

## **ELECTRONIC TRANSMISSION DISCLAIMER**

### **STRICTLY NOT TO BE FORWARDED TO ANY OTHER PERSONS**

IMPORTANT: You must read the following disclaimer before continuing. This electronic transmission applies to the attached document and you are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the attached combined prospectus and circular (the "Prospectus") relating to SSP Group plc (the "Company") dated 17 March 2021 received by means of electronic communication. In accessing or making any other use of the attached document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

You acknowledge that this electronic transmission and the delivery of the attached document is confidential and intended for you only and you agree you will not forward, reproduce, copy, download or publish this electronic transmission or the attached document to any other person. The Prospectus has been prepared solely in connection with the proposed rights issue (the "Rights Issue") of ordinary shares (the "New Shares") of the Company and the proposed admission of the New Shares (nil paid and fully paid) to the premium listing segment of the Official List of the UK Financial Conduct Authority (the "FCA") and to trading on the London Stock Exchange plc's main market for listed securities ("Admission").

This Prospectus comprises (i) a circular prepared in accordance with the Listing Rules of the FCA made under section 73A of the Financial Services and Markets Act 2000 ("FSMA") and (ii) a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of the FSMA. This Prospectus has been approved by the FCA (as competent authority under Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) (the "Prospectus Regulation") in accordance with section 85 of the FSMA. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation, and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the New Shares.

This Prospectus has been filed with the FCA in accordance with the Prospectus Regulation Rules and will be made available to the public in accordance with Prospectus Regulation Rule 3.2 by the same being made available, free of charge, at <https://investors.foodtravelexperts.com/investors/rights-issue.aspx>, on request and, subject to Coronavirus restrictions, at the Company's registered office at Jamestown Wharf, 32 Jamestown Road, London NW1 7HW, United Kingdom.

THIS ELECTRONIC TRANSMISSION AND THE ATTACHED DOCUMENT MAY ONLY BE DISTRIBUTED, OUTSIDE THE UNITED STATES, IN "OFFSHORE TRANSACTIONS" IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR, WITHIN THE UNITED STATES, TO CERTAIN PERSONS REASONABLY BELIEVED TO BE QUALIFIED INSTITUTIONAL BUYERS ("QIBs") AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A") OR TO OTHER PERSONS, IN OFFERINGS EXEMPT FROM OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT, AND, IN EACH CASE, IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE ATTACHED DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS NOTICE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. NOTHING IN THIS ELECTRONIC TRANSMISSION AND THE ATTACHED DOCUMENT CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO.

THE NIL PAID RIGHTS, THE FULLY PAID RIGHTS, THE NEW SHARES, AND THE PROVISIONAL ALLOTMENT LETTERS HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR UNDER ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED, TAKEN UP, EXERCISED, RESOLD, RENOUNCED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, EXCEPT WITHIN THE UNITED STATES TO A PERSON THAT THE HOLDER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QIB IN ACCORDANCE WITH RULE 144A, OR TO OTHER PERSONS PURSUANT TO AN APPLICABLE EXEMPTION FROM OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, OR OUTSIDE THE UNITED STATES, IN AN OFFSHORE TRANSACTION IN RELIANCE ON REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THERE WILL BE NO PUBLIC OFFER OF THE NIL PAID RIGHTS, THE FULLY PAID RIGHTS OR THE NEW SHARES IN THE UNITED STATES. SUBJECT TO CERTAIN LIMITED EXCEPTIONS, PROVISIONAL ALLOTMENT LETTERS HAVE NOT BEEN, AND WILL NOT BE, SENT TO, AND NIL PAID RIGHTS HAVE NOT BEEN AND WILL NOT BE CREDITED TO THE CREST ACCOUNT OF, ANY QUALIFYING SHAREHOLDER WITH A REGISTERED ADDRESS IN OR THAT IS LOCATED IN THE UNITED STATES.

The distribution of this document or the provisional allotment letters and the transfer of Nil Paid Rights, Fully Paid Rights or New Shares into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain exceptions, this document, the enclosures and any other such documents should not be distributed, forwarded to or transmitted in, and the provisional allotment letters, the Nil Paid Rights, the Fully Paid Rights and the New Shares may not be transferred or sold to, or renounced or delivered in or into the United States, the Commonwealth of Australia, its territories and possessions, Canada, Japan and the Republic of South Africa or any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law. No offer of New Shares is being made by virtue of this document of the provisional allotment letters into the United States, the Commonwealth of Australia, its territories and possessions, Canada, Japan and the Republic of South Africa.

