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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) NO. 596/2014**

**FOR IMMEDIATE RELEASE**

7 June 2019

**RECOMMENDED CASH OFFER FOR EU SUPPLY BY MERCELL**

**TO BE EFFECTED BY WAY OF A SCHEME OF ARRANGEMENT UNDER PART 26 OF THE COMPANIES ACT 2006**

On 10 May 2019, the Boards of EU Supply PLC ("EU Supply") and Mercell Holding AS ("Mercell") announced that they had reached agreement on the terms of a recommended acquisition of EU Supply by Mercell, which is intended to be implemented by way of a court-sanctioned scheme of arrangement between EU Supply and the Scheme Shareholders under Part 26 of the Companies Act, pursuant to which Mercell will acquire, at Completion, the entire issued and to be issued share capital of EU Supply.

**Publication and posting of the Scheme Document**

EU Supply is pleased to announce that the scheme document containing, amongst other things, a letter from the Chairman of EU Supply, an explanatory statement pursuant to section 897 of the Companies Act 2006, the full terms and conditions of the Transaction, an indicative timetable of principal events, notices of the requirement meetings and details of the action to be taken by EU Supply Shareholders (the "Scheme Document"), together with the associated Forms of Proxy, are today being published and posted to EU Supply Shareholders, EU Supply Convertible Loan Noteholders and, for information only, to persons with information rights.

**Action required**

As detailed further in the Scheme Document, the Scheme is subject to the Conditions. To become effective, the Scheme requires, among other things, that the majority in number of the EU Supply Shareholders present and voting (and entitled to vote) either in person or by proxy, representing not less than 75 per cent. in value of the EU Supply Shares held by such EU Supply Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting.

Notices convening the Court Meeting and the General Meeting, each of which will be held at the offices of haysmcintyre, 10 Queen Street, London, EC4R 1AG on 2 July 2019, are set out in the Scheme Document.

It is important that, for the Court Meeting, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of EU Supply Shareholder opinion. EU Supply Shareholders are therefore strongly urged to complete, sign and return their Forms of Proxy or transmit a proxy instruction (either electronically or through CREST) as soon as possible and, in any event, by no later than 12.00 p.m. on 28 June 2019, in the case of the Court Meeting, and by no later than 12.15 p.m. on 28 June 2019, in the case of the General Meeting.

Holders of EU Supply Shares should carefully read the Scheme Document in its entirety before making a decision with respect to the Scheme.

### **Shareholder helpline**

If EU Supply Shareholders have any questions relating to the Scheme Document, the Court Meeting or the General Meeting, or the completion and return of the Forms of Proxy, please contact EU Supply's registrars, Neville Registrars, on +44 (0) 121 585 1131. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open between 9.00 a.m. to 5.00 p.m., Monday to Friday excluding public holidays in England and Wales. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Transaction nor give any financial, legal or tax advice.

### **Timetable**

The expected timetable of principal events is set out in the appendix to this announcement. Subject to approval at the relevant Shareholder Meetings, receipt of the Court sanction and the satisfaction or waiver of the other Conditions set out in the Scheme Document, the Scheme is expected to become Effective on 10 July 2019. If any of the key dates set out in the timetable change, EU Supply will give notice of this change by issuing an announcement through a Regulatory Information Service.

Defined terms used but not defined in this announcement have the meaning given to them in the Scheme Document.

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### **Important notices**

*Stockdale Securities Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority is acting exclusively as financial adviser to EU Supply and no one else in connection with the Transaction, the contents of this announcement or any other matters referred to in this announcement and will not be responsible to anyone other than EU Supply for providing the protections afforded to clients of Stockdale Securities Limited nor for providing advice in relation to the Transaction, the contents of this announcement or any other matters referred to in this announcement.*

*Liberum Capital Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority is acting exclusively as financial adviser to Mercell and no one else in connection with the Transaction, the contents of this announcement or any other matters referred to in this announcement and will not be responsible to anyone other than Mercell for providing the protections afforded to clients of Liberum Capital Limited nor for providing advice in relation to the Transaction, the contents of this announcement or any other matters referred to in this announcement.*

