

**DATED** 15 April **2025**

**ACR BIDCO LIMITED**

**AND**

**DE LA RUE PLC**

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**CO-OPERATION AGREEMENT**

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**KING & SPALDING**

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### Schedules:

- Schedule 1: Form of Announcement  
Schedule 2: Target Share Plans

**THIS AGREEMENT** is dated 15 April 2025:

**BETWEEN:**

- (1) **ACR BIDCO LIMITED**, a private limited company incorporated and registered in England and Wales with company number 16379363 and with its registered office at 26 St. James's Square, London, SW1Y 4JH ("**Bidco**"); and
- (2) **DE LA RUE PLC**, a public limited company incorporated and registered in England and Wales with company number 03834125 and with its registered office at De La Rue House, Jays Close, Viables, Basingstoke, Hampshire, RG22 4BS ("**Target**").

each a "**Party**" and together, the "**Parties**".

**WHEREAS:**

- (A) Bidco, a company indirectly wholly-owned by funds managed and/or advised by Atlas, proposes to announce shortly following execution of this Agreement a firm intention to make a recommended acquisition of the entire issued and to be issued ordinary share capital of Target pursuant to Rule 2.7 of the Code.
- (B) It is intended that the Acquisition will be made on the terms and subject to the conditions set out in the Announcement.
- (C) The Parties intend that the Acquisition will be implemented by way of the Scheme, although Bidco reserves the right, subject to the terms of this Agreement and the Announcement, to implement the Acquisition by way of an Offer.
- (D) The Parties are entering into this Agreement to set out certain mutual obligations and commitments in relation to the implementation of the Acquisition (whether by way of the Scheme or an Offer).

**IT IS AGREED** as follows:

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 In this Agreement (including the recitals but excluding Schedule 1), the terms and expressions listed in this clause 1.1 shall have the meanings set out in this clause 1.1. Terms and expressions used in Schedule 1 (*Form of Announcement*) shall have the meanings given to them in Schedule 1.

"**2010 PSP**" means the De La Rue plc Performance Share Plan established on 22 July 2010;

"**2020 PSP**" means the De La Rue plc Performance Share Plan 2020;

"**Acceptance Condition**" means, if applicable, the acceptance condition to any Offer;

"**Acquisition**" means the proposed acquisition of the entire issued and to be issued share capital of Target by Bidco to be effected by way of:

- (a) the Scheme; or
- (b) (if Bidco so elects and the Panel consents) an Offer,

(as the case may be);

**“Acquisition Document”** means:

(a) if the Scheme is (or is to be) implemented, the Scheme Document; or

(b) if an Offer is (or is to be) implemented, the Offer Document;

**“Agreed Switch”** has the meaning given to that term in clause 6.1(a);

**“Agreement”** means this agreement;

**“Atlas”** means Atlas FRM LLC (d/b/a Atlas Holdings LLC), a limited liability company incorporated and registered in Delaware, USA with company number 2921947;

**“Announcement”** means the announcement detailing the terms and conditions of the Acquisition to be made pursuant to Rule 2.7 of the Code, in substantially the form set out in Schedule 1 (*Form of Announcement*) (subject to any such changes prior to publication as may be agreed by, or on behalf of, Bidco and Target);

**“Authentication Transaction”** means the sale of the Target’s authentication business as announced by the Target on 15 October 2024;

**“Bidco Directors”** means the directors of Bidco from time to time;

**“Bidco Group”** means Bidco and its subsidiary undertakings and where the context permits, each of them;

**“Bidder Responsible Persons”** means the Bidco Directors and the other individuals whom it is agreed with the Panel will accept responsibility with the Bidco Directors for the information in the Scheme Document and any supplementary circular (or as the case may be, the Offer Document) for which a bidder is required to take responsibility under the Code;

**“Business Day”** means any day (excluding any Saturday or Sunday or public or bank holiday) on which banks are open for business in the City of London;

**“Business Hours”** means the hours between 9:30 a.m. and 5:30 p.m. (inclusive) in the relevant location on a Business Day;

**“Clearances”** means any approvals, consents, clearances, determinations, permissions, confirmations, comfort letters and waivers that may need to be obtained, all applications and filings that may need to be made and all waiting periods that may need to have expired, from or under any Law or practices applied by any Relevant Authority (or under any agreements or arrangements to which any Relevant Authority is a party), in each case that are necessary and/or expedient to satisfy one or more of the Regulatory Conditions; and any reference to any Clearance having been “satisfied” shall be construed as meaning that the foregoing has been obtained, or where relevant, made or expired;

**“Code”** means the City Code on Takeovers and Mergers, as issued from time to time by or on behalf of the Panel;

**“Companies Act”** means the Companies Act 2006;

**“Competing Proposal”** means, other than pursuant to the Authentication Transaction:

- (a) an offer (including a partial offer for 30 per cent. (30%) or more of the issued or to be issued ordinary share capital of Target, exchange or tender offer), merger, acquisition, dual-listed structure, scheme of arrangement, reverse takeover, whitewash transaction and/or business combination (or the announcement of a firm intention to do the same), the purpose of which is to acquire, directly or indirectly, 30 per cent. (30%) or more of the issued or to be issued ordinary share capital of Target (when aggregated with the shares already held by the acquirer and any person acting or presumed or deemed to be acting in concert with the acquirer) or any arrangement or series of arrangements which results in any person acquiring, consolidating or increasing ‘control’ (as defined in the Code) of Target;
- (b) the acquisition or disposal (or the announcement by or on behalf of Target of a proposed acquisition or disposal), directly or indirectly, of all or a significant proportion (being 30 per cent. (30%) or more) of the business, assets and/or undertakings of the Target Group calculated by reference to any of its revenue, profits or value taken as a whole;
- (c) a demerger, any material reorganisation or liquidation (or the announcement by or on behalf of Target of a proposed demerger, material reorganisation or liquidation) involving all or a significant portion (being 30 per cent. or more) of the Target Group calculated by reference to any of its revenue, profits or value taken as a whole; or
- (d) any other material transaction undertaken without Bidco’s consent which would be inconsistent with, or would be reasonably likely materially to preclude, impede or delay or otherwise prejudice the implementation of the Acquisition (including, for the avoidance of doubt, any transaction or arrangement which would constitute a significant transaction or reverse takeover for the purposes of the Listing Rules undertaken by the Target Group),
- (e) in each case which is not effected by Bidco (or a person acting in concert with Bidco) or at Bidco’s direction or with Bidco’s agreement, and in each case whether implemented in a single transaction or a series of transactions and whether conditional or otherwise and excluding, in all cases, a potential or possible offer falling under limb (a) of this definition, announced under Rule 2.4 of the Code or otherwise;

**“Conditions”** means:

- (a) for so long as the Acquisition is being implemented by means of the Scheme, the conditions to the implementation of the Acquisition (including the Scheme) as set out in Appendix 1 to the Announcement and to be set out in the Acquisition Document (including the Regulatory Conditions), as may be amended by Bidco with the consent of the Panel (and, for so long as the Scheme is subject to a unanimous and unqualified recommendation from the board of directors of Target, with the consent of Target); and
- (b) for so long as the Acquisition is being implemented by means of an Offer, the conditions referred to in (a) above, as amended by replacing the Scheme Conditions with the Acceptance Condition and as may be further amended by Bidco with the consent of the Panel (and in the case of an Agreed Switch, and for so long as the Offer is subject to a unanimous and unqualified recommendation from the board of directors of Target, with the consent of Target),

and “**Condition**” shall be construed accordingly;

“**Confidentiality Agreement**” means the confidentiality agreement between Atlas and Target in relation to the Acquisition dated 10 March 2024 (as amended on 10 March 2025) and supplemented by a clean team agreement dated 14 March 2025;

“**Court**” means the High Court of Justice of England and Wales;

“**Court Hearing**” means the hearing of the Court to sanction the Scheme under section 899 of the Companies Act and, if such hearing is adjourned, reference to commencement of any such hearing shall mean the commencement of the final adjournment thereof;

“**Court Meeting**” means meeting of the Target Shareholders to be convened pursuant to an order of the Court under the Part 26 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment), including any adjournment thereof, notice of which is to be contained in the Scheme Document;

“**Court Order**” means the order(s) of the Court sanctioning the Scheme under section 899 of the Companies Act;

“**Court Sanction**” means the granting of the Court Order at the Court Hearing;

“**Day 60**” has the meaning given to that term in clause 6.2(b);

“**DBP**” means the De La Rue plc Deferred Bonus Plan 2020;

“**Effective**” means in the context of the Acquisition:

- (a) if the Acquisition is implemented by way of the Scheme, means the Scheme having become effective pursuant to its terms; or
- (b) if the Acquisition is implemented by way of an Offer, means the Offer having been declared or become unconditional in all respects in accordance with the requirements of the Code;

“**Effective Date**” means the date upon which the Acquisition becomes Effective;

“**Employee Trust**” means the Target Employee Share Ownership Trust established pursuant to a trust deed entered into between Target and the Royal Bank of Scotland Trust Company (Guernsey) Limited on 27 January 2000;

“**EU**” means the European Union;

“**Excluded Entity**” means:

- (a) any member of the Wider Bidco Group; and
- (b) any portfolio company thereof,

in each case excluding Bidco or any subsidiary of Bidco (which shall not be an Excluded Entity);

“**Executive Share Plans**” means each of the 2010 PSP, 2020 PSP, the DBP and the IRP;

**“General Meeting”** means the general meeting of Target Shareholders (including any adjournment, postponement or reconvention thereof) to be convened for the purposes of considering, and if thought fit, approving, the Target Resolutions;

**“IRP”** means the De La Rue plc Investor Returns Plan 2023;

**“Law”** means any applicable statute, law, rule, regulation, ordinance, code, order, judgment, injunction, writ, decree, directive, policy, guideline, rule of common law or interpretation having the force of laws or bylaws, in each case of a Relevant Authority;

**“Listing Rules”** means the listing rules made by the Financial Conduct Authority under Part VI of the Financial Services and Markets Act 2000 (as amended), and contained in the Financial Conduct Authority’s publication of the same name;

**“London Stock Exchange”** means London Stock Exchange Group plc or its successor;

**“Long Stop Date”** has the meaning given to that term in the Announcement;

**“Offer”** means if (subject to the consent of the Panel and the terms of the Announcement) the Acquisition is effected by way of a takeover offer as defined in Part 28 of the Companies Act, the offer to be made by or on behalf of Bidco to acquire the issued and to be issued ordinary share capital of Target on the terms and subject to the conditions to be set out in the related Offer Document;

**“Offer Document”** means should the Acquisition be implemented by means of an Offer, the document to be sent to (amongst others) Target Shareholders containing, among other things, the full terms and conditions of such Offer;

**“Offer Price”** means £1.30 per Target Share;

**“Panel”** means the UK Panel on Takeovers and Mergers;

**“Regulatory Conditions”** means the conditions set out in paragraphs 3(a) to 3(d) of Part A of Appendix 1 to the Announcement;

**“Regulatory Information Service”** means an information service authorised from time to time by the London Stock Exchange for the purposes of disseminating regulatory announcements;

**“Relevant Authority”** means any central bank, ministry, governmental, quasigovernmental, supranational (including the EU), statutory, regulatory or investigative body, authority or tribunal (including any national or supranational, tax, trade, antitrust, competition or merger control authority, any sectoral ministry or regulator and any foreign or national security investment review body), national, state, municipal or local government (including any subdivision, court, tribunal, administrative agency or commission or other authority thereof), any entity owned or controlled by them, including for the avoidance of doubt, the Panel;

**“Relevant Third Party”** has the meaning given in clause 24.1;

**“Scheme”** means the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Target and the Target Shareholders to implement the Acquisition,

with or subject to any modification thereof or addition thereto or condition approved or imposed by the Court (where applicable) and agreed by Target and Bidco;

**“Scheme Conditions”** means the conditions referred to in paragraph 2 of Part A of Appendix 1 to the Announcement;

**“Scheme Document”** means the document to be despatched to (among others) Target Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme, containing the explanatory statement required by section 897 of the Companies Act and the notices convening the Court Meeting and the General Meeting;

**“Scheme Record Time”** means the time and date specified as such in the Scheme Document, expected to be 6:00 p.m. on the Business Day immediately preceding the Effective Date or such other time as Target and Bidco may agree;

**“Sharesave Plans”** means each of:

- (a) the De La Rue plc (1999) Sharesave Scheme; and
- (b) the De La Rue plc Sharesave Plan 2022;

**“Substantial Interest”** in relation to an undertaking, a direct or indirect interest of 30 per cent. (30%) or more of:

- (a) the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act) of such undertaking; or
- (b) the relevant partnership interest;

**“Switch”** has the meaning given to that term in clause 6.1; and

**“Target Articles”** means the articles of association of Target at the relevant time;

**“Target Board”** means the board of directors of Target from time to time;

**“Target Board Adverse Recommendation Change”** means:

- (a) if Target makes an announcement prior to the publication of the Acquisition Document(s) that:
  - (i) the Target Directors no longer intend to make the Target Board Recommendation or intend adversely to modify or qualify such recommendation;
  - (ii) it will not convene the Court Meeting or the General Meeting; or
  - (iii) it intends not to post the Scheme Document or (if different) the document convening the General Meeting,
- (b) if Target makes an announcement that it will delay the convening of, or will adjourn, the Court Meeting, the General Meeting or the Court Hearing, in each case without the consent of Bidco, except where such delay or adjournment is solely caused by logistical or practical reasons beyond Target’s reasonable control;
- (c) the Target Board Recommendation is not included in the Acquisition Document(s);

- (d) the Target Directors withdraw, adversely modify or adversely qualify the Target Board Recommendation;
- (e) if the Target Directors announce the entry by the Target Group into any transaction which would constitute:
  - (i) a reverse takeover of Target (as defined in the Code); or
  - (ii) a significant transaction for, or a reverse takeover of, Target (each as defined in the Listing Rules),save for any agreement required to give effect to the Authentication Transaction substantially on the terms announced by Target on 15 October 2024; or
- (f) if, after the approval of the Target Resolutions, the Target Directors announce that they will not implement the Scheme (other than: (i) in connection with an announcement of an offer or revised offer by Bidco for Target, or (ii) because a Clearance has failed, or become impossible, to be satisfied);

**“Target Board Recommendation”** means a unanimous and unqualified recommendation from the Target Directors to Target Shareholders in respect of the Acquisition:

- (a) to vote in favour of the Scheme at the Court Meeting and in favour of the Target Resolutions at the General Meeting; or
- (b) if Bidco elects to implement the Acquisition by means of an Offer in accordance with the terms of this Agreement, to accept the Offer;

**“Target Directors”** means the directors of Target from time to time;

**“Target Group”** means Target and its subsidiaries and subsidiary undertakings from time to time;

**“Target Remuneration Committee”** means the remuneration committee of the Target Board;

**“Target Representative”** has meaning given to that term in clause 12.3;

**“Target Resolutions”** means, to the extent that the Acquisition is implemented by way of the Scheme, the shareholder resolutions of Target to be proposed at the General Meeting as are necessary to approve, implement and effect the Scheme and the Acquisition and changes to the Target Articles;

**“Target Share Plans”** means each of the:

- (a) the De La Rue plc Performance Share Plan established on 22 July 2010;
- (b) the De La Rue plc Performance Share Plan 2020;
- (c) the De La Rue plc Deferred Bonus Plan 2020;
- (d) the De La Rue plc Investor Returns Plan 2023; and
- (e) the De La Rue plc Sharesave Plan 2022;

**“Target Shareholders”** means holders of Target Shares from time to time;

“**Target Shares**” means the ordinary shares of £0.448686 each in the capital of Target;

“**United Kingdom**” or “**UK**” means the United Kingdom of Great Britain and Northern Ireland;

“**United States**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia; and

“**Wider Bidco Group**” means the Bidco Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent.

1.2 In this Agreement, unless the context otherwise requires:

- (a) the expressions “**subsidiary**” and “**subsidiary undertaking**” and “**undertaking**” have the meanings given in the Companies Act;
- (b) the expressions “**acting in concert**” and “**concert parties**” shall be construed in accordance with the Code;
- (c) “**interest**” in shares or securities shall be construed in accordance with the Code;
- (d) a reference to an enactment or statutory provision shall include a reference to any subordinate legislation made under the relevant enactment or statutory provision and is a reference to that enactment, statutory provision or subordinate legislation as from time to time amended, consolidated, modified, re-enacted or replaced;
- (e) references to a “**person**” include any individual, an individual’s executors or administrators, a partnership, a firm, a body corporate (wherever incorporated), an unincorporated association, government, state or agency of a state, local or municipal authority or government body, a joint venture, association, works council or employee representative body (in any case, whether or not having separate legal personality);
- (f) references to a recital, paragraph, clause or Schedule (other than a schedule to a statutory provision) shall refer to those of this Agreement unless stated otherwise;
- (g) headings do not affect the interpretation of this Agreement, the singular shall include the plural and vice versa, and references to one gender include all genders;
- (h) references to time are to British Summer Time;
- (i) any reference to a “**day**” (including within the phrase “**Business Day**”) shall mean a period of 24 hours running from midnight to 23:59:59;
- (j) references to any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;
- (k) references to “**£**”, “**GBP**”, “**pounds sterling**”, “**Sterling**”, “**pence**” and “**p**” are references to the lawful currency from time to time of the United Kingdom;
- (l) any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

(m) a reference to any other document referred to in this Agreement is a reference to that other document as amended, varied or supplemented at any time; and

(n) references to this Agreement include this Agreement as amended or supplemented in accordance with its terms.