This electronic transmission and the attached document and the Rights Issue when made are only addressed to and directed at persons in member states of the European Economic Area who are “qualified investors” within the meaning of Article 2(e) of the Prospectus Regulation (“Qualified Investors”). This electronic transmission and the attached document must not be acted on or relied on in any member state of the European Economic Area by persons who are not Qualified Investors. Any investment or investment activity to which this document relates is available only, in any member state of the European Economic Area, to Qualified Investors, and will be engaged in only with such persons.

**The making or acceptance of the proposed offer of Nil Paid Rights, Fully Paid Rights and New Shares to persons who have registered addresses outside the United Kingdom, or who are resident in, or citizens of, countries other than the United Kingdom may be affected by the laws of the relevant jurisdiction. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to participate in the Rights Issue.**

It is also the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the UK wishing to take up rights under or otherwise participate in the Rights Issue to satisfy himself, herself or itself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories.

**Confirmation of Your Representation:** This electronic transmission and the attached document is delivered to you on the basis that you are deemed to have represented to the Company and Goldman Sachs International, Barclays Bank PLC, HSBC Bank plc, J.P. Morgan Securities plc (conducting its UK investment banking activities as J.P. Morgan Cazenove), Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., Mizuho International plc and MUFG Securities EMEA plc (together, the “Banks”) that (i) you are (a), if located within the United States, a QIB, in accordance with Rule 144A under the Securities Act, acquiring such securities for its own account or for the account of another QIB, or are a person who the Company has otherwise specifically permitted to access the attached document or (b), if located outside the United States, acquiring such securities in “offshore transactions”, in accordance with Rule 904 of Regulation S under the Securities Act; (ii) if you are in the United Kingdom, you are a relevant person and/or a relevant person who is acting on behalf of relevant persons in the United Kingdom and/or Qualified Investors to the extent you are acting on behalf of persons or entities in the EEA; (iii) if you are in any member state of the European Economic Area, you are a Qualified Investor and/or a Qualified Investor acting on behalf of Qualified Investors to the extent you are acting on behalf of persons or entities in the EEA; (iv) you are an institutional investor that is eligible to receive this document and you consent to delivery by electronic transmission and (v) you are not located in the Commonwealth of Australia, its territories and possessions, Canada, Japan and the Republic of South Africa.

You are reminded that you have received this electronic transmission and the attached document on the basis that you are a person into whose possession this document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this document, electronically or otherwise, to any other person. This document has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Company, the Banks nor any of their respective affiliates, directors, officers, employees or agents accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version. By accessing the attached document, you consent to receiving it in electronic form. Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Banks, nor any of their respective affiliates, directors, officers, employees or advisers accepts any responsibility or liability whatsoever for the contents of the attached document, including its accuracy, completeness or verification and makes no representation or warranty, express or implied, as to the contents of this document or for any statement made or purported to be made by it, or on its behalf, in connection with the Company or the Nil Paid Rights, the Fully Paid Rights or the New Shares. The Banks and each of their respective affiliates, each accordingly disclaims to the fullest extent permitted by law all and any liability whether arising in tort, contract or otherwise which they might otherwise have in respect of such document or any such statement. No representation or warranty express or implied, is made by any of the Banks or any of their respective affiliates as to the accuracy, completeness or sufficiency of the information set out in the attached document.

**Restriction:** Nothing in this electronic transmission constitutes, and may not be used in connection with, an offer of securities for sale to persons other than the specified categories of institutional buyers described above and to whom it is directed and access has been limited so that it shall not constitute a general solicitation. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

The Banks are acting exclusively for the Company and are acting for no one else in connection with the Rights Issue. They will not regard any other person (whether or not a recipient of this document) as their client in relation to the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for giving advice in relation to the Rights Issue or any transaction or arrangement referred to in this document.

You are responsible for protecting against viruses and other destructive items. Your receipt of this document via electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**THIS PROSPECTUS AND ANY ACCOMPANYING DOCUMENTS ARE IMPORTANT AND REQUIRE YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek immediately your own financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser, who is authorised under the Financial Services and Markets Act 2000 if you are resident in the UK or, if not, from another appropriately authorised independent financial adviser.**

This Prospectus comprises: (i) a circular prepared in accordance with the Listing Rules of the Financial Conduct Authority (as competent authority under Regulation (EU) 2017/2019 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) (the “FCA”) made under section 73A of FSMA for the purposes of the General Meeting; and (ii) a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (as competent authority under Regulation (EU) 2017/2019 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) (the “FCA”) made under section 73A of the FSMA. This Prospectus has been approved by the FCA in accordance with section 85 of the FSMA. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018, and such approval should not be considered as an endorsement of the issuer that is, or the quality of the securities that are, the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Shares.

