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THIS IS AN ANNOUNCEMENT FALLING UNDER RULE 2.4 OF THE CITY CODE ON TAKEOVERS AND MERGERS (THE "CODE") AND DOES NOT CONSTITUTE AN ANNOUNCEMENT OF A FIRM INTENTION TO MAKE AN OFFER UNDER RULE 2.7 OF THE CODE. THERE CAN BE NO CERTAINTY THAT ANY FIRM OFFER WILL ULTIMATELY BE MADE.

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN (WITHDRAWAL) ACT 2018 . UPON THE PUBLICATION OF THIS ANNOUNCEMENT, THIS INSIDE INFORMATION IS NOW CONSIDERED TO BE IN THE PUBLIC DOMAIN.

For immediate release

9 April 2021

Harwood Capital LLP
("Harwood Capital")

Statement re: Possible Offer for GYG plc

Harwood Capital announces that it is in the preliminary stages of evaluating a possible offer for the entire issued and to be issued ordinary share capital of GYG plc ("GYG") (the "Possible Offer"). The Possible Offer price under consideration is 92.5 pence per ordinary share of £0.002 each in the capital of GYG ("Ordinary Shares") in cash, which is currently expected to include an unlisted securities alternative.

The Possible Offer price represents a premium of approximately:

- **10.78 per cent. to the closing middle market price of 83.5 pence per Ordinary Share on 8 April 2021, being the latest practicable date prior to this announcement; and**
- **28.85 per cent. to the volume weighted average price of 71.79 pence per Ordinary Share over the six month period ended on and including 8 April 2021, being the latest practicable date prior to this announcement.**

This announcement does not amount to a firm intention to make an offer under Rule 2.7 of the Code and there can be no certainty that an offer for GYG will be made.

Client funds managed and/or advised by Harwood Capital or members of its group currently hold, in aggregate, 9,610,000 Ordinary Shares representing approximately 20.62 per cent. of GYG's existing issued ordinary share capital (excluding treasury shares).

In addition, Harwood Capital has received a letter of intent to accept (or procure acceptance of) or vote (or instruct the vote) in favour of the Possible Offer, if made, from GYG's largest institutional shareholder, Lombard Odier Asset Management (Europe) Limited ("Lombard Odier"), in respect of 12,535,550 Ordinary Shares, representing approximately 26.89 per cent. of the existing issued ordinary share capital of GYG (excluding treasury shares).

Accordingly, Harwood Capital advises and/or controls and has obtained a letter of intent over, in aggregate, 22,145,550 Ordinary Shares, representing approximately 47.51 per cent. of GYG's existing issued share capital (excluding treasury shares).

Harwood Capital reserves the right to introduce other forms and/or vary the form of the proposed consideration.

In addition, Harwood Capital reserves the right to make an offer at any time, at a value below

92.5 pence for each Ordinary Share, under the following circumstances:

- a) with the agreement and recommendation of the GYG board of directors; and/or
- b) to the extent that GYG declares, makes or pays any dividend or distribution or other payment to its shareholders, whereby a corresponding reduction would be applied; and/or
- c) a third party announces a possible or firm intention to make an offer for GYG on less favourable terms.

As a consequence of this announcement, an 'Offer Period' has now commenced in respect of GYG in accordance with the rules of the Code. The attention of GYG's shareholders is drawn to the disclosure requirements of Rule 8 of the Code, which are summarised below.

In accordance with Rule 2.6(a) of the Code, Harwood Capital acknowledges that it must, by not later than 5.00 p.m. on 7 May 2021, either announce a firm intention to make an offer for GYG in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline will only be extended with the consent of the Panel on Takeovers and Mergers (the "Panel") in accordance with Rule 2.6(c) of the Code.

A further announcement will be made in due course as and when appropriate.

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Important notices

Strand Hanson Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Harwood Capital and no one else in connection with the Possible Offer and will not be responsible to anyone other than Harwood Capital for providing the protections afforded to its clients or for providing advice in connection with the Possible Offer or any other matter referred to herein.

This announcement does not constitute an offer to purchase any securities, or an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any offer to purchase or sell securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The release, distribution or publication of this announcement in jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about and observe any applicable requirements.

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 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (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. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (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.

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, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

The defined terms used in this section "Disclosure requirements of the Code" are defined in the Code which can be found on the Takeover Panel's website.

Website disclosure

A copy of this announcement and the letter of intent received from Lombard Odier will be made available (subject to certain restrictions relating to persons resident in restricted jurisdictions) on Harwood Capital's website at www.harwoodcapital.co.uk by no later than 12.00 noon (London time) on 12 April 2021. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

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