1.3 The Schedules form part of this Agreement and shall have the same force and effect as if set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.

## **2. PUBLICATION OF THE ANNOUNCEMENT AND THE TERMS OF THE ACQUISITION**

2.1 The obligations of the Parties under this Agreement, other than clause 1, this clause 2.1 and clauses 11 to 19 (inclusive) and 21 to 25 (inclusive), shall be conditional on the release of the Announcement via a Regulatory Information Service at or before 5:00 p.m. on the date of this Agreement or such later time and date as the Parties may agree (and, where required by the Code, the Panel may approve). Clause 1, this clause 2.1 and clauses 11 to 19 (inclusive) and 21 to 25 (inclusive) shall take effect on and from execution of this Agreement.

2.2 The terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be permitted by this Agreement or otherwise agreed by the Parties in writing (save in the case of an improvement to the terms of the Acquisition, which will be at the absolute discretion of Bidco) and, where required by the Code, approved by the Panel.

2.3 The terms of the Acquisition at the date of publication of the Acquisition Document shall be set out in the Acquisition Document. If Bidco elects to implement the Acquisition by way of an Offer in accordance with clause 6, the terms of the Acquisition shall be set out in the announcement of the Switch made in accordance with paragraph 8 of Appendix 7 of the Code and in the Acquisition Document and any form of acceptance.

## **3. REGULATORY CLEARANCES**

3.1 Bidco shall be responsible for satisfying or obtaining all Clearances and satisfying the Regulatory Conditions and shall use all reasonable endeavours to do so as soon as reasonably practicable following the date of this Agreement and, in any event, in sufficient time to enable the Effective Date to occur by the Long Stop Date.

3.2 Notwithstanding any other provision of this Agreement to the contrary, nothing contained in this Agreement shall require any Excluded Entity to:

(a) take, or cause to be taken, any action with respect to the divestiture of assets, properties or businesses of any Excluded Entity (whether before or following completion of the Acquisition); or

(b) agree to any conditions, measures, commitments, assurances or undertakings or any other limitations on the business of any Excluded Entity (financial or otherwise).

3.3 Except where otherwise required by Law or a Relevant Authority, Bidco undertakes to Target that it shall:

- (a) consult with Target, in good faith and on a timely basis, and reasonably take into account in good faith the views of Target with respect to the relevant Clearances in order to determine and in good faith seek to agree the strategy for obtaining such Clearances, including the strategy for contacting and corresponding with any Relevant Authority in relation to such Clearances (including preparing and submitting all filings, notifications, and/or submissions that are necessary or expedient for the purposes of obtaining the Clearances and satisfying the Regulatory Conditions as promptly as is reasonably practicable);
  - (b) promptly contact and correspond with the Relevant Authorities in relation to the relevant Clearances including preparing and submitting to any Relevant Authority any filing, notification or submission that is necessary or expedient for the purposes of obtaining the Clearances and satisfying the Regulatory Conditions as promptly as is reasonably practicable and in any event with sufficient time before any applicable deadline or due date (such acts to be done after prior consultation with Target and after taking into account in good faith the views of Target, unless any such contact or correspondence relates to purely administrative matters); and
  - (c) be responsible for the payment of all filing and/or administrative fees payable to any Relevant Authorities in connection with the Clearances and the Regulatory Conditions.
- 3.4 If Target is contacted by a Relevant Authority (excluding for the purpose of clause 3 the Panel) in relation to the Clearances, it shall not respond to such Relevant Authority without having discussed and agreed the substance of the response with Bidco (unless not permitted by applicable Law in the relevant circumstances) provided that Bidco's agreement shall not be unreasonably withheld, delayed or conditioned.
- 3.5 The obligation to use its reasonable endeavours to satisfy all Clearances and Regulatory Conditions shall not require Bidco or any members of the Wider Bidco Group to offer, accept, agree or implement any undertaking, commitment, divestment or remedy.
- 3.6 Each Party shall, except to the extent that it is prohibited by Law or a Relevant Authority, provide the other, in a timely manner, such information and assistance as may be reasonably required and requested:
- (a) by Bidco to determine, in consultation with Target, in which jurisdictions any filing, notification or submission to a Relevant Authority is necessary or expedient for the purposes of obtaining the Clearances;
  - (b) for any filings, notifications or submissions to be made to any Relevant Authorities as are necessary or expedient for the purposes of obtaining the Clearances, taking into account all applicable waiting periods; and
  - (c) ensure that all information necessary for the making of (or responding to any requests for further information consequent upon) any such filings, notifications or submissions (including draft versions necessary for the purpose of obtaining the Clearances), and that is in the possession of, or reasonably obtainable by the Parties (including from third parties through the exercise of contractual rights) is supplied accurately and as promptly as reasonably practicable,

save that any information provided by any Party pursuant to this clause 3.6 may be redacted as may be reasonably required to address legal privilege or confidentiality concerns or to

comply with applicable Law or to protect commercially or competitively sensitive information and/or may be provided subject to “clean team” arrangements in place between the relevant parties and/or on an external counsel only basis.

- 3.7 Except where prohibited by Law or a Relevant Authority, and, without prejudice to clauses 3.1 and 3.6, each Party shall work cooperatively and reasonably with each other Party and its advisers to obtain the Clearances and satisfy the Regulatory Conditions, and each Party shall:
- (a) provide in a timely manner such cooperation as is reasonably required and requested by the other in connection with the preparation of all such filings, notifications or submissions referred to in clause 3.3(b) and in relation to the preparation of any other submissions, material correspondence or material communications to any Relevant Authority in connection with the Clearances, taking into account all applicable waiting periods;
  - (b) provide, or procure the provision of, draft copies of all notifications, filings, submissions, material correspondence and material communications (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications) intended to be sent or communicated to any Relevant Authority in relation to obtaining any Clearances to each other Party and its legal advisers at such time as will allow the receiving Party a reasonable opportunity to provide comments on such filings, notifications, submissions, material correspondence and material communications before they are submitted, sent or made and each Party shall provide each other Party with copies of all such filings, submissions, material correspondence and material communications in the form finally submitted or sent (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications);
  - (c) have regard in good faith to comments made in a timely manner by any other Party on draft copies of filings, notifications, submissions, material correspondence and material communications provided pursuant to clause 3.7(b);
  - (d) co-operate in any dealings with any Relevant Authority (including without prejudice to the generality of the foregoing where reasonably required, jointly attending meetings and conference calls) and deal with all requests and enquiries from any such Relevant Authority in consultation with the other party;
  - (a) notify each other Party, and provide copies (including, in the case of non-written communications, reasonably detailed summaries of material non-written communications), in a timely manner of any material correspondence or material communication from any Relevant Authority in relation to obtaining any Clearance;
  - (b) keep each other Party reasonably informed as to the progress of any filing, notification or submission submitted to any Relevant Authority and allow each other Party and its advisers to: (i) attend all meetings or material calls with any Relevant Authority or other persons or bodies (unless prohibited by the Relevant Authority, Law or other person or body) relating to obtaining any Clearance; and (ii) make reasonable oral submissions at such meetings or calls; and
  - (c) where reasonably requested by any Party, and insofar as permitted by the Relevant Authority, make available appropriate representatives for meetings and calls with any Relevant Authority in connection with the satisfying of any Clearances.
- 3.8 Each Party undertakes to inform each other Party as promptly as is reasonably practicable of:

- (a) any developments which are material or potentially material to the obtaining of any Clearance; and
  - (b) the satisfaction of the Regulatory Conditions.
- 3.9 Each party undertakes not to withdraw a filing, submission or notification made to any Relevant Authority pursuant to clause 3.5.1 without the prior consent of the other party (such consent not to be unreasonably withheld, delayed or conditioned)
- 3.10 Bidco shall give notice in writing to Target of the satisfaction or, if applicable, the non-satisfaction of the Regulatory Conditions as promptly as is reasonably practicable and in any event within one Business Day after becoming aware of the same.
- 3.11 Bidco undertakes to Target that until the Regulatory Conditions are satisfied it shall not, and shall procure that all members of the Wider Bidco Group shall not, enter into an agreement for, or consummate, any acquisition or other transaction or take any action which would have the effect of preventing satisfaction of the Clearances and the Regulatory Conditions or materially prevent, impede or delay the Acquisition becoming Effective.
- 3.12 If a provision of this Agreement obliges Bidco or Target to disclose any information to the other in connection with securing the Clearances:
- (a) that is personally identifiable information of a director, partner, officer or employee of the disclosing party or any member of its group or any of their respective affiliates, unless that information can reasonably be anonymised (in which case the disclosing party shall provide the relevant information on an anonymous basis);
  - (b) which the disclosing party reasonably considers to be commercially or competitively sensitive or which constitutes or contains business secrets;
  - (c) which the disclosing party is prohibited from disclosing by applicable Law (including, for the avoidance of doubt, any applicable anti-trust laws) or the terms of an existing contract; or
  - (d) where such disclosure would result in the loss of privilege that subsists in relation to such information (including legal professional privilege),
- such information shall be communicated between Bidco and Target's solicitors subject to "clean team" arrangements between the relevant parties and/or on an 'external counsel only' basis (with a non-confidential and redacted version of the relevant notification, submission or material communication being provided to the other party) pursuant to procedures agreed between Bidco and Target to ensure compliance with all Laws provided that, neither of the parties will be required to disclose information to the other under this clause 3 if and to the extent such disclosure would be reasonably likely to have a material adverse effect on the disclosing party's legitimate business interest, and such information may be provided by the disclosing party directly to the Relevant Authority (and in such circumstances, the disclosing party shall provide, or procure the provision of, to the other a non-confidential version of such information).
- 3.13 Nothing in this Agreement shall at any time oblige Bidco:
- (a) to waive or treat as satisfied any Condition that Bidco is entitled, with the permission of the Panel, to invoke; or

- (b) where Bidco has given notice to Target that it considers it is or may be entitled to invoke a Condition, to waive or treat as satisfied any Condition before the date on which the Panel rules (or if any such ruling is capable to appeal, Bidco confirms that it does not intend to appeal) that any such Condition may not be invoked.

3.14 The obligations imposed pursuant to clause 3.6 upon:

- (a) Bidco shall not apply in relation to its interactions with any Relevant Authority other than in connection with the Acquisition and the Clearances; and
- (b) Target shall not apply to its interactions with any Relevant Authority other than in connection with the Acquisition and the Clearances.

#### 4. **SCHEME DOCUMENT**

4.1 Where the Acquisition is being implemented by way of the Scheme, subject to clause 3.12, Bidco agrees:

- (a) promptly to provide Target (or its professional advisers) all such information about itself, its directors, its concert parties and the Wider Bidco Group as may reasonably be requested and which is required by Target (having regard to the Code and other Law) for inclusion in the Scheme Document (including any information required under the Code or other Law);
- (b) promptly to provide Target (or its professional advisers) with all such other assistance and access as may reasonably be required in connection with the preparation of the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Scheme, including access to, and ensuring the provision of reasonable assistance by, Bidco's relevant professional advisers;
- (c) to procure that the Bidder Responsible Persons accept responsibility, in the terms required by the Code, for all the information (including any expressions of opinion) in the Scheme Document and any other document required under the Code or by other Law to be published in connection with the Scheme relating to themselves (and their close relatives (as defined in the Code), related trusts and persons connected with them), the Wider Bidco Group, their concert parties, the financing of the Acquisition, information on Bidco's future plans for the Target Group, its management and employees, any statements of opinion, belief, intention or expectation of the Bidder Responsible Persons in relation to the Acquisition following the Effective Date and any other information in the Scheme Document for which an offeror is required to accept responsibility under the Code; and
- (d) that, if any supplemental circular or document is required to be published in connection with the Scheme or, subject to the prior written consent of Bidco, any variation or amendment to the Scheme, it shall provide such co-operation and information as is reasonably necessary to comply with all regulatory provisions as Target may reasonably request in order to finalise such document.

4.2 Bidco shall correct any information provided by it for use in the Scheme Document or any supplementary circular to be prepared in connection with the Scheme to the extent that such information has become false or misleading as promptly as reasonably practicable after it becomes aware that such information has become false or misleading by written notice to Target.

## 5. IMPLEMENTATION OF THE SCHEME

- 5.1 Where the Acquisition is being implemented by way of the Scheme, Bidco undertakes, save in respect of obligations with respect to obtaining the Clearances, which shall be determined in accordance with clause 3, to co-operate with Target and its advisers and to take or cause to be taken all such steps as are permissible by the Code and Law and are within its power that are necessary or reasonably requested by Target to implement the Acquisition in accordance with, and subject to the terms and conditions set out in, the Announcement and the Scheme Document (or, following a Switch, the Offer Document).
- 5.2 Where the Acquisition is being implemented by way of the Scheme:
- (a) Bidco undertakes that, by no later than 5.00 p.m. on the Business Day immediately preceding the Court Hearing, it shall deliver a notice in writing to Target either:
    - (i) confirming the satisfaction or waiver of all Conditions (other than the Scheme Conditions); or
    - (ii) confirming Bidco's intention to invoke one or more Conditions (if permitted by the Panel) and providing reasonable details of the event which has occurred, or circumstances which have arisen, which Bidco reasonably considers entitle it to invoke such Condition(s) and the reasons why Bidco considers such event or circumstance to be sufficiently material for the Panel to permit it to invoke such Condition(s);
  - (b) where Bidco confirms the satisfaction or waiver of all Conditions (other than the Scheme Condition) in accordance with clause 5.2(a)(i), Bidco agrees that Target shall be permitted to take the necessary steps to procure that the Court Hearing is duly held as soon as reasonably practicable thereafter (having regard to the proposed timetable as set out in the Scheme Document or in any subsequent agreed announcement regarding the implementation of the Acquisition); and
  - (c) where Bidco confirms the satisfaction or waiver of all Conditions (other than the Scheme Condition) in accordance with clause 5.2(a)(i), Bidco irrevocably agrees to undertake to the Court to be bound by the terms of the Scheme in so far they relate to Bidco, that Target or its counsel may provide to the Court a copy of such undertaking to evidence such agreement and to provide such other documentation or other information and to do all such things as may reasonably be required by Target, its counsel or the Court, in relation to such agreement (including instructing Target's counsel to so undertake on its behalf in relation to the Scheme and, if so required, to appear before the Court by counsel to so undertake).
- 5.3 If Bidco becomes aware of any fact, matter or circumstance that it reasonably considers would entitle Bidco to invoke (and, applying the test set out in Rule 13.5 of the Code, the Panel would permit Bidco to so invoke) any of the Conditions or treat any of the Conditions as unsatisfied or incapable of satisfaction, Bidco shall (subject to Law) inform Target providing reasonable details as soon as is reasonably practicable.
- 5.4 If the Bidco Directors intend to invoke (and, applying the test set out in Rule 13.5 of the Code, the Panel would permit Bidco to invoke) any of the Conditions, Bidco shall (subject to Law) inform the Target of its intention as soon as reasonably practicable, providing reasonable details.

## 6. SWITCHING TO AN OFFER

6.1 As at the date of this Agreement, the Parties intend that the Acquisition will be implemented by way of the Scheme. However, Bidco shall be entitled, with the consent of the Panel, to elect to implement the Acquisition by way of an Offer rather than the Scheme (such election being a “Switch”) only if:

- (a) Target provides its prior written consent (an “Agreed Switch”), in which case clause 6.2 and clause 6.3 shall apply;
- (b) a third party announces a Competing Proposal;
- (c) after the date of this Agreement, any person (other than a person connected with Bidco or Atlas) together with any person acting in concert with it, acquires an interest in the ordinary share capital of Target carrying over 25% of the voting rights attaching to the entire issue share capital of the Target;
- (d) any person announces a potential or possible transaction under Rule 2.4 or otherwise that Bidco acting reasonably, considers will result in an announcement of a firm intention to make an offer falling within limb (a) of the definition of Competing Proposal; or
- (e) a Target Board Adverse Recommendation Change occurs.

6.2 In the event of any Agreed Switch, unless otherwise agreed in writing between Bidco and Target or required by the Panel:

- (a) the Acceptance Condition shall be set at 90 per cent. of Target Shares (or such other percentage as determined by Bidco and the Target after, to the extent necessary, consultation with the Panel, being in any case more than 50 per cent. of Target Shares);
- (b) Bidco shall not take any action which would cause the Offer not to proceed, to lapse or to be withdrawn in each case for non-fulfilment of the Acceptance Condition prior to the sixtieth (60<sup>th</sup>) day after publication of the Offer Document (“Day 60”) including, without limitation, by publishing an acceptance condition invocation notice under Rule 31.6 or specifying in the Offer Document an unconditional date which is earlier than Day 60, and Bidco shall ensure that the Offer remains open for acceptances until such time;
- (c) Bidco shall ensure that the only conditions of the Offer shall be the Conditions (subject to replacing the Condition set out in paragraph 2 of Part A (Conditions and Further Terms of the Acquisition) of Appendix 1 to the Announcement with the Acceptance Condition referred to in Part C (Implementation by way of a Takeover Offer) of Appendix 1 to the Announcement and any other modifications or amendments to such terms and conditions as may be required by the Panel or which are necessary as a result of the Agreed Switch) and that the Offer is made on terms that are no less favourable to Target Shareholders than those set out in the Announcement;
- (d) Bidco shall keep Target informed, on a confidential basis and reasonably promptly following receipt of a written request from Target, of the number of holders of Target Shares that have validly returned their acceptance or withdrawal forms or incorrectly completed their withdrawal or acceptance forms and the identity of such shareholders and the number of Target Shares to which such forms relate; and
- (e) the Parties agree that:

- (i) all provisions of this Agreement shall continue to apply save as set out in this clause 6.2; and
- (ii) all provisions of this Agreement relating to the Scheme and the Scheme Document and its implementation shall apply to the Offer, the Offer Document and its implementation *mutatis mutandis*, save as set out in this clause 6.

