any liability, contingent or otherwise, and which is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition;
  - (iii) any past or present member, director, officer or employee of the Wider Menzies Group, or any other person for whom any such person may be liable or responsible, has not complied with the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions and any laws implementing the same, the UK Bribery Act 2010 and/or the US Foreign Corrupt Practices Act of 1977;
  - (iv) any past or present member, director, officer or employee of the Wider Menzies Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with or made any investment in, or made any payments to: (A) any government, entity or individual with which US or EU persons are prohibited from engaging in activities or doing business by US or EU laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs, or (B) any government, entity or individual targeted by any of the economic sanctions of the United Nations or the European Union or any of their respective member states;
  - (v) any asset of any member of the Wider Menzies Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
  - (vi) no circumstance having arisen or event having occurred in relation to any intellectual property owned, used or licensed by the Wider Menzies Group or to any third parties, including: (A) any member of the Wider Menzies Group losing its title to any intellectual property or any intellectual property owned by the Wider Menzies Group being revoked, cancelled or declared invalid, (B) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Menzies Group being terminated or varied, or (C) any claim being filed suggesting that any member of the Wider Menzies Group infringed the intellectual property rights of a third party or any member of the Wider Menzies Group being found to have infringed the intellectual property rights of a third party, in each case which is material in the context of the Wider Menzies Group taken as a whole or in the context of the Acquisition; or

- (vii) in relation to any release, emission, accumulation, discharge, disposal or other similar circumstance which has impaired or is likely to impair the environment (including property) or harmed or is likely to harm the health of humans, animals or other living organisms or eco-systems, any past or present member of the Wider Menzies Group, in a manner or to an extent which is material in the context of the Wider Menzies Group, (i) has committed any violation of any applicable laws, statutes, regulations, Authorisations, notices or other requirements of any Third Party giving rise to a material liability; and/or (ii) has incurred any material liability (whether actual or contingent) to any Third Party; and/or (iii) is likely to incur any material liability (whether actual or contingent), or is required, to make good, remediate, repair, re-instate or clean up the environment (including any property) in each case of (i), (ii) or (iii) which such liability or requirement would be material to the Wider Menzies Group taken as a whole.

## **Part B: Waiver and invocation of the Conditions**

1. Subject to the requirements of the Takeover Panel, Bidco reserves the right in its sole discretion to waive all or any of the Conditions set out in Part A of this Appendix I except Conditions 2(a)(i), 2(b)(i), 2(c)(i) and 2(d) which cannot be waived. The deadlines in any of Conditions 1, 2(a)(ii), 2(b)(ii) and 2(c)(ii) may be extended to such later date as may be agreed in writing by Bidco and Menzies (with the consent of the Takeover Panel and/or approval of the Court, if such consent and/or approval is required). If any of Conditions 1, 2(a)(ii), 2(b)(ii) and 2(c)(ii) is not satisfied by the deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadline or agreed with Menzies to extend the relevant deadline.
2. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or treat as fulfilled any of Conditions 3(a) to 3(q) of Part A of this Appendix I by a date earlier than the Long Stop Date, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
3. Subject to paragraph 4 below, under Rule 13.5(a) of the Code, Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn with the consent of the Takeover Panel. The Takeover Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Conditions 1 and 2 of Part A of this Appendix I (and any Takeover Offer acceptance condition adopted on the basis specified in Part C of this Appendix I) will not be subject to Rule 13.5(a) of the Code.
5. Any Condition that is subject to Rule 13.5(a) of the Code may be waived by Bidco.
6. The Scheme will not become effective unless the Conditions have been fulfilled or (to the extent capable of waiver) waived or, where appropriate, have been determined by Bidco to be or remain satisfied by no later than the Long Stop Date.
7. If the Panel requires Bidco to make an offer or offers for any Menzies Shares under the provisions of Rule 9 of the Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by

reference to any other Condition.

### **Part C: Implementation by way of a Takeover Offer**

Bidco reserves the right to elect (with the consent of the Takeover Panel) to implement the Acquisition by making, directly or indirectly through a subsidiary or nominee of Bidco, a Takeover Offer as an alternative to the Scheme. In such event, the Takeover Offer will be implemented on the same terms or, unless Bidco otherwise determines and subject to the consent of the Takeover Panel, on such other terms being no less favourable, subject to appropriate amendments, as far as applicable, as those which would apply to the Scheme. The acceptance condition would be set at 90 per cent. of the shares to which such Takeover Offer relates (or such lesser percentage, being more than 50 per cent., as Bidco may decide with the consent of the Takeover Panel).