This Prospectus, together with the documents incorporated into it by reference (as set out in Part 17 “*Documentation Incorporated by Reference*” of this Prospectus), has been filed with the FCA in accordance with the Prospectus Regulation Rules and will be made available to the public in accordance with Prospectus Regulation Rule 3.2 by the same being made available, free of charge, at <http://www.foodtravelexperts.com/international>, on request and, subject to Coronavirus restrictions, at the Company’s registered office at Jamestown Wharf, 32 Jamestown Road, London NW1 7HW, United Kingdom.

If you sell or have sold or have otherwise transferred all of your Shares (other than ex-rights) held in certificated form before 8.00 a.m. (London time) on 7 April 2021 (the “**Ex-Rights Date**”) please send this Prospectus, together with any Provisional Allotment Letter, if and when received, at once to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for delivery to the purchaser or transferee except that such documents should not be sent to any jurisdiction where to do so might constitute a violation of local securities laws or regulations, including, but not limited to, the United States or the Commonwealth of Australia, its territories and possessions, Canada, Japan and the Republic of South Africa (together, the “**Excluded Territories**”). If you sell or have sold or have otherwise transferred all or some of your Existing Shares (other than ex-rights) held in uncertificated form before the Ex-Rights Date, a claim transaction will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Existing Shares (other than ex-rights) held in certificated form before the Ex-Rights Date, you should refer to the instruction regarding split applications in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus and in the Provisional Allotment Letter.

The directors of SSP Group plc (the “**Company**”) (the “**Directors**”), whose names appear on page 135 of this Prospectus and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and this Prospectus contains no omission likely to affect its import.

**The distribution of this Prospectus, the Provisional Allotment Letter and the transfer of Nil Paid Rights, Fully Paid Rights and New Shares into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws or regulations of such jurisdictions. In particular, subject to certain exceptions, this Prospectus, the enclosures and the Provisional Allotment Letter and any other such documents should not be distributed, forwarded to or transmitted in or into the United States, any of the Excluded Territories or any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law.**



## SSP Group plc

*(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 5735966)*

**12 for 25 Rights Issue of 258,076,764 New Shares at 184 pence per New Share**

### Notice of General Meeting

*Sponsor and Joint Global Coordinator*

### Goldman Sachs International

*Joint Global Coordinators and Joint Bookrunners*

**Barclays**

**HSBC**

**J.P Morgan Cazenove**

*Joint Bookrunners*

**BNP PARIBAS**

**BofA Securities**

**Mediobanca**

*Co-Lead Managers*

**Mizuho Securities**

**MUFG**

A Notice of General Meeting of the Company, to be held at 32 Jamestown Road, London, NW1 7HW, at 11.00 a.m. on 6 April 2021, is set out at the end of this Prospectus. A Form of Proxy for use in connection with the General Meeting is enclosed with this Prospectus. In light of ongoing restrictions relating to the Coronavirus pandemic, Shareholders will not be permitted to attend, or vote at, the General Meeting in person. Shareholders are therefore asked to submit a proxy form as soon as possible in favour of the Chair of the meeting and in any event so it is received by the Registrar, by post, at Computershare, The Pavilions, Bridgwater Road, Bristol, BS99 6ZY, electronically at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy), by not later than 11.00 a.m. (London time) on 1 April 2021 (or, in the case of an adjournment, not later than 48 hours, excluding non-working days, before the time fixed for the holding of the adjourned meeting). If you hold Existing Shares in CREST, you may appoint a proxy by completing and transmitting a CREST Proxy Instruction to Computershare (CREST Participant 3RA50), so that it is received by no later than 11.00 a.m. (London time) on 1 April 2021.

Your attention is drawn to the letter from the Chair of SSP Group plc which is set out in Part 6 “*Letter from the Chair of SSP Group plc*” of this Prospectus. You should read the whole of this Prospectus and any documents incorporated by reference prior to making any investment decision. Your attention is drawn to Part 1 “*Risk Factors*” of this Prospectus for a discussion of certain factors which should be taken into account when considering the matters referred to in this Prospectus.