6.3 In the event of an Agreed Switch, Bidco shall:

- (a) submit, or procure the submission of drafts and revised drafts of the Offer Document to Target for review and comment and shall take into account any reasonable comments from Target for the purposes of preparing revised drafts; and
- (b) obtain Target's approval for the contents of the information on the Target Group contained in the Offer Document before it is posted or published and afford Target sufficient time to consider such documents in order to give its approval. If Target does not approve the information in the Offer Document within twenty-eight (28) days from the date of the Agreed Switch, Bidco shall be entitled to publish the Offer Document.

6.4 Bidco hereby warrants that it is not, at the date of this Agreement, and undertakes that it shall not become, following the date of this Agreement, unless an Agreed Switch occurs, required to make a mandatory offer for Target under Rule 9 of the Code, provided that this clause 6.4 will cease to apply if a third party announces a firm intention to make an offer for all or part of the issued, and to be issued, share capital of Target.

## 7. **TARGET DIVIDENDS**

As set out in further detail in the Announcement, if on or after the date of the Announcement any dividend or other distribution is declared, paid or made or becomes payable by Target, Bidco reserves the right to reduce the Offer Price by the aggregate amount of such dividend or distribution, in which case the relevant eligible Target Shareholders will be entitled to receive and retain such dividend and/or distribution.

## 8. **TARGET SHARE PLANS**

The Parties agree that the provisions of Schedule 2 in respect of the proposals under Rule 15 of the Code relating to the Target Share Plans, and the other matters with which it deals, shall apply.

## 9. **DIRECTORS' AND OFFICERS' INSURANCE**

9.1 If and to the extent such obligations are permitted by Law, for six (6) years after the Effective Date, Bidco shall procure that the members of the Target Group honour and fulfil their respective obligations (if any) existing as at the date of this Agreement to indemnify their respective current directors and officers and to advance reasonable expenses and provide reasonable assistance to the extent they need to make a claim against the existing Target directors' and officers' insurance policy (including an associated run-off cover), in each case with respect to matters existing or occurring at or prior to the Effective Date. Nothing in the foregoing shall require any member of the Target Group or Bidco to indemnify any director to the extent it is unlawful to do so.

9.2 Bidco acknowledges that Target may purchase directors' and officers' liability insurance cover for both current and former directors and officers of the Target Group, including directors and officers who retire or whose employment is terminated as a result of the Acquisition, for acts and omissions up to and including the Effective Date, in the form of runoff cover for a period of six (6) years following the Effective Date. Such insurance cover shall be with reputable insurers and provide cover, in terms of amount and breadth, substantially equivalent to that provided under the Target Group's directors' and officers' liability insurance as at the date of this Agreement. Each of the directors, officers and employees of the Target Group to which clause 9.1 and this clause 9.2 apply will have the right, under the Contracts (Rights of Third Parties) Act 1999, to enforce his or her rights against Bidco under clause 9.1 and this clause 9.2.

## 10. TERMINATION

10.1 Subject to clauses 10.2 to 10.3 (inclusive), this Agreement shall terminate and all obligations of the Parties under this Agreement shall cease, as follows:

- (a) if agreed in writing between the Parties at any date prior to the Effective Date;
- (b) if the Announcement is not released through a Regulatory Information Service by 5:00 p.m. on the date of this Agreement (unless, prior to that time, the Parties have agreed another time in accordance with clause 2.1, in which case the later time and date shall apply for the purposes of this clause 10.1(b));
- (c) upon service of written notice by Bidco to Target prior to the Long Stop Date, if:
  - (i) a Competing Proposal is recommended by the Target Board; or
  - (ii) a Target Board Adverse Recommendation Change occurs;
- (d) upon service of written notice by Bidco to Target prior to the Long Stop Date stating that either:
  - (i) any Condition which has not been waived is (or has become) incapable of satisfaction by the Long Stop Date and, notwithstanding that Bidco has the right to waive such Condition, Bidco will not do so; or
  - (ii) any Condition which is incapable of waiver is incapable of satisfaction by the Long Stop Date,in each case in circumstances where the invocation of the relevant Condition (or confirmation that the Condition is incapable of satisfaction, as appropriate) has been permitted by the Panel;
- (e) upon service of written notice by Bidco to Target or by Target to Bidco prior to the Long Stop Date, if:
  - (i) a Competing Proposal completes, becomes effective or is declared or becomes unconditional in all respects; or
  - (ii) the Scheme is not approved at the Court Meeting and/or the Target Resolutions are not passed at the General Meeting; or
  - (iii) the Court refuses to sanction the Scheme;
- (f) if the Acquisition is, with the permission of the Panel, withdrawn with the consent of Bidco or lapses in accordance with its terms prior to the Long Stop Date (other than where: (i)

such lapse or withdrawal is as a result of the exercise of Bidco's right to effect a Switch; or  
(ii) such lapse or withdrawal either is not, in the case of a withdrawal, confirmed by Bidco, or it is otherwise to be followed within five (5) Business Days by an announcement under Rule 2.7 of the Code made by Bidco or a person acting in concert with Bidco to implement the Acquisition by a different offer or scheme on substantially the same or improved terms);  
or

(g) unless otherwise agreed by the Parties in writing, if the Effective Date has not occurred on or before the Long Stop Date.

10.2 Termination of this Agreement shall be without prejudice to the rights of the Parties which have arisen prior to termination, including any claim in respect of a breach of this Agreement.

10.3 The following provisions shall survive termination of this Agreement: clauses 11 to 19 (inclusive), 21 to 25 (inclusive), this clause 10 and all related provisions of clause 1 (Definitions and interpretation).

## 11. **CODE**

11.1 Nothing in this Agreement shall in any way limit the Parties' obligations (or the obligations of the Parties' respective boards of directors or other members of the Target Group or Wider Bidco Group) under the Code, and any uncontested rulings of the Panel as to the application of the Code in conflict with the terms of this Agreement shall take precedence over such terms of this Agreement.

11.2 The Parties agree that, if the Panel determines that any provision of this Agreement that requires Target to take or not to take any action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded and neither Target nor the Target Directors shall have any obligation to take or not take any such action.

11.3 Nothing in this Agreement shall oblige Target or the Target Directors to recommend an Offer or a Scheme proposed by Bidco or any member of the Wider Bidco Group.

11.4 Without prejudice to the representations and warranties given by the Parties pursuant to clause 12, nothing in this Agreement shall be taken to restrict the directors of any member of the Wider Bidco Group or the Target Group from complying with Law, orders of court or regulations, including the Code, the Listing Rules and the rules and regulations of the Panel and the FCA.

## 12. **WARRANTIES**

12.1 Each Party warrants to each other Party on the date of this Agreement that:

- (a) it has the requisite power and authority to enter into and perform its obligations under this Agreement;
- (b) this Agreement constitutes its legal, valid and binding obligations in accordance with its terms; and
- (c) the execution and delivery of, and performance of its obligations under, this Agreement will not:

- (i) result in any breach of any provision of its constitutional documents;
- (ii) result in a breach of, or constitute a default under, any instrument which is material in the context of the Acquisition to which it is a party or by which it is bound; or
- (iii) result in a breach of any order, judgment, or decree of any court or governmental agency to which it is a party or by which it is bound.

12.2 No Party shall have any claim against any other party pursuant to clause 12.1 for breach of warranty after the Effective Date (without prejudice to any liability for fraudulent misrepresentation or fraudulent misstatement).

12.3 Bidco acknowledges and agrees, on its own behalf and on behalf of the Wider Bidco Group, that any information and/or assistance provided by any of the Target Directors, officers, employees or advisers (each a “**Target Representative**”) to it and/or any member of the Wider Bidco Group or any of their respective directors, officers, employees or advisers, whether before, on or after the date of this Agreement: (i) pursuant to the obligations of Target or any member of the Target Group under or otherwise in connection with this Agreement; or (ii) in connection with the Acquisition, shall in each case be given on the basis that the relevant Target Representative shall not incur any liability nor owe any duty of care to any member of the Wider Bidco Group in respect of any loss or damage that any member of the Wider Bidco Group or any of their respective directors, officers, employees or advisers may suffer as a result of the provision of any such information and/or assistance (save, in each case for loss or damage resulting from the fraudulent misrepresentation of the relevant Target Representative). Each Target Representative to which this clause applies will have the right, under the Contracts (Rights of Third Parties) Act 1999, to enforce his or her rights against Bidco under this clause.

### 13. **COSTS**

13.1 For the avoidance of any doubt, Bidco shall be responsible for paying the Panel’s document charges in respect of the Acquisition.

13.2 Except as otherwise provided in this Agreement, each party shall pay its own costs incurred in connection with negotiating, preparing and completing this Agreement or otherwise in connection with the Acquisition.

### 14. **ENTIRE AGREEMENT**

14.1 Without prejudice to the terms of the Announcement or the Acquisition Document, this Agreement and the Confidentiality Agreement together set out the entire agreement between the Parties relating to the Acquisition and supersede any previous draft, agreement, arrangement or understanding, whether in writing or not, relating to the Acquisition.

14.2 Except in the case of fraud or fraudulent misrepresentation, each Party acknowledges that in entering into this Agreement it is not relying upon any pre- contractual statement that is not set out in this Agreement or the Confidentiality Agreement.

14.3 Except in the case of fraud or fraudulent misrepresentation, no Party shall have any right of action against any other Party to this Agreement arising out of or in connection with any pre-

contractual statement except to the extent that it is repeated in this Agreement or the Confidentiality Agreement.

14.4 For the purposes of this clause, “**pre-contractual statement**” means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject matter of this Agreement or the Confidentiality Agreement made or given by any person at any time prior to the entry into of this Agreement.

14.5 Nothing in this Agreement shall limit any liability for (or remedy in respect of) fraud or fraudulent misrepresentation.

## 15. **ASSIGNMENT**

Unless the Parties specifically agree in writing, no person shall assign, transfer, charge or otherwise deal with all or any of its rights under this Agreement nor grant, declare, create or dispose of any right or interest in it.

## 16. **NOTICES**

16.1 Any notice to be given by one Party to any other Party in connection with this Agreement shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, e-mail, registered post or courier.

16.2 A notice shall be effective upon receipt and shall be deemed to have been received: (i) at the time of delivery, if delivered by hand, registered post or courier; or (ii) at the time of transmission if delivered by e-mail, provided no notice of non-delivery is received by the sender. Where delivery occurs outside Business Hours, notice shall be deemed to have been received at the start of Business Hours on the next following Business Day.

16.3 The addresses and e-mail addresses of the parties for the purpose of clause 16.1 are:

### **Bidco**

St. James’s Square, London, SW1Y 4JH

For the attention of:

[REDACTED]

By email to: [REDACTED]

*with copy (which shall not constitute notice) by email to:* [REDACTED]

### **Target**

De La Rue House, Jays Close, Viables, Basingstoke, Hampshire, RG22 4BS

For the attention of:

[REDACTED]

By email to: [REDACTED]

*with copy (which shall not constitute notice) by email to:* [REDACTED] of Bird & Bird LLP at 12 New Fetter Lane, London, EC4A 1JP, email address: [REDACTED]

16.4 Each party shall notify each other Party in writing of any change to its details in clause 16.3 from time to time, provided that the new address is within the same country and that it gives the other parties not less than five Business Days' prior notice in accordance with this clause 16. Until the end of such notice period, service on either address shall remain effective.

17. **LANGUAGE**

Each language of communication under or in connection with this Agreement shall be in English.

18. **WAIVERS, RIGHTS AND REMEDIES**

18.1 The rights and remedies provided for in this Agreement are cumulative and not exclusive of any other rights or remedies, whether provided by Law or otherwise.

18.2 No waiver by either party of any requirement of this Agreement, or of any remedy or right under this Agreement, shall have effect unless given in writing and signed by or on behalf of such party. No waiver of any particular breach of the provisions of this Agreement shall operate as a waiver of any repetition of such breach

18.3 No failure to exercise, or delay in exercising, any right under this Agreement or provided by Law shall affect that right or operate as a waiver of the right. The single or partial exercise of any right under this Agreement or provided by Law shall not preclude any further exercise of it.

18.4 Without prejudice to any other rights or remedies that any Party may have, each Party acknowledges and agrees that damages may not be an adequate remedy for any breach by it of this Agreement and that accordingly each other Party may be entitled, without proof of special damages, to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of this Agreement by any Party and no proof of special damages shall be necessary for the enforcement by any Party of the rights under this Agreement.

19. **NO PARTNERSHIP**

No provision of this Agreement creates a partnership between the parties or makes a Party the agent of the other Party for any purpose. A Party has no authority or power to bind, to contract in the name of, or to create a liability for the other Party in any way or for any purpose.

20. **FURTHER ASSURANCE**

At the cost of the requesting Party, each Party shall (and shall procure that members of its respective group shall and shall use reasonable endeavours to procure that any necessary third party shall) execute such documents and do such acts and things as the requesting Party may reasonably require for the purpose of giving the full benefit of this Agreement to the requesting Party.

21. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

22. **VARIATIONS**

22.1 No variation of this Agreement shall be valid unless it is in writing and duly executed by or on behalf of all of the Parties.

22.2 If this Agreement is varied:

- (a) the variation shall not constitute a general waiver of any provisions of this Agreement;
- (b) the variation shall not affect any rights, obligations or liabilities under this Agreement that have already accrued up to the date of variation; and
- (c) the rights and obligations of the Parties under this Agreement shall remain in force, except as, and only to the extent that, they are varied.

23. **INVALIDITY**

23.1 Each of the provisions of this Agreement is severable.

23.2 If and to the extent that any provision of this Agreement:

- (a) is held to be, or becomes, invalid or unenforceable under the Law of any jurisdiction; but
- (b) would be valid, binding and enforceable if some part of the provision were deleted or amended,

then the provision shall apply with the minimum modifications necessary to make it valid, binding and enforceable and neither the validity or enforceability of the remaining provisions of this Agreement, nor the validity or enforceability of that provision under the Law of any other jurisdiction, shall in any way be affected or impaired as a result of this clause 23.2.

24. **THIRD PARTY ENFORCEMENT RIGHTS**

24.1 Each of the persons (each a "**Relevant Third Party**") to whom clauses 9.1 and/or 9.2 and/or 12.3 applies may under the Contracts (Rights of Third Parties) Act 1999 enforce the terms of clauses 9.1 and/or 9.2 and/or 12.3 (as applicable). This right is subject to:

- (a) the rights of the parties to terminate or vary this Agreement without the consent of any other person; and
- (b) the other terms and conditions of this Agreement.

24.2 Except as set out in clause 24.1, a person who is not a Party shall have no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any of its terms.

24.3 The Parties may terminate, rescind, vary, amend or waive any provision of this Agreement without the consent of a Relevant Third Party, except that any variation, amendment or waiver of clauses 9.1 and/or 9.2 and/or 12.3 shall require the consent of any affected Relevant Third Party.

25. **GOVERNING LAW AND JURISDICTION**

25.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by, and interpreted in accordance with, English law.

25.2 The English courts shall have exclusive jurisdiction in relation to all disputes (including claims for set-off and counterclaims) arising out of or in connection with this Agreement, including disputes arising out of or in connection with:

(a) the creation, validity, effect, interpretation, performance or non-performance of, or the legal relationships established by, this Agreement; and

(b) any non-contractual obligations arising out of or in connection with this Agreement,

and for these purposes, each Party irrevocably submits to the jurisdiction of the English courts and waives any objection to the exercise of such jurisdiction.

**IN WITNESS WHEREOF** the parties have executed this Agreement on the date first set out above.

*[Execution page follows. The remainder of this page has been left blank intentionally.]*

IN WITNESS WHEREOF this Agreement has been entered into on the date first stated above.

**EXECUTED BY**   
acting for and on behalf of  
**ACR BIDCO LIMITED**

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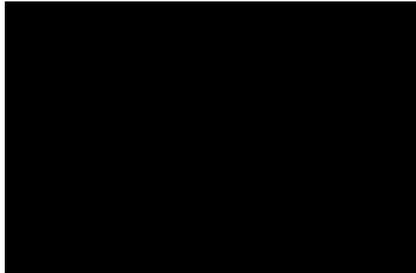
**EXECUTED BY** \_\_\_\_\_  
acting for and on behalf of  
**DE LA RUE PLC**

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**IN WITNESS WHEREOF** this Agreement has been entered into on the date first stated above.