### **Part D: Certain further terms of the Acquisition**

1. Bidco reserves the right to implement the Acquisition through any other entity owned by Agility from time to time.
2. The Menzies Shares shall be acquired by Bidco with full title guarantee, fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights and interests whatsoever and together with all rights existing at the date of this Announcement or thereafter attaching thereto, including (without limitation) 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 Announcement in respect of the Menzies Shares.
3. If, on or after the date of this Announcement and prior to or on the Effective Date, any dividend, distribution or other return of value is declared, paid or made or becomes payable by Menzies and with a record date on or prior to the Effective Date, Bidco reserves the right (without prejudice to any right of Bidco, with the consent of the Takeover Panel, to invoke Condition 3(o)(ii) of Part A of this Appendix I) to reduce the consideration payable under the Acquisition to reflect the aggregate amount of such dividend, distribution or other return of value or excess. If and to the extent that any such dividend, distribution or other return of value is paid or made on or prior to the Effective Date and Bidco exercises its rights under this paragraph to reduce the consideration payable under the Acquisition, any reference in this Announcement to the consideration payable under the terms of the Acquisition shall be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph 3 shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Acquisition.
4. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of relevant jurisdictions. Therefore, any persons who are subject to the laws of any jurisdiction other than the United Kingdom and any Menzies Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.
5. Unless otherwise determined by Bidco or required by the Code and permitted by applicable law and regulations, the Acquisition is not being, and will not be, made, directly or indirectly, in, into or by the use of the mails of, or by any other means or instrumentality (including, but not limited to, facsimile, email 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 will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.
6. The Acquisition will be subject, inter alia, to the Conditions and certain further terms which are

set out in this Appendix I and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the Listing Rules and the provisions of the Code.

7. This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme and the Forms of Proxy will be governed by the Companies Act as it applies to Scottish companies and will be subject to the jurisdiction of the Scottish courts. The Acquisition shall be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange and the FCA.

## APPENDIX II

### SOURCES OF INFORMATION AND BASES OF CALCULATION

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

- (a) The value attributed to the fully diluted issued share capital of Menzies of £571 million is based on a value of 608 pence per Menzies Share, and:
  - (i) 91,916,919 Menzies Shares in issue (excluding treasury shares) on 29 March 2022 (being the last Business Day prior to the date of this announcement); plus
  - (ii) 1,998,833 Menzies Shares which may be issued on or after the Announcement Date on the exercise of options or vesting of awards under the Menzies Share Plans.
- (b) The enterprise value of £763 million is calculated by reference to the fully diluted equity value plus net debt pre-IFRS 16 of \$267 million plus non-controlling interest in equity \$14 million, minus investment in joint venture and associates \$20.8 million as at 31 December 2021.
- (c) The enterprise value multiple of approximately 10.7 times underlying earnings before interest tax and depreciation for the year ended 31 December 2021 is based on the enterprise value and Menzies earnings before interest tax and depreciation of \$191 million, adjusted for \$82.9 million of depreciation relating to right of use assets and \$9.7 million of interest charge on lease liabilities.
- (d) Financial information relating to Menzies has been extracted from the 2021 full year results announcement and presentation for the financial year ended 31 December 2021. Financial information presented in US dollars has been translated into British Pounds at an exchange rate of 0.7383 as at 31 December 2021 for balance sheet information and at an exchange rate of 0.7269 being the average for the year ended 31 December 2021 for income statement information.
- (e) All prices and volume weighted average prices for Menzies Shares have been derived from Bloomberg and represent Closing Prices on the relevant date.
- (f) Certain figures included in this announcement have been subject to rounding adjustments.



### APPENDIX III

#### DETAILS OF IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT

Bidco has received irrevocable undertakings and letters of intent to accept the Final Offer Price in respect of a total of 13,137,614 Menzies Shares (representing, in aggregate, approximately 14.29 per cent. of Menzies Shares in issue on 29 March 2022 (being the last Business Day prior to the date of this Announcement)), comprised as follows:

#### **Menzies Directors' (and certain of their persons closely associated) irrevocable undertakings**

<b>Name</b>	<b>Number of Menzies Shares</b>	<b>Per cent. of Menzies Shares in issue</b>
Philipp Joeinig	2,541,379	2.76%
Alvaro Gomez-Reino	292,413	0.32%
John Geddes	71,219	0.08%
David Garman	67,766	0.07%
Drusilla Maizey	12,346	0.01%
Paul Baines	6,448	0.01%
<b>Total</b>	<b>2,991,571</b>	<b>3.25%</b>

The irrevocable undertakings given by the Menzies Directors as set out above will apply to any Menzies Shares acquired as a result of any awards or options exercised pursuant to the Menzies Share Plans.