The Shares are listed on the premium listing segment of the Official List maintained by the FCA and traded on the main market for listed securities of London Stock Exchange plc (the “**London Stock Exchange**”). Application will be made to the FCA, acting in its capacity as UK Listing Authority, and to the London Stock Exchange for the New Shares to be admitted to the premium listing segment of the Official List of the FCA and to trading on the main market for listed securities of the London Stock Exchange, respectively (together, “**Admission**”). It is expected that Admission will become effective and that dealings on the London Stock Exchange in the New Shares (nil paid) will commence at 8.00 a.m. (London time) on 7 April 2021.

**Your attention is drawn to the section headed “Risk Factors” at the beginning of this Prospectus which sets out certain risks and other factors that should be considered by Shareholders when deciding on what action to take in relation to the Rights Issue, and by others when deciding whether or not to purchase Nil Paid Rights, Fully Paid Rights or New Shares.**

Each of Goldman Sachs International, Barclays Bank PLC, HSBC Bank plc, J.P. Morgan Securities plc (conducting its UK investment banking activities as J.P. Morgan Cazenove), Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., Mizuho International plc and MUFG Securities EMEA plc (together, the “**Underwriters**” or the “**Banks**”), is authorised by the Prudential Regulation Authority (the “**PRA**”) and regulated by the PRA and the FCA in the United Kingdom. The Banks are acting for the Company and are acting for no one else in connection with the Rights Issue and will not regard any other person as a client in relation to the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, nor for providing advice in connection with the Rights Issue or any other matter, transaction or arrangement referred to in this Prospectus. BNP Paribas is authorised and regulated by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution. BNP Paribas London branch is authorised by the Prudential Regulation Authority with deemed permissions under the UK Temporary Permissions Regime. BNP Paribas London branch is subject to regulation by the FCA and limited regulation by the PRA. Details of the Temporary Permissions Regime, which allows EEA-based firms to operate in the UK for a limited period while seeking full authorisation, are available on the FCA’s website

Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Banks accepts any responsibility whatsoever for the contents of this Prospectus, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Nil Paid Rights, the Fully Paid Rights or the New Shares or the Rights Issue, and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. The Banks accordingly disclaim any and all liability whether arising in tort, contract or otherwise which they might otherwise have in respect of this Prospectus or any such statement.

In connection with the withdrawal of the United Kingdom from the European Union, Goldman Sachs International, Barclays Bank PLC, HSBC Bank plc and J.P. Morgan Securities plc (conducting its UK investment banking activities as J.P. Morgan Cazenove), BNP Paribas, Merrill Lynch International, Mediobanca – Banca di Credito Finanziario S.p.A., Mizuho International plc and MUFG Securities EMEA plc may, at their discretion, undertake their obligations in connection with the Rights Issue by any of their affiliates based in the European Economic Area.

Subject to the passing of the Resolutions, it is expected that Qualifying Non-CREST Shareholders will be sent a Provisional Allotment Letter on 6 April 2021, and that Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of the Nil Paid Rights to which they are entitled on 7 April 2021. The Nil Paid Rights so credited are expected to be enabled for settlement by Euroclear as soon as practicable after Admission.

In connection with the Rights Issue, the Underwriters and any of their respective affiliates may take up a portion of the Nil Paid Rights, the Fully Paid Rights and the New Shares in the Rights Issue as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own account in securities of the Company and related or other securities and instruments (including Nil Paid Rights, Fully Paid Rights and New Shares) and may offer or sell such securities otherwise than in connection with the Rights Issue, provided that the Underwriters and their respective affiliates may not engage in short selling for the purpose of hedging their commitments under the Underwriting Agreement (subject to certain exceptions contained in the Underwriting Agreement). Accordingly, references in this Prospectus to Nil Paid Rights, Fully Paid Rights and New Shares being offered or placed should be read as including any offering or placement of Nil Paid Rights, Fully Paid Rights and New Shares to any of the Underwriters or any of their respective affiliates acting in such capacity. In the event that the Underwriters subscribe for New Shares which are not taken up by Qualifying Shareholders, the Underwriters may co-ordinate disposals of such shares in accordance with applicable law and regulation. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of Nil Paid Rights, Fully Paid Rights and New Shares. Except as required by applicable law or regulation, the Underwriters do not propose to make any public disclosure in relation to such transactions.