**EXECUTED BY** [REDACTED] )  
acting for and on behalf of )  
**ACR BIDCO LIMITED** )  
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**EXECUTED BY** [REDACTED] r  
acting for and on behalf of \_\_\_\_\_  
**DE LA RUE PLC**



**SCHEDULE 1  
FORM OF ANNOUNCEMENT**

**Attached**

**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**

**15 April 2025**

**RECOMMENDED ACQUISITION**  
by  
**ACR BIDCO LIMITED**  
(a company indirectly wholly-owned by funds managed and advised by Atlas FRM LLC (d/b/a  
Atlas Holdings LLC))  
of  
**DE LA RUE PLC**  
to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006

**Summary**

- The boards of directors of ACR Bidco Limited (“**Bidco**”) and De La Rue plc (“**De La Rue**”) are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash acquisition by Bidco of the entire issued, and to be issued, ordinary share capital of De La Rue.
- 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 a Takeover Offer, with the consent of the Takeover Panel and subject to the terms of the Co-operation Agreement).
- Under the terms of the Acquisition, which will be subject to the Conditions, 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 De La Rue Shareholder will be entitled to receive:

**130 pence in cash per De La Rue Share**

- The Acquisition values the entire issued and to be issued share capital of De La Rue at approximately £263 million.
- The Acquisition Price represents a premium of approximately:
  - 19 per cent. to the Closing Price of 110 pence per De La Rue Share on 11 December 2024 (being the last Business Day before the commencement of the Offer Period);
  - 38 per cent. to the Closing Price of 94 pence per De La Rue Share on 14 October 2024 (being the last Business Day before the announcement of the sale of the Authentication Division); and
  - 30 per cent. to the Volume Weighted Average Price during the ninety-day period ended 11 December 2024 (being the last Business Day before the commencement of the Offer Period).
- If any dividend or other distribution in respect of the De La Rue 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 De La Rue Share under the terms of the Acquisition by the amount per De La Rue 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. In such circumstances, De La Rue Shareholders would be entitled to retain any such dividend or distribution.

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

- Atlas believes that the acquisition of De La Rue represents an attractive opportunity to build on its portfolio of manufacturing and key infrastructure businesses.
- Established 211 years ago, De La Rue is trusted by governments and central banks, providing solutions that protect their supply chains and cash cycles from counterfeiting and illicit trade. With operations in five continents, customers in 140 countries and solutions that include advanced track and trace software, security document design, banknotes, brand protection labels, tax stamps, security features and passport bio-data pages, De La Rue brings unparalleled knowledge and expertise to its partnerships and projects.
- De La Rue's business is currently made up of two reportable divisions: Currency and Authentication. The Currency Division designs and manufactures highly secure banknotes and banknote components that are optimised for security, manufacturability, cash cycle efficacy and public engagement. De La Rue is the only fully integrated provider of polymer substrate, security features and banknotes, supplying to over half of the issuing authorities around the world, and has a number of deep and trusted relationships.
- On 15 October 2024, De La Rue announced that it has entered into an agreement to sell its Authentication Division, which (as announced on 7 April 2025) is expected to complete on 1 May 2025.
- Atlas's core investment strategy is to acquire industrial companies which have a clear "reason to exist", but which may be under-appreciated by other owners or the public equity markets. Often this involves companies operating in mature markets with cyclical cash flows and/or limited growth prospects with which other investors are uncomfortable. De La Rue (following the sale of its Authentication Division) will be an industry leader, highly valued by its customers, but operates in a mature, competitive and cyclical industry. Atlas believes that a company with this type of earnings profile is best owned by a long-term investor which is prepared to accept earnings cyclicality and a challenging end market outlook.
- In addition, Atlas is experienced in investing in companies with significant stakeholder relationships, such as that between De La Rue and the Pension Trustee. As noted below, Atlas has entered into a Memorandum of Understanding with the Pension Trustee which it believes offers excellent protection to the members of the DLR DB Pension Scheme, while giving De La Rue the ability to operate its business outside of its current capital constraints, and operating alongside the support of a well-capitalised owner.
- Atlas believes that bringing De La Rue under private ownership will better position it for further investment, coupled with the benefits that accrue from being part of a scaled, better capitalised and actively growing business.
- The Acquisition follows the announcement by De La Rue on 4 February 2025 that it had decided to launch a formal sale process which has now successfully concluded. The Board of Directors of De La Rue carefully reviewed a number of other proposals with its advisers during the course of the formal sale process and has unanimously concluded that the Acquisition achieves the Board's critical objective of delivering an outcome that satisfactorily address the interests of all stakeholders.

## **Recommendation**

- The De La Rue Directors, who have been so advised by Deutsche Numis 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 De La Rue Directors, Deutsche Numis has taken into account the commercial assessments of the De La Rue Directors. Deutsche Numis is providing independent financial advice to the De La Rue Directors for the purposes of Rule 3 of the Code.
- Accordingly, the De La Rue Directors intend to recommend unanimously that the De La Rue Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer), as the De La Rue Directors who hold De La Rue Shares (in a personal capacity or through a nominee) have irrevocably undertaken to do in respect of their own (and their connected persons') beneficial holdings of 690,912 De La Rue Shares (representing, in aggregate, approximately 0.35 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement)) as well as any De La Rue Shares that the De La Rue Directors may acquire prior to the relevant time pursuant to the vesting or exercise, as the case may be, of non-tax advantaged options/awards granted under the De La Rue Share Plans.

### **Irrevocable undertakings and Letter of Intent**

- In addition to the irrevocable undertakings from the De La Rue Directors referred to immediately above, Bidco has also received irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution 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 certain De La Rue Shareholders in respect of a total of 57,203,443 De La Rue Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 29.13 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement).
- Bidco has also received a non-binding letter of intent from Aberforth Partners LLP (acting on behalf of its discretionary clients) in respect of, in aggregate, 21,249,043 De La Rue Shares representing approximately 10.82 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement), confirming its intention to vote in favour of the Scheme.
- In total therefore, as at the date of this Announcement, Bidco has received irrevocable undertakings or a letter of intent to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution 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) with respect to a total of 79,143,398 De La Rue Shares (representing approximately 40.30 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement)) as well as any De La Rue Shares that the De La Rue Directors may acquire prior to the relevant time pursuant to the vesting or exercise, as the case may be, of non-tax advantaged options/awards granted under the De La Rue Share Plans.
- Further details of these irrevocable undertakings (including details of the circumstances in which they cease to be binding) are set out in Appendix III to this Announcement.

### **Information on Bidco and Atlas**

- Bidco is a private limited company incorporated in England and Wales and is indirectly wholly-owned by funds managed and advised by Atlas. Bidco was formed for the purposes of the Acquisition and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

- Founded in 2002 and based in Greenwich, Connecticut, USA, Atlas and its affiliates focus on long-term control investments in companies operating across industrial sectors where it has domain expertise, including printing, pulp and paper, automotive components, food production, power generation and construction. Presently, Atlas and its affiliates have control investments in a diversified group of 27 manufacturing and distribution businesses which generate combined revenues of approximately US\$18 billion annually and employ more than 57,000 people across 350 facilities worldwide. Atlas and its operating partners are deeply experienced industrialists with relationships and experience in Atlas's sectors of focus. Atlas has offices in the US, the UK and the Netherlands.

### **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 acquire the entire issued and to be issued share capital of De La Rue. The Scheme will be put to De La Rue Shareholders at the Court Meeting and to De La Rue Shareholders at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of the De La Rue 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 Resolution must also be approved by De La Rue Shareholders at the General Meeting. The General Meeting is expected to be held immediately after the Court Meeting.
- The Scheme will also need to be sanctioned by the Court. Finally, a copy of the Court Order must be delivered to the Registrar of Companies for registration, upon which the Scheme will become Effective.
- The Acquisition will be completed in accordance with the requirements of the Code and 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 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 the General Meeting, together with the associated Forms of Proxy, will be posted to De La Rue Shareholders within 28 days of this Announcement (or such later time as De La Rue, Bidco and the Takeover Panel agree) and the Court Meeting and the General Meeting are each expected to be held as soon as possible thereafter, giving the required notice for such meetings.
- The Acquisition is currently expected to be completed during the third quarter of 2025, subject to the satisfaction or (where applicable) 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, Peter Bacon of Atlas, said:**

*"We are pleased to receive the unanimous recommendation from the Board of Directors of De La Rue for our offer, and look forward to welcoming De La Rue, its management and employees to the Atlas family. In De La Rue, we see a company that is an industry leader, but one which has faced multiple challenges in recent years. We believe that our strategic resources and capital will be able to support and enhance the De La Rue business going forward. As a private company, not bound by periodic public reporting, we will be able to focus on the optimal long-term strategy for De La Rue."*

### **Commenting on the Acquisition, Clive Whiley, Chairman of De La Rue, said:**

*"I am very pleased for all De La Rue stakeholders today. In a little under two years since I joined De La Rue, we have made profound changes which have benefitted all stakeholders. This offer from Atlas being*

*announced today is the final step in this successful process – through the stabilisation of that initial position, the strategic review and transactional action plan, and culminating in the disposal of the Authentication Division and ultimately this cash offer – securing full and complete value realisation and security for all of today’s stakeholders across our financiers, pension trust, employees and shareholders. I wish to thank them all for their support through this period and I know that under Atlas ownership, De La Rue has a strong and stable future ahead.”*

**Commenting on the Acquisition, Clive Vacher, Chief Executive Officer of De La Rue, said:**

*“De La Rue has undergone a fundamental transformation since 2020, in which we have successfully delivered on our Turnaround Plan to create more efficient and agile operations, while enhancing profitability in our industry-leading Currency business as demonstrated by the strength of our order book. Atlas is the right partner to take De La Rue into its next phase of growth. Most importantly, under Atlas’s ownership we can ensure long-term stability for our customers and our people, and best position the business for its next chapter. I look forward to working closely with Atlas and both our teams to deliver on this exciting opportunity for De La Rue.”*

**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 the letter of intent referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.**

**Enquiries:**

<b>De La Rue</b> Clive Whiley, Chairman Clive Vacher, Chief Executive Officer Louise Rich, Head of Investor Relations	+44 (0)7990 337707
<b>Deutsche Numis (Sole Financial Adviser and Corporate Broker)</b> Jonathan Wilcox Luke Bordewich Kevin Cruickshank Raed El Dana	+44 (0)207 260 1000
<b>Investec (Joint Broker)</b> David Anderson Charlotte Young	+44 (0)207 597 5970
<b>Brunswick</b> Stuart Donnelly Ed Brown	+44 (0)207 404 5959
<b>Atlas and Bidco</b> Peter Bacon Daniel Merriam	via FTI Consulting
<b>Lazard (Financial Adviser to Atlas and Bidco)</b> David Weinberg Tegh Summy	+44 (0)207 187 2000
<b>FTI Consulting (PR Adviser to Atlas and Bidco)</b>	+44 (0)20 3727 1340

Alex Le May  
Edward Bridges  
Alex Davis

King & Spalding International LLP are retained as legal advisers to Atlas and Bidco.

Bird & Bird LLP are retained as legal advisers to De La Rue.

### **Important Notices**

*Numis Securities Limited ("**Deutsche Numis**")*, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for De La Rue and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than De La Rue for providing the protections afforded to clients of Deutsche Numis, nor for providing advice in relation to the Acquisition or any matter referred to herein. Neither Deutsche Numis nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Numis in connection with this announcement, any statement contained herein or otherwise.

*Investec Bank plc ("**Investec**")*, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting exclusively for De La Rue and no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than De La Rue for providing the protections afforded to the clients of Investec, or for providing advice in connection with the subject matter of this announcement. Neither Investec nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Investec in connection with the with the subject matter of this announcement, any statement contained herein or otherwise.

*Lazard & Co., Limited ("**Lazard**")*, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Atlas and Bidco and no one else in connection with the Acquisition and will not be responsible to anyone other than Atlas and Bidco for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Acquisition or any other matters referred to in this announcement. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this announcement, any statement contained herein or otherwise.

*This announcement 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 Acquisition or otherwise. The Acquisition shall be made solely by means of the Scheme Document which, together with the Forms of Proxy, shall contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition.*

*This Announcement has been prepared in accordance with and for the purpose of complying with English law, the Code, the UK Listing Rules, the Market Abuse Regulation (EU) No 596/2014 as it forms part of UK law ("**UK MAR**") and the Market Abuse Regulation (EU) No 596/2014 ("**MAR**"), the Disclosure Guidance and Transparency Rules 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.*

*De La Rue shall prepare the Scheme Document to be distributed to De La Rue Shareholders. De La Rue and Bidco urge De La Rue Shareholders to read the Scheme Document when it becomes available because it shall contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus or prospectus exemption document.*

### **Overseas Shareholders**

*The availability of the Acquisition to De La Rue Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located or of which they are citizens. 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 of their jurisdiction. 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 De La Rue Shares at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their De La Rue 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. This Announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.*

*Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document).*

### **Notice to US De La Rue Shareholders**

*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 US securities laws at that time, to the extent applicable thereto.*

*The Acquisition relates to the shares of a company incorporated in England and it is proposed to be made by means of a scheme of arrangement provided for under English law. The Scheme will relate to the shares of a UK 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 any 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 or 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 information of, or the accounting standards applicable to, 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, if applicable. 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 De La Rue 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. It may be difficult for a US-based investor to enforce his or her rights and any claim he or she may have arising under US securities laws, since the Scheme relates to the shares of a company located in the UK, and some or all of its officers and directors may be residents of non-US jurisdictions. A US-based investor may not be able to sue a company located in the UK, or its officers or directors, in a foreign court for alleged violations of US securities laws, and it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgment.*

### **Forward-looking statements**

*This Announcement, oral statements made regarding the Acquisition, and other information published by De La Rue, Bidco, and Atlas may contain certain "forward-looking statements" with respect to De La Rue, Bidco, and Atlas. 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" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to, for example, 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 Atlas and/or Bidco and the expansion and growth of De La Rue and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of De La Rue.*

*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 Atlas, Bidco or De La Rue, 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. Undue reliance should not be placed on such forward-looking statements, which speak only as of the date of this Announcement. All subsequent oral or written forward-looking statements attributable to Atlas, Bidco or De La Rue 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. None of Atlas, Bidco or De La Rue assume any 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 De La Rue in respect of any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per De La Rue Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per De La Rue Share.*

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

*Subject to the terms of the Co-operation Agreement, 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 share capital of De La Rue as an alternative to the Scheme. In such an event, the Takeover Offer will be made in accordance with the terms and conditions set out in this Announcement which would apply to the Scheme (with any modifications or amendments to such terms and conditions as may be required by the Takeover Panel or which are necessary as a result of Bidco's election to implement the Acquisition by*

way of a Takeover Offer), in accordance with the Co-operation Agreement and subject to the amendments referred to in Part C of 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 De La Rue's website at <https://www.delarue.com/offer-microsite-disclaimer> and on Bidco's website at <https://www.atlasholdingsllc.com/uk/atlas-offer.html> by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of this website 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 De La Rue's registrar, Computershare Investor Services PLC on +44 (0)370 703 6375. 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 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services PLC cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.*

*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 De La Rue Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by De La Rue Shareholders, persons with information rights and other relevant persons for the receipt of communications from De La Rue may be provided to Bidco during the Offer Period as required under section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) 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% 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. (BST) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3:30 p.m. (BST) 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% 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. (BST) 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](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.*

#### **Announcement not a prospectus**

*This Announcement does not constitute a prospectus or prospectus equivalent document.*

#### **Private purchases**

*De La Rue Shareholders should be aware that Bidco may purchase De La Rue Shares otherwise than under the Scheme or any Takeover Offer, including pursuant to privately negotiated purchases.*

#### **Independent advice**

*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 or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*

#### **Rule 2.9 of the Code**

*For the purposes of Rule 2.9 of the Code, De La Rue confirms that, as at the date of this Announcement, it had in issue 196,391,787 ordinary shares of £0.448686 each. No shares are held in treasury. The ISIN for the ordinary shares is GB00B3DGH821.*

**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**

**15 April 2025**

**RECOMMENDED ACQUISITION**  
by  
**ACR BIDCO LIMITED**  
(a company indirectly wholly-owned by funds managed and advised by Atlas FRM LLC (d/b/a Atlas Holdings LLC))  
of  
**DE LA RUE PLC**  
to be effected by means of a Scheme of Arrangement  
under Part 26 of the Companies Act 2006

**1. Introduction**

The boards of directors of Bidco and De La Rue are pleased to announce that they have reached agreement on the terms and conditions of a recommended all cash acquisition by Bidco of the entire issued, and to be issued, ordinary share capital of De La Rue.

It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the 2006 Act (although Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel and the terms of the Co-operation Agreement). The Conditions to the Acquisition are set out in full in Appendix 1 to this Announcement.

**2. The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions, 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 De La Rue Shareholder will be entitled to receive:

**130 pence in cash per De La Rue Share**

- The Acquisition values the entire issued and to be issued share capital of De La Rue at approximately £263 million.
- The Acquisition Price represents a premium of approximately:
  - 19 per cent. to the Closing Price of 110 pence per De La Rue Share on 11 December 2024 (being the last Business Day before the commencement of the Offer Period);
  - 38 per cent. to the Closing Price of 94 pence per De La Rue Share on 14 October 2024 (being the last Business Day before the announcement of the proposed sale of the Authentication Division); and
  - 30 per cent. to the Volume Weighted Average Price during the ninety-day period ended 11 December 2024 (being the last Business Day before the commencement of the Offer Period).

The De La Rue 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 Effective Date in respect of the De La Rue Shares.

If any dividend or other distribution in respect of the De La Rue 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 De La Rue Share under the terms of the Acquisition by the amount per De La Rue 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. In such circumstances, De La Rue Shareholders would be entitled to retain any such dividend or distribution.