The irrevocable undertakings from the Menzies Directors will only cease to be binding if:

- (a) Bidco announces, with the consent of the Takeover Panel and before the Scheme Document or offer document (as applicable) is published, that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme or Takeover Offer to implement the Acquisition is announced in accordance with Rule 2.7 of the Code within 10 Business Days of such announcement; or
- (b) the Scheme (or Takeover Offer, as applicable) lapses or is withdrawn in accordance with its terms and no new, revised or replacement Scheme or Takeover Offer to implement the Acquisition has been announced in accordance with Rule 2.7 of the Code within 10 Business Days of such lapse or withdrawal.

#### **Letters of intent**

<b>Name</b>	<b>Number of Menzies shares</b>	<b>Per cent. of Menzies shares in issue</b>
D.C. Thomson & Company Limited	4,304,488	4.68%
Axxion S.A.	3,385,958	3.68%
Meadowside Nominees Limited (as nominee for WM Thomson & Sons)	1,470,000	1.60 %

<b>Name</b>	<b>Number of Menzies shares</b>	<b>Per cent. of Menzies shares in issue</b>
SVM Asset Management	985,597	1.07%
<b>Total</b>	<b>10,146,043</b>	<b>11.04%</b>

## APPENDIX IV

### DEFINITIONS

In this Announcement, the following words and expressions have the following meanings, unless the context requires otherwise:

<b>Acquisition</b>	the recommended offer to be made by Bidco to acquire the entire issued and to be issued ordinary share capital of Menzies to be effected by means of the Scheme (or, if Bidco so elects and subject to the Takeover Panel's consent, a Takeover Offer) on the terms and subject to the conditions set out in the Scheme Document;
<b>Acquisition Facility Agreement</b>	the acquisition term loan facility agreement entered into between Agility (as original guarantor), Agility Mayan (as original guarantor) and Barclays Bank PLC (as mandated lead arrangers and bookrunners) on 30 March 2022;
<b>Announcement</b>	this announcement of the Acquisition made in accordance with Rule 2.7 of the Code;
<b>Antitrust Conditions</b>	the Conditions set out in paragraphs 3(a) to 3(c) of Part A of Appendix I of this Announcement;
<b>Authorisations</b>	authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals;
<b>Agility</b>	Agility Public Warehousing Company K.S.C.P.;
<b>Agility Mayan</b>	Agility Mayan Holding W.L.L.;
<b>Barclays</b>	Barclays Bank PLC, acting through its Investment Bank;
<b>Bidco</b>	GIL International Holdings V Limited;
<b>Business Day</b>	a day, other than a Saturday, Sunday, public holiday or bank holiday, on which banks are generally open for normal business in the City of London;
<b>CFIUS</b>	the Committee on Foreign Investment in the United States;
<b>Closing Price</b>	the closing middle market quotation for a Menzies Share as derived from the Daily Official List on that day;
<b>Code</b>	the City Code on Takeovers and Mergers;
<b>Combined Group</b>	following completion of the Acquisition, the combined group comprising the NAS Group and the Menzies Group;
<b>Companies Act</b>	the UK Companies Act 2006, as amended;
<b>Conditions</b>	the conditions to the implementation of the Scheme and the Acquisition, which are set out in Appendix I to this Announcement and to be set out in the Scheme Document;
<b>Confidentiality Agreement</b>	the confidentiality agreement entered into by NAS and Menzies on 24 February 2022;
<b>Co-operation Agreement</b>	the co-operation agreement entered into by Bidco, Agility and Menzies on or around the date of this Announcement;