**The latest time and date for acceptance and payment in full for the New Shares by holders of the Nil Paid Rights is expected to be 11.00 a.m. on 21 April 2021. The procedures for delivery of the Nil Paid Rights, acceptance and payment are set out in Part 8 “Terms and Conditions of the Rights Issue” of this Prospectus and, for Qualifying Non-CREST Shareholders only, also in the Provisional Allotment Letter. Qualifying CREST Shareholders should refer to Part 8 “Terms and Conditions of the Rights Issue” of this Prospectus.**

This Prospectus does not constitute an offer of Nil Paid Rights, Fully Paid Rights or New Shares to any person with a registered address, or who is located, in the United States or the Excluded Territories or in any other jurisdiction in which such an offer or solicitation is unlawful. The Nil Paid Rights, the Fully Paid Rights, the New Shares and the Provisional Allotment Letters have not been and will not be registered or qualified for distribution to the public under the relevant laws of any state, province or territory of the United States or any Excluded Territory and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States or any Excluded Territory except pursuant to an applicable exemption.

The Joint Bookrunners may arrange for the offer of the New Shares in the United States to persons reasonably believed to be “qualified institutional buyers”, as defined in Rule 144A under the United States Securities Act of 1933, as amended (the “**Securities Act**”) (“**QIBs**”), in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A or another exemption from the registration requirements of the Securities Act. The New Shares, the Nil Paid Rights and the Fully Paid Rights offered outside the United States are being offered in reliance on Regulation S under the Securities Act (“**Regulation S**”). In addition, until 40 days after the commencement of the Rights Issue, an offer, sale or transfer of the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters or the New Shares within the United States by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act.

All Shareholders and any person (including, without limitation, a nominee or trustee) who has a contractual or legal obligation to forward this Prospectus or any Provisional Allotment Letter, if and when received, or other document to a jurisdiction outside the UK should read the information set out in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

#### **Notice to all investors**

Any reproduction or distribution of this Prospectus, in whole or in part, and any disclosure of its contents or use of any information contained in this Prospectus for any purpose other than considering an investment in the Nil Paid Rights, the Fully Paid Rights or the New Shares is prohibited. By accepting delivery of this Prospectus, each offeree of the Nil Paid Rights, the Fully Paid Rights and/or the New Shares agrees to the foregoing.

The Nil Paid Rights, the Fully Paid Rights, the New Shares and the Provisional Allotment Letters have not been and will not be registered under the Securities Act, or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the Nil Paid Rights, the Fully Paid Rights or the New Shares in the United States.

**The Nil Paid Rights, the Fully Paid Rights, the New Shares and the Provisional Allotment Letters have not been approved or disapproved by the United States Securities and Exchange Commission, any state’s securities commission in the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Nil Paid Rights, the Fully Paid Rights or the New Shares or the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence in the United States.**

The Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letters and the New Shares will not be registered or qualified for distribution to the public under the securities laws of any Excluded Territory and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within such jurisdictions except pursuant to an applicable exemption from, and in compliance with, any applicable securities laws. There will be no public offer in any of the Excluded Territories or in any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law.

The Nil Paid Rights, Fully Paid Rights and New Shares may not be offered or sold in Hong Kong, by means of any document, other than (i) to “professional investors” as defined in the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) of Hong Kong (the “**SFO**”) and any rules made under the SFO; or (ii) in other circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong) of Hong Kong (the “**C(WUMP)O**”) or an invitation to induce an offer by the public to subscribe for or purchase any shares and which do not result in this Prospectus or the Provisional Allotment Letter being a “prospectus” as defined in the C(WUMP)O. No advertisement, invitation or document relating to the Nil Paid Rights, Fully Paid Rights, New Shares, the Provisional Allotment Letters or this Prospectus may be issued or may be in the possession of any person for the purpose of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the C(WUMP)O and the SFO) other than with respect to the Nil Paid Rights, Fully Paid Rights and New Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO or in other circumstances which do not constitute an offer or invitation to the public within the meaning of the C(WUMP)O. The contents of this Prospectus and the Provisional Allotment Letter have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Prospectus or the Provisional Allotment Letter, you should obtain independent professional advice.

The distribution of this Prospectus and/or the Provisional Allotment Letters and/or the transfer of the Nil Paid Rights, the Fully Paid Rights and/or the New Shares into jurisdictions other than the United Kingdom may be restricted by law. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. In particular, subject to certain very limited exceptions, such documents should not be distributed, forwarded to or transmitted in or into the United States or the Excluded Territories. The Nil Paid Rights, the Fully

Paid Rights, the New Shares and the Provisional Allotment Letters are not transferable, except in accordance with, and the distribution of this Prospectus is subject to, the restrictions set out in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus. No action has been taken by the Company or by the Underwriters that would permit an offer of the New Shares or rights thereto or possession or distribution of this Prospectus or any other offering or publicity material or the Provisional Allotment Letters, the Nil Paid Rights, or the Fully Paid Rights in any jurisdiction where action for that purpose is required, other than in the UK.