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

Atlas believes that the acquisition of De La Rue represents an attractive opportunity to build on its portfolio of manufacturing and key infrastructure businesses.

Atlas's core investment strategy is to acquire industrial companies which have a clear "reason to exist", but which may be under-appreciated by other owners or the public equity markets. Often this involves companies operating in mature markets with cyclical cash flows and/or limited growth prospects with which other investors are uncomfortable. De La Rue (following the sale of its Authentication Division) will be an industry leader, highly valued by its customers, but operates in a mature, competitive and cyclical industry. Atlas believes that a company with this type of earnings profile is best owned by a long-term investor which is prepared to accept earnings cyclicity and a challenging end market outlook.

In addition, Atlas is experienced in investing in companies with significant stakeholder relationships, such as that between De La Rue and the Pension Trustee. As noted below, Atlas has entered into a Memorandum of Understanding with the Pension Trustee which it believes offers excellent protection to the members of the DLR DB Pension Scheme, while giving De La Rue the ability to operate its business outside of its current capital constraints, and operating alongside the support of a well-capitalised owner.

Atlas believes that bringing De La Rue under private ownership will better position it for further investment, coupled with the benefits that accrue from being part of a scaled, better capitalised and actively growing business.

The Acquisition follows the announcement by De La Rue on 4 February 2025 that it had decided to launch a formal sale process which has now successfully concluded. The Board of Directors of De La Rue carefully reviewed a number of other proposals with its advisers during the course of the formal sale process and has unanimously concluded that the Acquisition achieves the Board's critical objective of delivering an outcome that satisfactorily address the interests of all stakeholders.

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

Clive Whiley was appointed Chairman of the Board of De La Rue in May 2023. Following his appointment, he led the Board's detailed review of the core strategic strengths of the De La Rue Group. That review determined how best to optimise the underlying intrinsic value of the De La Rue Group's businesses for the benefit of all stakeholders, taking into account the three-year turnaround programme launched in 2020, the consequential cash costs and leverage position at that time, and the subsequent improving outlook for the De La Rue Group as a whole. As set out in the announcement of 30 May 2024, the De La Rue Board therefore examined the strategic options for the De La Rue Group and each division.

On 15 October 2024, the De La Rue Group announced the proposed sale of De La Rue's Authentication Division to Crane NXT at an enterprise value of £300m, unlocking the intrinsic value of that division. As

previously announced, when the Authentication Sale completes on 1 May 2025, the proceeds will be used to repay and cancel the De La Rue Group's revolving credit facility, resulting in a net cash position, and, through the payment of the agreed £30m pension deficit repair contribution, materially reduce the outstanding deficit on the Pension Scheme. This will enhance the financial condition of the Continuing Group, and the net cash position and the £30m deficit repair contribution will significantly de-risk the employer covenant provided by the De La Rue Group to the DLR DB Pension Scheme. This announcement does not impact the terms of or timeline for the Authentication Sale and the Acquisition is not conditional upon completion of the Authentication Sale.

Following completion of the Authentication Sale, the Continuing Group will consist of the profitable Currency Division, a market leader in its field. With net cash and the ability to make further efficiency savings, the De La Rue Board believes the Currency Division will continue to meet the needs of customers, providing market leading currency solutions and driving future cash generation and profitability for the Continuing Group. Whilst a leader in its field and operating in a large and attractive industry, the market the Currency Division operates in is both cyclical and competitive. Currently the Currency Division is benefitting from a cyclical upswing, as evidenced by its strong and growing order book which will convert into strong revenues over quarters to come. The Continuing Group will also benefit from the consequential improvements arising from the successful restructuring, streamlining and efficiency programmes undertaken over the last five years. At the same time, the Continuing Group will remain a smaller business in the context of both the scale and capacity of its balance sheet (taking into account both the working capital cycle and the necessary levels of capital intensity in such a cyclical business) and the Company's position in the smaller end of the UK public equity market.

Following on from the announcement of 30 May 2024, the De La Rue Board had, over a period of months, received approaches from and commenced discussions with various potential transactional counterparties in relation to the Authentication Division and Currency Division. Latterly this included preliminary approaches regarding potential cash offers for the Continuing Group as a whole. Consequently, the Board concluded it would be appropriate to investigate the sale of the Company more formally alongside the potential sale of the Currency Division and commenced a "Formal Sale Process" for the Company on 4 February 2025.

Bidco's offer at the Acquisition Price of 130 pence per De La Rue Share represents the most attractive proposal that the De La Rue Board received, both in terms of price and executability. Accordingly, the De La Rue Board believes that the Acquisition Price is at a level that it can unanimously recommend to De La Rue Shareholders. Throughout the process, Atlas demonstrated an understanding of the Company and an ability to address the requirements of all the De La Rue Group's stakeholders and to move quickly and efficiently, with limited disruption to the business.

While post the Authentication Sale the De La Rue Board is confident in the long-term prospects of the business as an independent listed company, it has also considered the attraction to De La Rue Shareholders of the Cash Consideration due under the terms of the Acquisition: both against the improved outlook for the Continuing Group and the backdrop of near-term macroeconomic uncertainty.

In evaluating the financial terms of the Acquisition, and determining whether the De La Rue Board should recommend Bidco's proposal to De La Rue Shareholders, the De La Rue Board has considered a number of factors, taking into account:

- Bidco's offer of an Acquisition Price of 130 pence per De La Rue Share which represents a material premium to both recent and long-term trading levels of De La Rue Shares:
  - A premium of 19 per cent. to the Closing Price of 110 pence per De La Rue Share on 11 December 2024 (being the last Business Day before the commencement of the Offer Period);
  - A premium of 38 per cent. to the Closing Price of 94 pence per De La Rue Share on 14 October 2024 (being the last Business Day before the announcement sale of the Authentication Division); and

- A premium 30 per cent. to the Volume Weighted Average Price during the ninety-day period ended 11 December 2024 (being the last Business Day before the commencement of the Offer Period).
- the all-cash consideration being offered pursuant to the Acquisition, which provides De La Rue Shareholders with the opportunity to realise the value of their investment for all of their De La Rue Shares upon completion of the Acquisition;
- the limited liquidity of De La Rue Shares presents a challenge for De La Rue Shareholders to otherwise monetise their holdings;
- the certainty of the Cash Consideration under the Acquisition should be weighed against the inherent uncertainty of realising the value that exists in the business in the future, given a near-term uncertain macroeconomic climate both in the UK and globally, the competitive landscape and the historically cyclical currency market; and
- De La Rue Shareholders, representing in aggregate approximately 40.30 per cent. of De La Rue's issued share capital, having provided irrevocable undertakings or a letter of intent to vote in favour of the Acquisition at the Court Meeting and General Meeting (or, if the Acquisition is implemented by way of an offer, to accept such offer).

In addition to the financial terms of the Acquisition, in its evaluation of Bidco as a suitable owner of De La Rue, the De La Rue Board has taken into account Bidco's support and intentions for the business, its employees and pension scheme. In addition, the De La Rue Board notes that the Pension Trustee has reached agreement with Bidco in relation to future treatment of the DLR DB Pension Scheme.

The De La Rue Board believes the Acquisition represents an attractive opportunity which will provide a positive outcome for all De La Rue stakeholders, including employees, pension beneficiaries and customers, as well as Shareholders. The De La Rue Directors believe that an acquisition by Atlas brings strategic benefits, noting Atlas's intention to support De La Rue by making use of its industry expertise. In addition, the De La Rue Directors acknowledge the benefits of private ownership, particularly for companies in cyclical industries that are at the smaller end of the investable universe for public market investors.

Accordingly, following careful consideration of the above factors, the De La Rue Directors are pleased to confirm their intention to recommend unanimously that De La Rue Shareholders vote in favour of the Acquisition at the Court Meeting and in favour of the Resolution(s) to be proposed at the General Meeting (or, in the event the Acquisition is implemented by way of an offer, to accept or procure acceptance of such offer), as the De La Rue Directors have irrevocably undertaken to do in respect of their own De La Rue Shares, including for any De La Rue Shares that De La Rue Directors acquire pursuant to non-tax advantaged options/awards granted under the De La Rue Share Plans.

## **5. Recommendation**

The De La Rue Directors, who have been so advised by Deutsche Numis 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 De La Rue Directors, Deutsche Numis has taken into account the commercial assessments of the De La Rue Directors. Deutsche Numis is providing independent financial advice to the De La Rue Directors for the purposes of Rule 3 of the Code.

Accordingly, the De La Rue Directors intend to recommend unanimously that the De La Rue Shareholders vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer), as the De La Rue Directors who hold De La Rue Shares (in a personal capacity or through a nominee) have irrevocably undertaken to do in respect of their own (and their connected persons')

beneficial holdings of 690,912 De La Rue Shares (representing, in aggregate, approximately 0.35 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement)), as well as any De La Rue Shares that the De La Rue Directors may acquire prior to the relevant time pursuant to the vesting or exercise, as the case may be, of non-tax advantaged options/awards granted under the De La Rue Share Plans.

Further details of these irrevocable undertakings are set out below and in Appendix III to this Announcement.

## **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 De La Rue and the Court may allow);
- b) the passing of the Resolution 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 De La Rue may agree and the Court may allow);
- c) satisfaction of the NSIA Condition; and
- d) satisfaction of the NFDISO Condition.

**The attention of De La Rue 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 De La Rue Shareholders within 28 days of the date of this Announcement, unless Bidco and De La Rue otherwise agree, and the Takeover Panel consents, to a later date.

## **7. Irrevocable undertakings and Letter of Intent**

Bidco has received irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution 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 those of the De La Rue Directors who hold De La Rue Shares (in a personal capacity or through a nominee) in respect of their (and their connected persons') entire beneficial holdings of De La Rue Shares, amounting, in aggregate, to 690,912 De La Rue Shares (representing, in aggregate, approximately 0.35 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement)), as well as any De La Rue Shares that the De La Rue Directors may acquire prior to the relevant time pursuant to the vesting or exercise, as the case may be, of non-tax advantaged options/awards granted under the De La Rue Share Plans.

In addition to the irrevocable undertakings from the De La Rue Directors, Bidco has also received irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution 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 certain De La Rue Shareholders, in respect of a total of 57,203,443 De La Rue Shares (held in a personal capacity or through a nominee)

representing, in aggregate, approximately 29.13 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement).

Bidco has also received a non-binding letter of intent from Aberforth Partners LLP (acting on behalf of its discretionary clients) in respect of, in aggregate, 21,249,043 De La Rue Shares representing approximately 10.82 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement), confirming its intention to vote in favour of the Scheme.

In total therefore, as at the date of this Announcement, Bidco has received irrevocable undertakings or a letter of intent to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution 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) with respect to a total of 79,143,398 De La Rue Shares (representing approximately 40.30 per cent. of the De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement)) as well as any De La Rue Shares that the De La Rue Directors may acquire prior to the relevant time pursuant to the vesting or exercise, as the case may be, of non-tax advantaged options/awards granted under the De La Rue Share Plans.

Further details of these irrevocable undertakings (including details of the circumstances in which they cease to be binding) and the letter of intent are set out in Appendix III to this Announcement.

## **8. Information on Bidco and Atlas**

### **Bidco**

Bidco is a private limited company incorporated in England and Wales and is indirectly wholly-owned by funds managed and advised by Atlas. Bidco was formed for the purposes of the Acquisition and has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Acquisition.

Further details in relation to Bidco will be contained in the Scheme Document.

### **Atlas**

Founded in 2002 and based in Greenwich, Connecticut, USA, Atlas and its affiliates focus on long-term control investments in companies operating across industrial sectors where it has domain expertise, including printing, pulp and paper, automotive components, food production, power generation and construction. Presently, Atlas and its affiliates have control investments in a diversified group of 27 manufacturing and distribution businesses which generate combined revenues of approximately US\$18 billion annually and employ more than 57,000 people across 350 facilities worldwide. Atlas and its operating partners are deeply experienced industrialists with relationships and experience in Atlas's sectors of focus. Atlas has offices in the US, the UK and the Netherlands.

## **9. Information on De La Rue**

Established 211 years ago, De La Rue is trusted by governments and central banks, providing solutions that protect their supply chains and cash cycles from counterfeiting and illicit trade. With operations in five continents, customers in 140 countries and solutions that include advanced track and trace software, security document design, banknotes, brand protection labels, tax stamps, security features and passport bio-data pages, De La Rue brings unparalleled knowledge and expertise to its partnerships and projects.

De La Rue's business is currently made up of two reportable divisions: Currency and Authentication. The Currency Division designs and manufactures highly secure banknotes and banknote components that are optimised for security, manufacturability, cash cycle efficacy and public engagement. De La Rue is the only fully integrated provider of polymer substrate, security features and banknotes, supplying to over half of the issuing authorities around the world and has a number of deep and trusted relationships.

On 15 October 2024, De La Rue announced that it has entered into an agreement to sell its Authentication Division, which (as announced on 7 April 2025) is expected to complete on 1 May 2025.

## **10. Management, employees, pension scheme, research and development and locations of the De La Rue Group**

### ***Strategic plans for De La Rue***

Atlas has a successful track record of managing acquired businesses and building on their success. Atlas is confident in the overall prospects of De La Rue's business and its position in the global currency industry, and is excited to partner with the De La Rue management team to develop the quality of its customer offering and to grow the De La Rue business in the longer term.

Prior to the date of this Announcement, consistent with market practice, Bidco has been granted access to De La Rue's senior management team and has been provided with customary information for the purpose of undertaking confirmatory due diligence on a compressed timeline. As a result, its assessment of the opportunities for De La Rue (as detailed below) is based on its own outside-in perspectives, industry benchmarks and publicly available information.

Following completion of the Acquisition, neither Atlas nor Bidco expect there to be any impact on the strategic plans, management, employees and locations of either Atlas's or Bidco's existing business.

### ***Research and development***

As an industry leader in the design and production of banknotes, De La Rue throughout its long history has invested in research and development to keep the company on the leading edge of technologies which protect banknotes from the threat of counterfeiting, and in the case of polymer substrate, to prolong the useful life of bank notes. Atlas intends to support the management of De La Rue in continuing its practice of investing in research and development to maintain its industry leading position.

### ***Employees and management***

Bidco and Atlas prioritise, above all other aims, providing their employees with safe working environments and respecting the contribution made by every one of the 57,000 associates who work in Atlas owned companies. Bidco and Atlas attach great importance to the skill and experience of De La Rue's management and employees and recognise their important contribution to what has been achieved by De La Rue as a business. Bidco confirms that, following completion of the Acquisition, the existing contractual and statutory employment rights of De La Rue employees will be safeguarded in accordance with applicable law.

Bidco does not intend to make any material changes to the balance of skills and functions of employees and management of De La Rue.

In anticipation of the sale of the Authentication Division, the management of De La Rue has already embarked on a process to adjust staffing levels required to support a smaller group with only one operating division. Bidco and Atlas support these plans. In addition, Bidco and Atlas believe that a limited number of other functions will no longer be required once the Company ceases to be listed. In aggregate as a result of these actions it is likely that there will be a reduction in De La Rue's overall headcount of approximately 4 per cent. The finalisation and implementation of any workforce reductions will be subject to comprehensive planning and engagement with employees and consultation with employee representatives as required by applicable local law. Any individuals affected will be treated in a manner consistent with the high standards, culture and practices of both De La Rue and Atlas.

Other than these plans to reduce certain support functions, Bidco and Atlas have no current plans for any major reorganisation of De La Rue or any material headcount reductions.

It is intended that, upon completion of the Acquisition, each of the non-executive De La Rue Directors will resign as a De La Rue Director.

### ***Pensions***

De La Rue currently operates the DLR DB Pension Scheme, a defined benefits pension scheme which was closed to accrual in 2013. The Acquisition will not impact the rights of beneficiaries in this scheme. As at 31 December 2024, the DLR DB Pension Scheme had a net deficit on a technical provisions basis of £68.9 million. In relation to the DLR DB Pension Scheme, De La Rue has an existing agreement with the Pension Trustee board pursuant to which De La Rue has agreed to make a payment of £30 million from the proceeds of the sale of the Authentication Division, and to increase contributions already payable by a further £12.5 million over the period ending 5 April 2027. Atlas has held constructive discussions with the Pension Trustee and can confirm that Atlas and the Pension Trustee have entered into a legally binding Memorandum of Understanding dated 10 April 2025 relating to the future funding of the DLR DB Pension Scheme. The key terms of the Memorandum of Understanding are detailed in paragraph 12 below.

In addition, De La Rue operates defined contribution plans. Bidco does not intend to change the current contribution arrangements for these defined contribution plans.

### ***Incentive arrangements***

Following the Scheme becoming Effective, Bidco intends to review De La Rue's management and employee incentive structures. Bidco has not entered into and has not had discussions on proposals to enter into any form of incentivisation arrangements with members of De La Rue's management or employees but intends to have discussions with respect to such arrangements following the Effective Date.

### ***Headquarters, headquarter functions, locations, fixed assets***

Bidco does not intend to make any changes in the location of De La Rue's headquarters in Basingstoke, or to its operations or places of business. Bidco does not intend to undertake any material restructurings, nor changes with respect to the redeployment of De La Rue's fixed asset base, other than continuing with the exit from the Company's facilities in Gateshead and the wind down in Kenya already planned by management and as publicly disclosed by De La Rue.