<b>Court</b>	the Court of Session at Edinburgh;
<b>Court Meeting</b>	the meeting (or any adjournment, postponement or reconvention thereof) of the Scheme Shareholders (or the relevant class or classes thereof) to be convened by order of the Court pursuant to section 896 of the Companies Act to consider and, if thought fit, approve the Scheme (with or without modification);
<b>Court Order</b>	the order of the Court sanctioning the Scheme;
<b>CREST</b>	the relevant system (as defined in the Regulations) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in the Regulations);
<b>Daily Official List</b>	the Daily Official List of the London Stock Exchange;
<b>Dealing Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>Disclosed</b>	(i) matters fairly disclosed in the information made available to Bidco (or Bidco's advisers) in the data room established by Menzies for the purposes of the Acquisition; (ii) information fairly disclosed in writing by or on behalf of Menzies to Bidco prior to the date of this Announcement in relation to the Acquisition; (iii) information included in the annual report and accounts of the Menzies Group for the financial year ended 31 December 2020; (iv) information disclosed in a public announcement to a regulatory news service made by Menzies prior to the date of this Announcement; or (v) disclosed in this Announcement;
<b>Disclosure Table</b>	the disclosure table on the Takeover Panel's website at <a href="http://www.thetakeoverpanel.org.uk">www.thetakeoverpanel.org.uk</a> ;
<b>DPA</b>	the United States Defense Production Act of 1950 (as amended);
<b>Effective</b>	in the context of the Acquisition: (a) if the Acquisition is implemented by way of a Scheme, the Scheme having become effective in accordance with its terms, upon the delivery of the Court Order to the Registrar of Companies; or (b) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code;
<b>Effective Date</b>	the date upon which: (a) the Scheme becomes Effective; or (b) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer becomes Effective;
<b>Excluded Shares</b>	(a) any Menzies Shares legally or beneficially held by Bidco or any member of the Wider Bidco Group; or (b) any Treasury Shares;
<b>FCA</b>	the UK Financial Conduct Authority or its successor from time to time;
<b>FDI Conditions</b>	the Conditions set out in paragraphs 3(d) to 3(i) of Part A of Appendix I of this Announcement;
<b>Final Offer Price</b>	608 pence per Scheme Share;
<b>Forms of Proxy</b>	the forms of proxy for use at the Court Meeting and the General Meeting respectively, which will accompany the Scheme Document;

<b>FSMA</b>	the Financial Services and Markets Act 2000, as amended;
<b>General Meeting</b>	the general meeting (or any adjournment, postponement or reconvention thereof) of Menzies Shareholders to be convened in connection with the Scheme;
<b>Goldman Sachs</b>	Goldman Sachs International;
<b>Governmental Entity</b>	any supranational, national, state, municipal, local or foreign government, any minister or instrumentality, subdivision, court or tribunal, arbitrator or arbitrator panel, regulatory or administrative agency or commission, or other authority thereof, or any regulatory or quasi-regulatory organisation or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority;
<b>ISIN</b>	International Securities Identification Number;
<b>Joint Defence Agreement</b>	the clean team and joint defence agreement entered into by NAS and Menzies on 28 February 2022;
<b>London Stock Exchange</b>	London Stock Exchange Group Plc;
<b>Long Stop Date</b>	31 December 2022 or such later date (if any) as Bidco and Menzies may, with the consent of the Takeover Panel, agree and (if required) the Court may allow;
<b>Listing Rules</b>	the rules and regulations made by the UK Listing Authority under the Financial Services and Markets Act 2000 (as amended) and contained in the UK Listing Authority's publication of the same name, as amended from time to time;
<b>Main Market</b>	the main market of the London Stock Exchange;
<b>Meetings</b>	the General Meeting and the Court Meeting;
<b>Menzies</b>	John Menzies plc;
<b>Menzies' Articles</b>	Menzies' Articles of Association from time to time;
<b>Menzies Board</b>	the board of directors of Menzies from time to time;
<b>Menzies Directors</b>	the directors of Menzies from time to time;
<b>Menzies Group</b>	Menzies and its subsidiaries and subsidiary undertakings;
<b>Menzies Preference Shares</b>	the nine per cent. cumulative preference shares of £1.00 each in the capital of Menzies;
<b>Menzies Share Plans</b>	each of the following share plans operated by Menzies: (i) the Menzies 2019 Long Term Incentive Plan adopted by the remuneration committee of the Menzies Board on 17 September 2019 (as amended); (ii) the 2019 Transformation Incentive Plan adopted by the remuneration committee of the Menzies Board on 17 September 2019; and (iii) the Menzies Savings-Related Stock Option Scheme adopted by the Menzies Board on 4 September 1998 (as amended);
<b>Menzies Shareholders</b>	the holders of Menzies Shares, excluding any member of the Wider Menzies Group;
<b>Menzies Shares</b>	the ordinary shares of 25 pence each in the capital of Menzies;