### **Forward-looking statements**

*This announcement contains statements about the Mercell Group, the EU Supply Group and the Enlarged Group that are or may be forward-looking statements. All statements other than statements of historical facts included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "should", "continue", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects", "ambition" or words or terms of similar substance or the negative thereof, are forward-looking statements. 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 and the expansion and growth of the EU Supply Group's, the Mercell Group's or the Enlarged Group's operations and potential synergies resulting from the Transaction; and (iii) the effects of government regulation on the EU Supply Group's, the Mercell Group's or the Enlarged Group's business.*

*Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on assumptions and assessments made by Mercell and/or EU Supply in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof. Neither the EU Supply Group nor the Mercell Group assume any obligation to update any forward-looking or other statements contained herein, except as required by applicable law or regulation.*

### **Overseas Jurisdictions**

*The release, publication or distribution of this announcement in or into certain jurisdictions may be restricted by the laws of those jurisdictions. Accordingly, copies of this announcement and all other announcements and documentation relating to the Transaction are not being, and must not be, released, published, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction or any Restricted Jurisdiction. Persons receiving such announcements or documentation (including, without limitation, nominees, trustees and custodians) should inform themselves of, and observe, these restrictions. Failure to do so may constitute a violation of the securities laws of any such jurisdiction. In particular, the ability of persons who are not resident in the United Kingdom or who are subject to the laws of another jurisdiction to vote their EU Supply Shares in respect of the Scheme at the Court Meeting or to execute and deliver Forms of Proxy appointing another to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located or to which they are subject. To the fullest extent permitted by applicable law, the companies involved in the Transaction disclaim any responsibility or liability for the violations of any such restrictions by any person.*

*This announcement has been prepared for the purposes of complying with English law, the rules of the London Stock Exchange and the Takeover 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 and regulations of any jurisdictions outside England and Wales.*

*Unless otherwise determined by Mercell or required by the Takeover Code, and permitted by applicable law and regulation, the Transaction will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Transaction by any such use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.*

*The availability of the Transaction to EU Supply Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements.*

*Further details in relation to the treatment of Overseas Shareholders for the purpose of the Transaction will be contained in the Scheme Document.*

### **Notice to US Investors**

US shareholders should note that the Scheme relates to the shares of a UK company that is a "foreign private issuer" as defined under Rule 3b-4 under the US Exchange Act of 1934, as amended (the "**US Exchange Act**"), is subject to UK disclosure requirements (which are different from those of the United States) and is proposed to be made by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement for a foreign private issuer is not subject to the proxy solicitation or tender offer rules under the US Exchange Act. Accordingly, the Scheme is subject to the disclosure requirements, rules and practices applicable in the UK to schemes of arrangement, which differ from the requirements of US proxy solicitation or tender offer rules. Financial information included in the Scheme Document or other relevant documentation will have been prepared, unless specifically stated otherwise, in accordance with accounting standards applicable in the UK and Norway and thus may not be comparable to the financial information of United States companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

US shareholders should be aware that the Transaction may have tax consequences in the United States and under other applicable tax laws and, that such consequences, if any, are not described herein. Each EU Supply Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Transaction applicable to him.

If Mercell elects to implement the Transaction by means of a Takeover Offer, such Takeover Offer shall be made in compliance with the procedural and filing requirements of the US securities laws at that time, to the extent applicable thereto, including Section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such Takeover Offer would be made in the US by Mercell and no one else. Mercell, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in EU Supply outside such Takeover Offer during the period in which such Takeover Offer would remain open for acceptance. If such purchases or arrangements to purchase were to be made they would be made outside the United States in compliance with applicable law, including the US Exchange Act and the Takeover Code.

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

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for EU Supply for the current or future period would necessarily match or exceed the historical published earnings or earnings per share for EU Supply.

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

Under Rule 8.3(a) of the Takeover 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 Takeover 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(s), 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 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 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.

### **Publication on website and availability of hard copies**

A copy of this announcement will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on EU Supply's website at [www.eu-supply.com/Website/InvestorRelations](http://www.eu-supply.com/Website/InvestorRelations) and Mercell's website at <https://www.mercell.com/en/105620654/-offer-for-eus.aspx> by no later than 12 noon on the Business Day following the date of this announcement. For the avoidance of doubt, the content of those websites is not incorporated into and do not form part of this announcement.