Following the Acquisition, Atlas intends that De La Rue will continue to operate as a standalone business, with its own capital structure and governed by its own board of directors. Atlas and De La Rue further intend that De La Rue will continue to operate under the existing De La Rue brand.

### ***Trading Facilities***

De La Rue Shares are currently listed on the Official List and admitted to trading on the London Stock Exchange. As set out in paragraph 15 of this Announcement, applications will be made for the cancellation of the listing of De La Rue Shares on the Official List and the cancellation of trading of the De La Rue Shares on the London Stock Exchange on or shortly after the Effective Date. Bidco intends to re-register De La Rue as a private company after the Effective Date.

### ***Statements***

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

## **11. Financing**

The cash consideration payable to the De La Rue Shareholders under the terms of the Acquisition is intended to be financed by equity funding to be invested indirectly by the Atlas Funds.

Lazard, 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 cash consideration payable to De La Rue Shareholders under the terms of the Acquisition.

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

## 12. Offer-related arrangements

### **Confidentiality Agreement**

Atlas and De La Rue entered into a confidentiality agreement dated 10 March 2024 (as amended on 10 March 2025) and as supplemented by a clean team agreement dated 14 March 2025 (the “**Confidentiality Agreement**”) pursuant to which Atlas has undertaken to: (a) keep confidential information relating to, *inter alia*, the Acquisition and De La Rue and not to disclose it to third parties (other than to certain permitted parties), unless required by law or regulation; and (b) use the confidential information only in connection with evaluation of the Acquisition, unless required by law or regulation.

These confidentiality obligations shall remain in force for a period of two years from the date of the Confidentiality Agreement.

The Confidentiality Agreement also includes customary non-solicitation of employee obligations on each of Atlas and De La Rue, subject to customary carve-outs, for a period of 12 months from the date of the Confidentiality Agreement and a standstill provision in favour of De La Rue, subject to customary carve-outs, for a period of 12 months from the date of the Confidentiality Agreement.

### **Inducement Fee Agreement**

De La Rue and Bidco have entered into the Inducement Fee Agreement pursuant to which De La Rue has agreed to pay to Bidco (or its nominee) an inducement fee of an amount in cash equal to one per cent. of the aggregate value of the issued share capital of De La Rue by reference to the Acquisition Price in the event that a competing offer is made for De La Rue by a third party which is not acting in concert with Bidco and such competing offer is declared unconditional in all respects or is otherwise completed or becomes effective.

### **Co-operation Agreement**

Pursuant to a co-operation agreement dated 15 April 2025 (the “**Co-operation Agreement**”): (a) De La Rue has agreed to co-operate with Bidco to assist with the obtaining of regulatory clearances and the making of all filings as may be necessary, from or under the law, regulations or practices applied by any applicable regulatory authority in connection with the Acquisition; (b) Bidco has agreed to provide De La Rue with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; (c) Bidco has agreed to certain provisions if the Scheme should switch to a Takeover Offer; and (d) De La Rue and Bidco have agreed to co-operate in preparing and implementing appropriate proposals in relation to the De La Rue Share Plans.

The Co-operation Agreement will terminate, amongst other things:

- if the Acquisition is withdrawn or lapses;
- if prior to the Long Stop Date any Condition becomes incapable of satisfaction;
- at Bidco's election if:
  - the De La Rue Directors withdraw, modify or qualify their recommendation of the Acquisition;

- the De La Rue Directors recommend a competing proposal or one is effected;
- at Bidco's or De La Rue's election if:
  - a Condition is invoked by Bidco prior to the Long Stop Date;
  - a competing proposal completes, becomes effective or is declared or becomes unconditional in all respects;
  - the Scheme is not approved at the Court Meeting and/or the Resolution is not passed at the General Meeting; or
  - the Court refuses to sanction the Scheme;
- if the Scheme does not become Effective in accordance with its terms by the Long Stop Date; or
- otherwise as agreed in writing between Bidco and De La Rue.

### ***Memorandum of Understanding with the Pension Trustee***

Atlas has entered into a legally binding Memorandum of Understanding with the Pension Trustee dated 10 April 2025, which will govern the ongoing covenant offered by De La Rue to the DLR DB Pension Scheme with effect from: (i) completion of the sale of the Authentication Division; and (ii) either: (A) the Scheme becomes effective; or (B) if Atlas switches to a Takeover Offer, the Takeover Offer becomes or is declared unconditional. The key terms of the MOU are that Atlas protects the planned £37 million contribution to the DLR DB Pension Scheme split between £32.5 million to be funded following completion of the sale of the Authentication Division and £4.5 million falling due in April 2025, and that going forward De La Rue will be required to make incremental contributions in the event of the agreed funding targets for the DLR DB Pension Scheme not being met, and/or in the event of De La Rue's level of indebtedness exceeding specified levels, or if De La Rue becomes insolvent. Atlas has also agreed to provide a limited covenant to the Pension Trustee to make contributions into an account held by De La Rue for the benefit of the DLR DB Pension Scheme if De La Rue fails to make required contributions. From 2032, the DLR DB Pension Scheme is expected to be fully funded on a low dependency basis and De La Rue will then fund to an even stronger basis agreed with the Pension Trustee by 2035, with Atlas providing security for those payments.

### ***Director Retention Arrangements***

Since the announcement of the Authentication Sale in October 2024 and the commencement of the formal sale process announced on 4 February 2025, De La Rue's remuneration committee (the "**Remuneration Committee**") has been reviewing the remuneration arrangements in place for the Company's Chairman and its Executive Directors. On 5 March 2025, the Remuneration Committee determined to approve the following arrangements:

1. The remuneration of the Chairman of De La Rue is set at a level which is intended to reflect the skills, knowledge and experience of the individual, while taking into account market comparables and the number of days of service required. In light of the significant increase in workload and days of service required of the Chairman following the announcement of the sale of the Group's Authentication Division and his close involvement in progressing discussions with parties participating in the Company's formal sale process (including discussions with parties also interested solely in De La Rue's Currency Division), the Remuneration Committee has determined that the Chairman's annual fee should be increased from £182,000 per year to £365,000 per year, with effect from 1 October 2024 ("**Increased Annual Fee**").
2. The Remuneration Committee has also determined to make certain retention awards to De La Rue's executive directors, Clive Vacher, Ruth Euling and Dean Moore (the "**Executive Directors**") amounting to £494,281, £300,000 and £350,000 respectively (the "**Retention Awards**"). These Retention Awards will only become payable on successful completion of either a sale of De La Rue

as a whole or a sale of the Currency Division which, in either case, delivers a value per De La Rue Share at or above a minimum threshold fixed by the Remuneration Committee (the “**Retention Award Threshold**”) and the satisfaction of certain other qualifying conditions. Should the Acquisition proceed to completion at the Acquisition Price, the Retention Award Threshold would be met and therefore, subject to the other qualifying conditions being satisfied, the Retention Awards will become payable. If paid, the Retention Awards will form part of the relevant Executive Director’s annual bonus award for the financial year ending 29 March 2026 which will not, in aggregate, exceed the maximum amount currently permitted for annual bonus payments to Executive Directors under De La Rue’s existing remuneration policy. As with all such awards for an executive director, the payment of the Retention Awards and any other bonus remains at the discretion of the Remuneration Committee.

The Remuneration Committee considers that the Retention Awards reflect balanced and fair awards in light of the fact that the sale of De La Rue, or the Currency Division, at or above the Retention Award Threshold would represent what the Board believes to be a good long-term outcome for all stakeholders including, employees, shareholders, pensioners and customers. Deutsche Numis, in its capacity as independent financial adviser to the De La Rue Directors for the purposes of Rule 3 of the Takeover Code, considers the Increased Annual Fee and the Retention Awards set out above to be fair and reasonable and in the best interests of the De La Rue shareholders taken as a whole. In providing its advice, Deutsche Numis has taken into account the commercial assessments of the Remuneration Committee.

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

#### ***Scheme***

It is intended that the Acquisition will be effected by a Court-sanctioned scheme of arrangement between De La Rue 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 share capital of De La Rue. 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 Resolution 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 De La Rue 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. De La Rue 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 De La Rue 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 English law. The Scheme will be subject to the applicable requirements of the Code, the Takeover Panel, the UK Listing Rules, 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 De La Rue Shareholders within 28 days of the date of this Announcement, unless Bidco and De La Rue 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 De La Rue's website at <https://www.delarue.com/offer-microsite> and Atlas's website at <https://www.atlasholdingsllc.com/uk/atlas-offer.html>.

At this stage, subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix I, Bidco and De La Rue expect the Acquisition to become Effective during the third quarter of 2025.

If the Scheme does not become Effective on or before the Long Stop Date (or such later date as Bidco and De La Rue 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***

Subject to the terms of the Co-operation Agreement, 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 issued and to be issued share capital of De La Rue as an alternative to the Scheme. In such an event, the Takeover Offer will be made in accordance with the terms and conditions set out in this Announcement which would apply to the Scheme (with any modifications or amendments to such terms and conditions as may be required by the Takeover Panel or which are necessary as a result of Bidco's election to implement the Acquisition by way of a Takeover Offer), in accordance with the Co-operation Agreement and subject to the amendments referred to in Part C of Appendix I to this Announcement.

## **14. De La Rue Share Plans**

Participants in the De La Rue Share Plans will be contacted regarding the effect of the Acquisition on their rights under the De La Rue Share Plans and appropriate proposals 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 the De La Rue Share Plans will be set out in the Scheme Document.

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

It is intended that the London Stock Exchange and the FCA will be requested respectively to cancel trading of De La Rue Shares on the London Stock Exchange's Main Market and the listing of De La Rue Shares from the Commercial Companies (Equity Shares) category of the Official List on or shortly after the Effective Date.

It is expected that the last day of dealings in De La Rue Shares on the Main Market of the London Stock Exchange will be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00 p.m. (BST) on that date.

As soon as practicable after the Effective Date, it is intended that De La Rue will be re-registered as a private limited company under the relevant provisions of the Companies Act.

## **16. Disclosure of interests in De La Rue**

As at the close of business on 14 April 2025, being the last Business Day prior to the date of this Announcement, save for the irrevocable undertakings referred to in paragraph 7 above, neither Bidco nor, so far as Bidco is aware, any person acting, or deemed to be acting, in concert with Bidco:

- a) had an interest in, or right to subscribe for, relevant securities of De La Rue;
- 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 De La Rue;
- c) had procured an irrevocable commitment or letter of intent to accept the terms of the Acquisition in respect of relevant securities of De La Rue;
- d) had borrowed or lent any De La Rue Shares (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold; or
- e) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Code.

## **17. 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 De La Rue's website at <https://www.delarue.com/offer-microsite-disclaimer> and on Atlas's website at <https://www.atlasholdingsllc.com/uk/atlas-offer.html> 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 Inducement Fee Agreement;
- the Co-operation Agreement;
- award letters in respect of the executive director retention arrangements referred to in paragraph 12 of this announcement; and
- consent letters from each of Lazard, Deutsche Numis and Investec.

None of the contents of any website referred to in this Announcement, or the content of any other website accessible from hyperlinks on either such website, is incorporated into or forms part of, this Announcement.

## **18. General**

The Acquisition will be subject to the Conditions, 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 De La Rue Shareholders within 28 days of the date of this Announcement, (or by such later date as Bidco and De La Rue 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 Resolution to be proposed at the General Meeting, De La Rue Shareholders should rely on the information contained, and follow the procedures described, in the Scheme Document.

Lazard and Deutsche Numis 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 referred to in this Announcement. Appendix IV contains definitions of certain terms used in this Announcement.

This Announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

The implications of the Acquisition for persons resident in, or citizens of, jurisdictions outside the United Kingdom may be affected by the laws of the relevant jurisdictions. Such persons should inform themselves about and observe any applicable requirements.

#### **Enquiries:**

<b>De La Rue</b> Clive Whiley, Chairman Clive Vacher, Chief Executive Officer Louise Rich, Head of Investor Relations	+44 (0)7990 337707
<b>Deutsche Numis (Sole Financial Adviser and Corporate Broker)</b> Jonathan Wilcox Luke Bordewich Kevin Cruickshank Raed El Dana	+44 (0)207 260 1000
<b>Investec (Joint Broker)</b> David Anderson Charlotte Young	+44 (0)207 597 5970
<b>Brunswick</b> Stuart Donnelly Ed Brown	+44 (0)207 404 5959
<b>Atlas and Bidco</b> Peter Bacon Daniel Merriam	via FTI Consulting
<b>Lazard (Financial Adviser to Atlas and Bidco)</b> David Weinberg Tegh Summy	+44 (0)207 187 2000
<b>FTI Consulting (PR Adviser to Atlas and Bidco)</b> Alex Le May Edward Bridges Alex Davis	+44 (0)20 3727 1340

King & Spalding International LLP are retained as legal advisers to Atlas and Bidco.

Bird & Bird LLP are retained as legal advisers to De La Rue.

### **Important Notices**

*Deutsche Numis, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for De La Rue and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than De La Rue for providing the protections afforded to clients of Deutsche Numis, nor for providing advice in relation to the Acquisition or any matter referred to herein. Neither Deutsche Numis nor any of its affiliates (nor any of their respective directors, officers, employees or agents), owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Deutsche Numis in connection with this announcement, any statement contained herein or otherwise.*

*Investec Bank plc ("**Investec**"), which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the FCA and the Prudential Regulation Authority, is acting exclusively for De La Rue and no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than De La Rue for providing the protections afforded to the clients of Investec, or for providing advice in connection with the subject matter of this announcement. Neither Investec nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Investec in connection with the with the subject matter of this announcement, any statement contained herein or otherwise.*

*Lazard, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Atlas and Bidco and no one else in connection with the Acquisition and will not be responsible to anyone other than Atlas and Bidco for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Acquisition or any other matters referred to in this announcement. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this announcement, any statement contained herein or otherwise.*

### **Further Information**

*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.*

*This Announcement has been prepared in accordance with and for the purpose of complying with English law, the Code, the UK Listing Rules, the UK MAR and the MAR, the Disclosure Guidance and Transparency Rules 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.*

*De La Rue shall prepare the Scheme Document to be distributed to De La Rue Shareholders. De La Rue and Bidco urge De La Rue Shareholders to read the Scheme Document when it becomes available because it shall contain important information relating to the Acquisition.*

*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, the UK Listing Rules, the UK MAR, the MAR, the Disclosure Guidance and Transparency 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 availability of the Acquisition to De La Rue Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdiction in which they are located or of which they are citizens. 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 of their jurisdiction. 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 De La Rue Shares at the Court Meeting or the General Meeting, or to execute and deliver Forms of Proxy appointing another to vote their De La Rue 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. This Announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.*

*Further details in relation to Overseas Shareholders will be included in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document).*

### **Notice to US De La Rue Shareholders**

*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 US securities laws at that time, to the extent applicable thereto.*

*The Acquisition relates to the shares of a company incorporated in England and it is proposed to be made by means of a scheme of arrangement provided for under English law. The Scheme will relate to the shares of a UK 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 any 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 or 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 information of, or the accounting standards applicable to, 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, if applicable. 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 De La Rue 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. It may be difficult for a US-based investor to enforce his or her rights and any claim he or she may have arising under US securities laws, since the Scheme relates to the shares of a company located in the UK, and some or all of its officers and directors may be residents of non-US jurisdictions. A US-based investor may not be able to sue a company located in the UK, or its officers or directors, in a foreign court for alleged violations of US securities laws, and it may be difficult to compel a foreign company and its affiliates to subject themselves to a US court's judgment.*

### **Forward-looking statements**

*This Announcement, oral statements made regarding the Acquisition, and other information published by De La Rue, Bidco and Atlas may contain certain "forward-looking statements" with respect to De La Rue, Bidco and Atlas. 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" or other words or terms of similar meaning or the negative thereof. Forward-looking statements include statements relating to, for example, 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 Atlas and/or Bidco and the expansion and growth of De La Rue and potential synergies resulting from the Acquisition; and (iii) the effects of government regulation on the business of De La Rue.*

*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 Atlas, Bidco or De La Rue, 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. Undue reliance should not be placed on such forward-looking statements, which speak only as of the date of this Announcement. All subsequent oral or written forward-looking statements attributable to Atlas, Bidco or De La Rue 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. None of Atlas, Bidco or De La Rue assume any 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 Atlas, Bidco or De La Rue in respect of any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per De La Rue Share for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per De La Rue Share.*

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

*Subject to the terms of the Co-operation Agreement, 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 share capital of De La Rue as an alternative to the Scheme. In such an event, the Takeover Offer will be made in accordance with the terms and conditions set out in this Announcement which would apply to the Scheme (with any modifications or amendments to such terms and conditions as may be required by the Takeover Panel or which are necessary as a result of Bidco's election to implement the Acquisition by way of a Takeover Offer), in accordance with the Co-operation Agreement and subject to the amendments referred to in Part C of 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 De La Rue's website at <https://www.delarue.com/offer-microsite-disclaimer> and on Bidco's website at <https://www.atlasholdingsllc.com/uk/atlas-offer.html> by no later than 12:00 noon on the Business Day following this Announcement. Neither the contents of this website 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 De La Rue's registrar, Computershare Investor Services PLC on +44 (0)370 703 6375. 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 5:30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services PLC cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.*

*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 De La Rue Shareholders**

*Please be aware that addresses, electronic addresses and certain information provided by De La Rue Shareholders, persons with information rights and other relevant persons for the receipt of communications from De La Rue may be provided to Bidco during the Offer Period as required under section 4 of Appendix 4 of the Code to comply with Rule 2.11(c) 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% 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. (BST) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3:30 p.m. (BST) 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% 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. (BST) 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](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.*