<b>NAS</b>	NAS Holding for Company's Business Management (Holdco) S.P.C.;
<b>NAS Group</b>	NAS and its subsidiaries and subsidiary undertakings;
<b>NSI Act</b>	the National Security and Investment Act 2021 (as amended)
<b>Offer Period</b>	the period which commenced on 9 February 2022 and ending on the date on which the Acquisition becomes Effective, lapses or is withdrawn (or such other date as the Takeover Panel may decide);
<b>Official List</b>	the official list maintained by the FCA pursuant to Part VI of FSMA;
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>President</b>	the President of the United States
<b>Registrar of Companies</b>	the Registrar of Companies in Scotland;
<b>Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755);
<b>Resolutions</b>	the resolutions to be proposed by Menzies at the General Meeting in connection with the Acquisition;
<b>Restricted Jurisdiction</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available in that jurisdiction;
<b>RIS</b>	a service approved by the London Stock Exchange for the distribution to the public of announcements and included within the list maintained on the London Stock Exchange's website;
<b>Sanction Hearing</b>	the hearing by the Court to sanction the Scheme and, if such hearing is adjourned, references to the commencement of any such hearing shall mean the commencement of the final adjournment thereof;
<b>Scheme</b>	the proposed scheme of arrangement under Part 26 of the Companies Act to effect the Acquisition between Menzies and the Scheme Shareholders (the full terms of which will be set out in the Scheme Document), with or subject to any modification, addition or condition which Bidco and Menzies may agree, and, if required, the Court may approve or impose;
<b>Scheme Document</b>	the document to be despatched to (amongst others) Menzies Shareholders containing, amongst other things, the terms and conditions of the Scheme, the notices convening the Court Meeting and the General Meeting;
<b>Scheme Record Time</b>	the time and date to be specified in the Scheme Document, expected to be 6:00 p.m. on the Business Day immediately prior to the Effective Date;
<b>Scheme Shareholders</b>	holders of Scheme Shares;
<b>Scheme Shares</b>	the Menzies Shares: (i) in issue at the date of the Scheme Document;

(ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and

(iii) (if any) issued at or after the Voting Record Time but at or before the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme or shall by such time have agreed in writing to be bound by the Scheme;

in each case other than any Excluded Shares;

<b>Substantial Interest</b>	in relation to an undertaking, a direct or indirect interest of 10 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking;
<b>Takeover Offer</b>	should the Acquisition be implemented by way of a takeover offer as defined in section 974 of the Companies Act 2006, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued ordinary share capital of Menzies and, where the context requires, any subsequent revision, variation, extension or renewal of such offer;
<b>Takeover Panel</b>	the UK Panel on Takeovers and Mergers;
<b>Third Party</b>	each of a central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, professional or investigative body or authority (including any antitrust or merger control authority), court, trade agency, professional association, institution, works council, employee representative body or any other similar body or person whatsoever in any jurisdiction;
<b>Treasury Shares</b>	any Menzies Shares which are for the time being held by Menzies as treasury shares (within the meaning of the Companies Act);
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>United States or US</b>	the United States of America, its territories and possessions, all areas subject to its jurisdiction or any subdivision thereof, any state of the United States of America and the District of Columbia;
<b>US Exchange Act</b>	the United States Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder;
<b>Voting Record Time</b>	the date and time specified in the Scheme Document by reference to which entitlements to vote on the Scheme will be determined, expected to be 6.00 p.m. on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6.00 p.m. on the second day before the date of such adjourned meeting;
<b>Volume Weighted Average Price</b>	the volume weighted average of the per share trading prices of Menzies Shares on the London Stock Exchange as reported through Bloomberg;
<b>Wider Menzies Group</b>	Menzies, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which Menzies and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the

equivalent;

**Wider Bidco Group**

Agility and its other subsidiary undertakings (including NAS and Bidco), associated undertakings and any other body corporate partnership, joint venture or person in which Agility and/or such undertakings (aggregating their interests) have direct or indirect Substantial Interest or the equivalent (excluding, for the avoidance of doubt, any member of the Wider Menzies Group);

**£ or pence**

pounds sterling or pence, the lawful currency of the UK; and

**\$ or USD or dollars**

dollars, the lawful currency of the United States of America.

In this Announcement:

- (a) all times referred to are to London time unless otherwise stated;
- (b) references to the singular include the plural and vice versa, unless the context otherwise requires;
- (c) **“subsidiary”**, **“subsidiary undertaking”** and **“undertaking”** have the meanings given by the Companies Act and **“associated undertaking”** has the meaning given to it by paragraph 19 of Schedule 6 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 1(b) thereof which shall be excluded for this purpose; and
- (d) all references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.