EU Supply Shareholders may request a hard copy of this announcement by contacting Neville Registrars on 0121 585 1131 (non-UK callers +44 121 585 1131) during business hours or by submitting a request in writing to Neville Registrars at Neville House, Steelpark Road, Halesowen, West Midlands B62 8HD. If you have received this announcement in electronic form, copies of this announcement will not be provided unless such a request is made.

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser, duly authorised under FSMA if you are resident in the United Kingdom, or from another appropriately authorised independent financial adviser.

## **APPENDIX: EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

The following indicative timetable sets out the expected dates for implementation of the Scheme.

<b>Event</b>	<b>Time and/or date</b>	<sup>1</sup>
Latest time for lodging WHITE Forms of Proxy and registering proxy appointments electronically or through CREST for the Court Meeting	12.00 p.m. on 28 June 2019	<sup>2</sup>
Latest time for lodging YELLOW Forms of Proxy and registering proxy appointments electronically or through CREST for the General Meeting	12.15 p.m. on 28 June 2019	<sup>3</sup>
Voting Record Time	6.00 p.m. on 28 June 2019	<sup>4</sup>
<b>Court Meeting</b>	12.00 p.m. on 2 July 2019	
<b>General Meeting</b>	12.15 p.m. on 2 July 2019	<sup>5</sup>

*Certain of the following dates are subject to change (please see note (1) below):*

Court Hearing (to sanction the Scheme)	9 July 2019
Last day of dealings on AIM in, and for registration of transfers of, and disablement in CREST of, EU Supply Shares	9 July 2019
Scheme Record Time	6.00 p.m. on 9 July 2019
Suspension of trading on AIM and of dealings in EU Supply Shares	7.30 a.m. on 10 July 2019
<b>Expected Effective Date</b>	10 July 2019
Cancellation of admission to trading on AIM of EU Supply Shares	7.00 a.m. on 11 July 2019
Settlement of the consideration payable under the Transaction	Within 14 days after the Effective Date

**Notes:**

- 1 These times and dates are indicative only and will depend, among other things, on the date on which: (i) the Conditions are either satisfied, or (if capable of waiver) waived; (ii) the Court sanctions the Scheme; and (iii) the Court Order sanctioning the Scheme is delivered to the Registrar of Companies. EU Supply will give notice of any change(s) to the above timetable by issuing an announcement through a Regulatory Information Service and by publishing such changes on its website at [www.eu-supply.com/Website/InvestorRelations](http://www.eu-supply.com/Website/InvestorRelations) and, if required by the Panel, sending notice of the change(s) to EU Supply Shareholders, EU Supply Convertible Loan Noteholders and, for information only, to persons with information rights in EU Supply.
- 2 The WHITE Form of Proxy for the Court Meeting should be received by Neville Registrars before 12.00 p.m. on 28 June 2019, or, if the Court Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting. WHITE Forms of Proxy not so received may be handed to a representative of Neville Registrars or the Chairman of the Court Meeting at the Court Meeting before the taking of the poll.
- 3 The YELLOW Form of Proxy for the General Meeting must be lodged with Neville Registrars before 12.15 p.m. on 28 June 2019 in order for it to be valid, or, if the General Meeting is adjourned, not later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned meeting. The YELLOW Form of Proxy cannot be handed to a representative of Neville Registrars or the Chairman of the General Meeting at that meeting.
- 4 If a Shareholder Meeting is adjourned, only those Scheme Shareholders (in the case of the Court Meeting) and EU Supply Shareholders (in the case of the General Meeting) on the register of members of EU Supply at 6.00 p.m. on a day which is not more than 48 hours (excluding any part of a day that is not a working day) before the time set for the adjourned meeting will be entitled to attend and vote.
- 5 To commence at the time fixed or as soon thereafter as the Court Meeting has concluded or been adjourned.
- 6 This is the last date on which the Scheme may become Effective unless Mercell and EU Supply, with the consent of the Panel and, if required, the approval of the Court, agree in writing a later date.