### **Announcement not a prospectus**

*This Announcement does not constitute a prospectus or prospectus equivalent document.*

### **Private purchases**

*De La Rue Shareholders should be aware that Bidco may purchase De La Rue Shares otherwise than under the Scheme or any Takeover Offer, including pursuant to privately negotiated purchases.*

### **Independent advice**

*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 or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.*

### **Rule 2.9 of the Code**

*For the purposes of Rule 2.9 of the Code, De La Rue confirms that, as at the date of this Announcement, it had in issue 196,391,787 ordinary shares of £0.448686 each. No shares are held in treasury. The ISIN for the ordinary shares is GB00B3DGH821.*

## APPENDIX I

### CONDITIONS OF THE ACQUISITION AND CERTAIN FURTHER TERMS

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

1. The Acquisition is 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 or such later date (if any) as De La Rue and Bidco may, with the consent of the Panel, agree and, if required, the Court may allow.
2. The Scheme shall be subject to the following conditions:
  - a. (i) its approval by a majority in number of Scheme Shareholders who are on the register of members of De La Rue 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 75 per cent. in value of the De La Rue Shares voted by those De La Rue 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 De La Rue may agree and the Court may allow);
  - b. (i) the passing of the Resolution necessary in order to implement the Scheme by the requisite majority of De La Rue Shareholders 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 De La Rue may agree and the Court may allow);
  - 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 De La Rue); 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 De La Rue may agree and the Court may allow); 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 (and continue to be satisfied pending the commencement of the Sanction Hearing) or, where relevant, waived in writing prior to the Scheme being sanctioned by the Court:

#### **NSIA Condition**

- a. a notification having been made and accepted under the UK National Security and Investment Act 2021 (the “**NSIA**”) and one of the following having occurred:

- i. the Secretary of State notifying Bidco before the expiry of the relevant assessment period within which the Secretary of State may give a call-in notice under the NSIA that no further action will be taken in relation to the Acquisition; or
- ii. if the Secretary of State issues a call-in notice in relation to the Acquisition:
  - 1. the Secretary of State giving a final notification pursuant to section 26(1)(b) of the NSIA containing confirmation that the Secretary of State will take no further action in relation to the call-in notice and the Acquisition under the NSIA; or
  - 2. the Secretary of State making a final order pursuant to Section 26(1)(a) of the NSIA permitting the Acquisition to proceed unconditionally or on terms reasonably acceptable to Bidco and such order not being revoked or varied in a manner that is not reasonably unsatisfactory to Bidco before the Effective Date;

#### **NFDISO Condition**

- b. the receipt of foreign direct investment clearance in respect of, or no objection to the Acquisition from the National Foreign Direct Investment Screening Office in Malta (“**NFDISO**”), as established pursuant to the National Foreign Direct Investment Screening Office Act, 2020 (Chapter 620 of the Laws of Malta), or the NFDISO having determined in writing that the Acquisition is not subject to screening by the NFDISO;

#### **Third Party Regulatory action**

- c. other than in relation to the matters referred to in Conditions 3(a) and 3(b), no Third Party having decided, threatened or given notice 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 Target 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 Target 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 Target 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 Target Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Target 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 De La Rue or on the ability of any member of the Wider Target 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 Target Group to the extent which, in any such case, is material in the context of the Wider Target Group or the Wider Bidco Group in either case taken as a whole or in the context of the Acquisition;

- iv. except as Disclosed, result in any member of the Wider Target 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, De La Rue 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 De La Rue by any member of the Wider Bidco Group to the extent which, in any such case, is material in the context of the Wider Target Group or the Wider Bidco Group in either case taken as a whole or in the context of the Acquisition;
- 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 Target 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 Target Group; or
- vii. 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 Target 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 having expired, lapsed or been terminated;

#### **Other regulatory approvals**

- d. each Governmental Entity, which regulates or licences any member of the De La Rue Group or any other body corporate in which any member of the De La Rue 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 De La Rue 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 Target Group or the Wider Bidco Group, taken as a whole;

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

- e. other than in relation to the matters referred to in Conditions 3(a) and 3(b), 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 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 section 160 of the Companies Act and Chapter 3 of Part 28 of the Companies Act, or control or management of, De La Rue or any other member of the Wider Target 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 Target 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 Target 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;

## **De La Rue Shareholder resolution**

- f. except as Disclosed or with the consent or the agreement of Bidco, no action having been taken or proposed by any member of the De La Rue Group, or having been approved by a resolution of De La Rue 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.**

- g. 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 Target 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 because of a change in the control of any member of the Wider Target Group as a result of the Acquisition, would or might reasonably be expected to result in any of the following (in each case to an extent or in a manner which is material in the context of the Wider Target 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 Target 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 material assets or material interests of, or any material 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 or prospects of, any such member being prejudiced or adversely affected; or
- ix. the creation or acceleration of any material liability (actual or contingent) by any such member other than trade creditors or other liabilities incurred in the ordinary course of business,

and, except as Disclosed, 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 Target 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 result in any of the events or circumstances as are referred to in Conditions 3(g)(i) to (ix) above, in each case which is or would be material in the context of the Wider Target Group taken as a whole;

#### **Certain events occurring since 30 March 2024**

- h. except as Disclosed, no member of the Wider Target Group having since 30 March 2024:
  - i. issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities 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 De La Rue Shares out of treasury (except, where relevant, as between De La Rue and wholly-owned subsidiaries of De La Rue or between the wholly-owned subsidiaries of De La Rue and except for the issue or transfer of De La Rue Shares out of treasury or otherwise on the vesting of awards or exercise of options, in the ordinary course under the De La Rue Share Plans);
  - 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 De La Rue to De La Rue or any of its wholly-owned subsidiaries;

- iii. other than pursuant to the Acquisition (and except for transactions between De La Rue and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of De La Rue and transactions in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose 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 Target Group taken as a whole or in the context of the Acquisition;
- iv. except for transactions between De La Rue and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of De La Rue 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, proposed or announced any intention to do so;
- v. except for transactions between De La Rue and its wholly-owned subsidiaries or between the wholly-owned subsidiaries of De La Rue issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any 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 Target 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 Target Group taken as a whole;
- vii. entered into, materially varied, authorised or proposed entry into or variation of, or announced its intention to enter into or materially vary 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 or senior executive of any member of the Wider Target Group, otherwise than in the ordinary course of business in each case to an extent which is material in the context of the Wider Target Group taken as a whole;
- viii. establish any share option scheme, incentive scheme or other benefit in respect of the Wider Target 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 De La Rue and wholly-owned subsidiaries of De La Rue or between the wholly-owned subsidiaries of De La Rue);
- 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 Target Group as a whole;

- xi. terminated or varied the terms of any agreement or arrangement between any member of the Wider Target Group and any other person in a manner which would or might have a material adverse effect on the financial position of the Wider Target 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 or any material alteration to the memorandum, articles of association or other incorporation documents of any other member of the Wider Target Group which is material in the context of the Scheme or the Acquisition;
- xiii. establish any pension scheme(s) in respect of the Wider Target Group;
- 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 Target Group taken as a whole;
- xv. (other than in respect of a member of the Wider Target 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 De La Rue 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 Target 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 3(h) and which is material in the context of the Wider Target Group taken as a whole;

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

- i. except as Disclosed, since 30 March 2024 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 Target Group which is material in the context of the Wider Target 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 Target 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 Target Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Target 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 Target 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 Target Group, in each case, which would reasonably be expected to have a material adverse effect on the Wider Target Group taken as a whole or in the context of the Acquisition;
- iv. no contingent or other liability having arisen or become apparent to Bidco 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 Target Group to an extent which is material in the context of the Wider Target 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 Target 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 Target Group taken as a whole or in the context of the Acquisition; and
- vi. no member of the Wider Target 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 Target Group taken as a whole or in the context of the Acquisition;

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

- j. except as Disclosed, Bidco not having discovered that:
  - i. any financial, business or other information concerning the Wider Target Group announced publicly and delivered by or on behalf of De La Rue through a RIS prior to the date of this Announcement is misleading, contains a material 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 Target Group taken as a whole or in the context of the Acquisition;
  - ii. any member of the Wider Target Group or any partnership, company or other entity in which any member of the Wider Target Group has a significant economic interest and which is not a subsidiary undertaking of De La Rue, 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 Target 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 Target 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 member of the Wider Target Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended);
- v. any director, officer or employee of the Wider Target 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;
- vi. any asset of any member of the Wider Target Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition);
- vii. no circumstance having arisen or event having occurred in relation to any intellectual property owned, used or licensed by the Wider Target Group or to any third parties, including: (A) any member of the Wider Target Group losing its title to any intellectual property or any intellectual property owned by the Wider Target 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 Target Group being terminated or varied, or (C) any claim being filed suggesting that any member of the Wider Target Group infringed the intellectual property rights of a third party or any member of the Wider Target 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 Target Group taken as a whole or in the context of the Acquisition; or
- viii. 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 Target Group, in a manner or to an extent which is material in the context of the Wider Target 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 Target 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 maybe agreed in writing by Bidco and De La Rue (with the consent of the Takeover Panel and/or approval of the Court, if such consent and/or approval is required). If any of the Conditions set out at 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 De La Rue to extend the relevant deadline.

2. Subject to paragraph 3(g) of Appendix 7 to the Code, 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(j) 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 Takeover Panel requires Bidco to make an offer or offers for any De La Rue 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 and subject to the terms of the Co-operation Agreement) 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 where applicable). Further, if sufficient acceptances to the Takeover Offer are received and/or sufficient De La Rue Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to compulsorily acquire any outstanding De La Rue Shares to which such Takeover Offer relates.

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

1. The De La Rue Shares acquired under the Acquisition 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 Effective Date in respect of the De La Rue Shares.

2. 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 De La Rue 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(h)(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 2 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 2 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.
3. 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 De La Rue Shareholders who are not resident in the United Kingdom will need to inform themselves about and observe any applicable requirements.
4. 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.
5. The Acquisition will be subject, amongst other things, 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.
6. This Announcement and any rights or liabilities arising hereunder, the Acquisition, the Scheme and the Forms of Proxy will be governed by English law and will be subject to the jurisdiction of the English courts. The Acquisition shall be subject to the applicable requirements of the Code, the Takeover Panel, the London Stock Exchange, the FCA, the UK Listing Rules and the Registrar of Companies.

## 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 share capital of De La Rue of £263 million is based on a value of 130 pence per De La Rue Share and:
  - i. 196,391,787 De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to the date of this Announcement); and
  - ii. 5,588,579 De La Rue Shares which as at 14 April 2025 (being the last Business Day prior to the date of this Announcement) may be issued on or after the date of this Announcement on the exercise of options or vesting of awards under the De La Rue Share Plans.
- b. Unless stated otherwise, financial information relating to De La Rue has been extracted from the audited consolidated financial statements of De La Rue for the financial year ended 30 March 2024 and half-year financial information has been extracted from De La Rue's interim results for the six-month period ended 30 September 2024.
- c. Unless otherwise stated, all prices for De La Rue Shares are the Closing Price for the relevant date.
- d. The Closing Prices of De La Rue Shares are taken from the Daily Official List.
- e. The three month and six-month Volume Weighted Average Price are derived from Bloomberg data and have been rounded to the nearest one penny.
- f. Certain figures included in this Announcement have been subject to rounding adjustments.

## APPENDIX III

### DETAILS OF IRREVOCABLE UNDERTAKINGS AND LETTERS OF INTENT

#### **Directors' Irrevocable Undertakings**

The following De La Rue Directors have given irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) in respect of their own (and their connected persons') beneficial holdings of a total of 690,912 De La Rue Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 0.35 per cent. of De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to this Announcement) and any De La Rue Shares that the De La Rue Directors may acquire prior to the relevant time pursuant to the vesting or exercise, as the case may be, of certain options/awards granted under the De La Rue Share Plans, comprised as follows:

<b>Name of De La Rue Director</b>	<b>Total number of De La Rue Shares*</b>	<b>Percentage of existing issued share capital*</b>
<b>Clive Whiley</b>	200,000	0.10%
<b>Clive Vacher</b>	338,687	0.17%
<b>Ruth Euling</b>	102,225	0.05%
<b>Mark Hoad</b>	50,000	0.03%
<b>TOTAL</b>	<b>690,912</b>	<b>0.35%</b>

*\* The figures listed in this table do not include any De La Rue Shares that the De La Rue Directors may acquire prior to the Effective Date pursuant to the vesting or exercise, as the case may be, of certain options/awards granted under the De La Rue Share Plans.*

The irrevocable undertakings remain binding in the event a higher competing offer is made for De La Rue and will only cease to be binding if:

- the Scheme Document is not published within 28 days of this Announcement, or in circumstances where Bidco elects to implement the Acquisition by way of a Takeover Offer, an offer document is not published within 28 days of the date on which the switch to a Takeover Offer is announced;
- the Scheme or Takeover Offer in respect of the Acquisition is withdrawn or lapses and no new, revised or replacement scheme is announced by the Offeror in accordance with Rule 2.7 of the Takeover Code within 5 Business Days;
- a competing offer for the entire issued and to be issued share capital of De La Rue becomes or is declared unconditional (if implemented by way of a takeover offer), or becomes effective (if proceeding by way of a scheme of arrangement); or
- the Scheme (or the Takeover Offer) in connection with the Acquisition does not become effective by the Long Stop Date.

#### **Shareholder Irrevocable Undertakings**

The following De La Rue Shareholders have given irrevocable undertakings to vote or procure votes in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or, subject to the terms of the Co-operation Agreement and with the consent of the Takeover Panel, if Bidco

exercises its right to implement the Acquisition by way of a Takeover Offer, to accept such offer) in respect of a total of 57,203,443 De La Rue Shares (held in a personal capacity or through a nominee) representing, in aggregate, approximately 29.13 per cent. of De La Rue Shares in issue on 14 April 2025 (being the last Business Day prior to this Announcement), comprised as follows:

<b>Name of De La Rue Shareholder</b>	<b>Total number of De La Rue Shares</b>	<b>Percentage of existing issued share capital</b>
Schroder Investment Management Limited	27,663,414	14.09%
Richard Griffiths	15,680,384	7.98%
Crystal Amber Fund Limited	13,859,645	7.06%
<b>TOTAL</b>	<b>57,203,443</b>	<b>29.13%</b>

These irrevocable undertakings remain binding in the event a higher competing offer is made for De La Rue and will only cease to be binding if:

- the Scheme Document is not published within 28 days of this Announcement, or in circumstances where Bidco elects to implement the Acquisition by way of a Takeover Offer, an offer document is not published within 28 days of the date on which the switch to a Takeover Offer is announced;
- the Scheme or Takeover Offer in respect of the Acquisition is withdrawn or lapses and no new, revised or replacement scheme is announced by the Offeror in accordance with Rule 2.7 of the Takeover Code within 5 Business Days;
- a competing offer for the entire issued and to be issued share capital of De La Rue becomes or is declared unconditional (if implemented by way of a takeover offer), or becomes effective (if proceeding by way of a scheme of arrangement); or
- the Scheme (or the Takeover Offer) in connection with the Acquisition does not become effective by the Long Stop Date.

### ***Shareholder Letter of Intent***

In addition, the following De La Rue Shareholder has given a letter of intent to vote (or, where applicable, procure the voting) in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting (or, in the event that the Acquisition is implemented by way of a Takeover Offer, to accept, or procure the acceptance of, the Takeover Offer) in respect of its own beneficial holdings (or those De La Rue Shares over which they have control) of De La Rue Shares:

<b>Name of De La Rue Shareholder</b>	<b>Total number of De La Rue Shares</b>	<b>Percentage of existing issued share capital</b>
<b>Aberforth Partners LLP (on behalf of its discretionary clients)</b>	21,249,043	10.82%
<b>TOTAL</b>	<b>21,249,043</b>	<b>10.82%</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 issued and to be issued share capital of De La Rue 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 Price</b>	the consideration payable pursuant to the Acquisition, being 130 pence per Scheme Share;
<b>Atlas</b>	Atlas FRM LLC (d/b/a Atlas Holdings LLC), a limited liability company incorporated in Delaware, USA;
<b>Atlas Funds</b>	those certain funds advised and managed by Atlas;
<b>Announcement</b>	this announcement of the Acquisition made in accordance with Rule 2.7 of the Code;
<b>Authentication Division</b>	the Authentication business of De La Rue as carried out on the date of this Announcement: (i) by DLR Newco in the UK; (ii) by DLR Malta Newco in Malta; (iii) by De La Rue US and its wholly owned subsidiary in the US; and (iv) by the other Authentication Entities in other jurisdictions;
<b>Authentication Entities</b>	those corporate entities within the De La Rue Group that solely carry on activities as part of the Authentication Division;
<b>Authentication Sale</b>	the proposed sale of the Authentication Division to Crane NXT at an enterprise value of £300m, as announced by De La Rue on 15 October 2024;
<b>Authorisations</b>	authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals;
<b>Bidco</b>	ACR Bidco Limited, a company incorporated in England & Wales with company number 16379363 and having its registered office at 26 St James's Square, London, United Kingdom, SW1Y 4JH;

<b>Bidco Group</b>	Bidco and its subsidiary undertakings and where the context permits, each of them;
<b>Board or board</b>	the board of directors of the relevant company;
<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>Closing Price</b>	the closing middle market quotation for a De La Rue Share as derived from the Daily Official List on that day;
<b>Code or Takeover Code</b>	the City Code on Takeovers and Mergers;
<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 between Atlas and De La Rue on 10 March 2024 (as amended on 10 March 2025) and as supplemented by a clean team agreement dated 14 March 2025;
<b>Continuing Group</b>	the De La Rue Group following completion of the Authentication Sale;
<b>Co-operation Agreement</b>	the co-operation agreement entered into by De La Rue and Bidco on or around the date of this Announcement;
<b>Court</b>	the High Court of Justice in England and Wales;
<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 under Part 26 of the Companies Act;
<b>Crane NXT</b>	Crane NXT, Co. and CA-MC Acquisition UK Limited, a subsidiary of Crane NXT, Co.;

<b>Currency Division</b>	the Currency business division of the De La Rue Group;
<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>De La Rue</b>	De La Rue plc, a company incorporated in England and Wales with company number 03834125 and having its registered office at De La Rue House, Jays Close, Viables, Basingstoke, Hampshire, RG22 4BS;
<b>De La Rue Board</b>	the board of directors of De La Rue;
<b>De La Rue Directors</b>	the directors of De La Rue from time to time;
<b>De La Rue Group</b>	De La Rue and its subsidiaries and subsidiary undertakings and where the context permits, each of them;
<b>De La Rue Holdings</b>	De La Rue Holdings Limited, a wholly owned subsidiary of De La Rue;
<b>De La Rue Share Plans</b>	each of the De La Rue (1999) Sharesave Scheme, the De La Rue Performance Share Plan (established on 22 July 2010), the De La Rue Performance Share Plan 2020, the De La Rue Deferred Bonus Plan 2020, the De La Rue plc Investor Returns Plan 2023 and the De La Rue Sharesave Plan 2022, in each case operated by De La Rue;
<b>De La Rue Shares</b>	the existing unconditionally allotted or issued and fully paid ordinary shares of £0.448686 each in the capital of De La Rue and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes Effective;
<b>De La Rue Shareholders</b>	the holders of De La Rue Shares;
<b>Deutsche Numis</b>	Numis Securities Limited, a company incorporated in England and Wales with company number 02285918;
<b>Disclosed</b>	(i) matters fairly disclosed in the information made available to Bidco (or Bidco's advisers) in the data room established by De La Rue for the purposes of the Acquisition; (ii) information fairly disclosed in writing by or on behalf of De La Rue 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 De La Rue Group for the financial year ended 30 March 2024; (iv) information included in the half year report for the De La Rue Group for the financial period ended

30 September 2024 (v) information disclosed in a public announcement to a regulatory news service made by De La Rue prior to the date of this Announcement; or (vi) disclosed in this Announcement;

<b>Disclosure Guidance and Transparency Rules</b>	the Disclosure Guidance and Transparency Rules sourcebook issued by the FCA;
<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>DLR DB Pension Scheme</b>	the De La Rue Pension Scheme, a defined benefit pension scheme operated by the Company;
<b>DLR Newco</b>	DLR Newco Limited, a subsidiary of De La Rue Holdings;
<b>De La Rue US</b>	De La Rue North America Holdings Inc.;
<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>Enlarged Group</b>	the combined De La Rue Group and Bidco Group following the Effective Date;
<b>Excluded Shares</b>	any De La Rue Shares: <ul style="list-style-type: none"><li>a) registered in the name of, or beneficially owned by, Bidco, Atlas, any member of the Atlas Group or any other person holding shares in Bidco, Atlas, or their respective nominees (if any); or</li><li>b) any Treasury Shares, at any relevant date or time;</li></ul>
<b>FCA</b>	the UK Financial Conduct Authority or its successor from time to time;

<b>FCA Handbook</b>	the FCA's Handbook of rules and guidance as amended from time to time;
<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 De La Rue Shareholders to be convened in connection with the Scheme;
<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>Inducement Fee Agreement</b>	the inducement fee agreement dated 15 April 2025 made between Bidco and De La Rue relating to the Acquisition;
<b>Investec</b>	Investec Bank plc, a company incorporated in England and Wales with company number 00489604;
<b>ISIN</b>	International Securities Identification Number;
<b>Lazard</b>	Lazard & Co., Limited, a company incorporated in England and Wales with company number 00162175;
<b>London Stock Exchange</b>	London Stock Exchange plc, a company incorporated in England and Wales with company number 02075721;
<b>Long Stop Date</b>	15 September 2025, or such later date (if any) as Bidco and De La Rue may, with the consent of the Takeover Panel, agree and (if required) the Court may allow;
<b>NFDISO Condition</b>	the Condition set out at paragraph 3(b) of Part A of Appendix I;
<b>NSIA Condition</b>	the Condition set out at paragraph 3(a) of Part A of Appendix I;
<b>Offer Period</b>	the period which commenced on 12 December 2024 (being the date of the announcement made by De La Rue pursuant to Rule 2.4 of the

Code regarding a possible offer for De La Rue) 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 of the FCA;
<b>Opening Position Disclosure</b>	has the same meaning as in Rule 8 of the Code;
<b>Overseas Shareholders</b>	De La Rue Shareholders (or nominees of, or custodians or trustees for De La Rue Shareholders) not resident in, or nationals or citizens of, the United Kingdom;
<b>Pension Trustee</b>	De La Rue Pension Trustee Limited, the trustee of the DLR DB Pension Scheme;
<b>Registrar of Companies</b>	the Registrar of Companies of England and Wales;
<b>Regulations</b>	the Uncertificated Securities Regulations 2001 (SI 2001/3755) as amended;
<b>Resolution</b>	the resolution to be proposed by De La Rue 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 De La Rue 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 De La Rue may agree, and, if required, the Court may approve or impose;

<b>Scheme Document</b>	the document to be despatched to (amongst others) De La Rue Shareholders containing, amongst other things, the terms and conditions of the Scheme and 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. (BST) on the Business Day immediately prior to the Effective Date;
<b>Scheme Shareholders</b>	holders of Scheme Shares;
<b>Scheme Shares</b>	<p>all De La Rue Shares:</p> <ul style="list-style-type: none"> <li>(i) in issue at the date of the Scheme Document;</li> <li>(ii) (if any) issued after the date of the Scheme Document and prior to the Voting Record Time; and</li> <li>(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;</li> </ul> <p>and, in each remaining in issue at the Scheme Record Time, but excluding any Excluded Shares;</p>
<b>Substantial Interest</b>	in relation to an undertaking, a direct or indirect interest of more than 30 per cent 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, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of De La Rue 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 De La Rue Shares which are for the time being held by De La Rue as treasury shares (within the meaning of the Companies Act);
<b>UK Listing Rules</b>	the rules and regulations made by the FCA under FSMA, and contained in the publication of the same name, as amended from time to time;
<b>United Kingdom or UK</b>	the United Kingdom of Great Britain and Northern Ireland;
<b>United States or US or USA</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, as amended;
<b>Volume Weighted Average Price</b>	the volume weighted average of the per share trading prices of De La Rue Shares on the London Stock Exchange as reported through Bloomberg;
<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. (BST) 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. (BST) on the second day before the date of such adjourned meeting;
<b>Wider Bidco Group</b>	the Bidco Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Bidco and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent (excluding, for the avoidance of doubt, any member of the Wider Target Group);
<b>Wider Target Group</b>	De La Rue, its subsidiary undertakings, associated undertakings and any other undertaking, body corporate, partnership, joint venture or person in which De La Rue and/or such undertakings (aggregating their interests) have a direct or indirect Substantial Interest or the equivalent; and
<b>£ or pence</b>	pounds sterling or pence, the lawful currency of the UK.

In this Announcement:

- (a) all times referred to are to British Summer Time (BST) 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.

## **SCHEDULE 2**

### **TARGET SHARE PLANS**

Subject to applicable legal and regulatory requirements, Bidco and Target intend that the following arrangements and acknowledgements will, conditional on the Effective Date occurring and the Scheme becoming effective in accordance with its terms, apply in respect of the Target Share Plans and the Target Employees.

In the event the Acquisition is effected by way of an Offer, references to “Court Order”, the date of the Court Sanction and the Effective Date in this Schedule 2 will be read as if they refer to the date on which the Offer becomes or is declared unconditional in all respects.

## **1. GENERAL**

- 1.1 As at the date of this Agreement, options and awards were outstanding under the Target Share Plans over a total of 5,588,579 Target Shares. Target has provided details of all such outstanding options/awards to Bidco.
- 1.2 Target confirms that no additional options or awards have been granted since 30 March 2024. Target confirms that it does not intend to grant further options or awards under the Target Share Plans for a period starting on the date of this Agreement and ending on the earlier of (a) the Long Stop Date and (b) the Effective Date.
- 1.3 The Scheme will apply to any Target Shares which are on the register of members of Target and which are acquired by participants in the Target Share Plans prior to the Scheme Record Time.

## **2. OPERATION OF THE SHARE PLANS BEFORE THE EFFECTIVE DATE**

- 2.1 Subject to paragraph 3 of this Schedule, Bidco acknowledges and agrees that, before the Effective Date, the Target Directors (and, where appropriate, the Target Remuneration Committee) may operate the Target Share Plans as they consider appropriate in accordance with the rules of the relevant plans and Target's normal practice, modified as the Target Remuneration Committee considers appropriate to take account of the Acquisition or any change in regulation and subject to Rule 21.1 of the Code.
- 2.2 For the avoidance of doubt and subject to Rule 21.1 of the Code, this includes: issuing invitations and granting new options/awards in respect of any ordinary annual operation of the Target Share Plans; granting options/awards under the Target Share Plans at other times in respect of recruitment or for retention purposes; determining performance conditions for outstanding options/awards due to vest (including how such performance conditions will be tested shortly before the Court Order); determining the timing and extent to which options/awards under the Target Share Plans will vest in the ordinary course; satisfying the vesting, exercise and release of options/awards under the Target Share Plans (e.g. by issuing new Target Shares or transferring Target Shares from the Employee Trust or settling options/awards in cash); and determining the treatment of awards held by leavers.

## **3. TREATMENT OF SHARE PLANS IN CONNECTION WITH THE ACQUISITION**

### **3.1 General**

#### **3.1.1 Bidco and Target agree:**

- (a) that Target Remuneration Committee will determine that the "Effective Date" is the date of the Court Sanction for the purposes of rule 7 in each of the 2020 PSP and the DBP;
- (b) to cooperate as far as reasonably practicable to ensure that the proposals to participants in the Target Share Plans are formulated with a view to maximising all available tax and social security reliefs for employees and corporation tax relief under Part 12 of the Corporation Taxes Act 2009, provided that nothing will prevent Target Remuneration Committee from determining pursuant to rule 9.4 of the De La Rue plc Sharesave Plan 2022 that arrangements will be put in place to enable the options granted pursuant to the De La Rue plc Sharesave Plan 2022 to be exercised immediately prior to the Court Hearing and conditional on the Effective Date occurring (and Bidco and Target agree that Target Remuneration Committee may make such a decision); and

- (c) that Target Remuneration Committee may determine that time pro-rating for options/awards granted in 2023 pursuant to the 2020 PSP or the IRP may be rounded up to the end of the next vesting tranche so that such options/awards may be time pro-rated to up to approximately two-thirds.
- 3.1.2 If Bidco and Target reasonably consider it appropriate for tax, securities laws, administrative or any other reason, participants in the Target Share Plans may receive a cash sum equal to the net value of their options/awards in satisfaction of their outstanding options/awards (other than in respect of tax-advantaged options/awards).
- 3.1.3 Target confirms that (and Bidco undertakes not to object to or otherwise hinder any actions taken by the Target Remuneration Committee pursuant to the rules of the Target Share Plans to effect the following):
  - (a) all outstanding options/awards granted pursuant to the DBP will vest in full on the date of the Court Sanction conditional on the Effective Date occurring;
  - (b) all outstanding options/awards granted in 2015, 2016 or 2017 pursuant to the 2010 PSP are fully vested and will be automatically exercised on the date of the Court Sanction;
  - (c) outstanding options/awards granted pursuant to the 2020 PSP in 2022 have not met their performance targets and so will lapse on or before the Effective Date;
  - (d) outstanding options/awards granted in 2023 pursuant to either the 2020 PSP or the IRP will vest on the date of the Court Sanction conditional on the Effective Date occurring and subject to the Target Remuneration Committee determining the extent to which their performance conditions have been met and the application of any time pro-rating;
  - (e) tax-advantaged options granted pursuant to part A of the IRP will be permitted to vest in priority to the vesting of any related non-tax advantaged option held by the relevant participant and granted pursuant to part B of the IRP;
  - (f) options granted in 2022 pursuant to the De La Rue plc (1999) Sharesave Scheme matured in March 2025 and may be exercised at any time during the six months following such maturity date to the extent of the relevant participant's savings at the maturity date; and
  - (g) options granted in 2023 or 2024 pursuant to the De La Rue plc Sharesave Plan 2022 will only be exercisable to the extent of the relevant participant's savings at the time of exercise.
- 3.1.4 Subject to this paragraph 3, options may be exercised and awards will vest in accordance with the rules of the Target Share Plans. The Target Remuneration Committee does not intend to exercise any discretion it may have pursuant to the Target Share Plans to extend the vesting period or the exercise period of options/awards in connection with the Acquisition. To the extent that the Target Remuneration Committee exercises any other discretion pursuant to the rules of the Target Share Plans, Bidco undertakes not to object to or otherwise hinder such exercise.
- 3.1.5 Bidco and Target acknowledge and agree that:
  - (a) the Scheme Record Time shall take place after the date of Court Sanction, to allow those participants in Target Share Plans who acquire Target Shares on or before the Scheme Record Time to have those Target Shares acquired by Bidco and dealt with through the Scheme;
  - (b) Target may, subject to prior agreement with Bidco, amend the rules of the Target Share Plans if the Target Directors (or the relevant committee) are of the opinion that such

amendments are necessary or desirable to implement the Scheme or the treatment set out in this Agreement, comply with any local law requirement, to facilitate the administration of the Target Share Plans or to obtain or maintain favourable tax treatment for participants and/or for Target Group, provided that any such amendments are consistent with this Agreement;

- (c) vesting, exercise and settlement under the Target Share Plans, as described in this Schedule 2, will be subject to the deductions for applicable taxes and employee National Insurance and any similar social security deductions or contributions in any relevant jurisdiction, attributable to or arising as a result of the vesting, exercise and settlement of the options/awards;
- (d) each party will co-operate with the other party and use its reasonable endeavours to provide such details in relation to the Target Share Plans as is reasonably required by the other party in order to facilitate the implementation of the arrangements set out in this Schedule 2;
- (e) Target will prepare, in a form to be agreed between Target and Bidco, communications to be sent jointly by Target and Bidco to each of the participants in the Target Share Plans to enable Bidco to satisfy its obligations under Rule 15 of the Code and to send, or arrange for the sending of, such communications to the participants on, or as soon as practicable after, the posting of the Scheme Document (or such later date as may be agreed between the parties with the consent of the Panel) to inform them of the impact of the Scheme on their outstanding options/awards under the Target Share Plans and to give them an opportunity to exercise their options to the extent vested as a result of the Scheme, where and as required under Rule 15 of the Code. Such communication will:
  - (i) propose that:
    - (1) outstanding options granted pursuant to the Executive Share Plans are exercised to the extent vested on the date of the Court Sanction;
    - (2) outstanding options granted pursuant to the Sharesave Plans are exercised immediately prior to the date of the Court Sanction to the extent of the relevant participant's savings at such time; and
    - (3) if participants accept the proposals:
      - i. cashless exercise and sell-to-cover arrangements will be accepted by Target in respect of the relevant options/awards; and
      - ii. participants holding options granted in 2023 or 2024 pursuant to the De La Rue plc Sharesave Plan 2022 will receive a cash compensation payment of an amount that will be no more than the value of the additional Target Shares they could have acquired pursuant to their option if they had continued to make further savings under the De La Rue plc Sharesave Plan 2022 for a period of six months following the date of the Court Sanction less any value of such missed savings; and
  - (ii) include a form enabling participants to provide any instructions, as relevant, during such period as is provided for under the rules of the relevant Target Share Plan and will also include details of the lapse provisions in relation to their options/awards and explain what will happen to any Target Shares that they may receive on the vesting of their awards/exercise of their options in connection with the Acquisition; and

- (f) Target's articles of association will be changed pursuant to a shareholder resolution approved at the General Meeting so that any Target Shares issued after the Scheme Record Time to participants in the Target Share Plans will be automatically transferred to, or to the order of, Bidco in exchange for the same consideration as is due under the Scheme.
- 3.1.6 Bidco acknowledges that, following prior consultation with Bidco and having provided Bidco with reasonable time to review and comment on any draft submission, Target and/or its advisers may make any submission to the Panel which it deems necessary to implement the arrangements referred to in this Schedule 2 and the Parties agree to co-operate as soon as possible and in good faith in the making of any such submission.
- 3.1.7 As at the date of this Agreement, the Employee Trust holds zero Target Shares and no other assets. Bidco and Target agree that options/awards under the Target Share Plans will be satisfied by newly issued Target Shares.
- 3.1.8 Outstanding options under the 2010 PSP, the 2020 PSP and the DBP are nil-cost and so holders of such options will each be paid a grossed-up cash bonus to cover the cost of paying Target the par value for the Target Shares issued to them.