No person has been authorised to give any information or make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by the Company or by the Underwriters. Neither the delivery of this Prospectus nor any acquisition or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this Prospectus or that the information in this Prospectus is correct as at any time subsequent to its date.

Unless explicitly incorporated by reference herein, the contents of the websites of the Group do not form part of this Prospectus.

Capitalised terms have the meanings ascribed to them, and certain technical terms are explained, in Part 18 “*Definitions and Glossary*” of this Prospectus.

### **Notice to Distributors**

Solely for the purposes of the product governance requirements of Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the UK MiFIR Product Governance Requirements) may otherwise have with respect thereto, the Nil Paid Rights, the Fully Paid Rights and the New Shares have been subject to a product approval process, which has determined that they each are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in paragraphs 3.5 and 3.6 of the FCA Handbook Conduct of Business Sourcebook; and (ii) eligible for distribution through all permitted distribution channels (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Nil Paid Rights, the Fully Paid Rights and/or the New Shares may decline and investors could lose all or part of their investment; the Nil Paid Rights, the Fully Paid Rights and the New Shares offer no guaranteed income and no capital protection; and an investment in the Nil Paid Rights, the Fully Paid Rights and/or the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapters 9A or 10A respectively of the FCA Handbook Conduct of Business Sourcebook; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Nil Paid Rights, the Fully Paid Rights and/or the New Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Nil Paid Rights, the Fully Paid Rights and/or the New Shares and determining appropriate distribution channels.

This Prospectus is dated 17 March 2021.

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## SUMMARY

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### SECTION A—INTRODUCTION AND WARNINGS

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#### A.1.1 *Name and international securities identifier number (ISIN) of the securities*

Ordinary shares: ISIN code GB00BGBN7C04

Nil Paid Rights: ISIN code GB00BNKBD935

Fully Paid Rights: ISIN code GB00BNKBDB53

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#### A.1.2 *Identity and contact details of the issuer, including its Legal Entity Identifier (LEI)*

The legal name of the Company is SSP Group plc (the “**Company**” and together with its subsidiary undertakings, the “**Group**”). The Company’s registered address is Jamestown Wharf, 32 Jamestown Road, London NW1 7HW, United Kingdom, and its telephone number is +44 (0)20 7543 3300. The Company’s legal entity identifier is 213800QGNIWTFMENJ24.

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#### A.1.3 *Identity and contact details of the competent authority approving the prospectus*

This Prospectus has been approved by the FCA, as competent authority, with its head office at 12 Endeavour Square, London, E20 1JN, United Kingdom, and telephone number: +44 (0)20 7066 1000, in accordance with Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018.

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#### A.1.4 *Date of approval of the prospectus*

This Prospectus was approved by the FCA on 17 March 2021.

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#### A.1.5 *Warning*

This summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018 and should be read as an introduction to this prospectus (the “**Prospectus**”). Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. Any investor could lose all or part of their invested capital and, where any investor’s liability is not limited to the amount of the investment, it could lose more than the invested capital. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or where it does not provide, when read together with the other parts of this Prospectus, key information in order to aid investors when considering whether to invest in the Shares.

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### SECTION B—KEY INFORMATION ON THE ISSUER

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#### B.1 *Who is the issuer of the securities?*

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##### B.1.1 *Domicile, legal form, jurisdiction of incorporation, country of operation and legal entity identifier*

The Company was incorporated and registered in England and Wales under the Companies Act 1985 as a private company limited by shares and under the name HACKREMCO (NO. 2347) LIMITED on 9 March 2006 with registered number 5735966. On 5 April 2006, the Company was renamed Sapling Holdco 1 Limited and, on 16 October 2006, the Company was renamed SSP Group Limited. The Company was re-registered as a public company limited by shares and renamed SSP Group plc on 4 July 2014 with its registered office situated in England and Wales. Its LEI number is 213800QGNIWTFMENJ24.

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##### B.1.2 *Principal activities*

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The Group operates a range of food and beverage units, including coffee shops, sandwich bars, takeaway restaurants, bars, bakeries, casual and fine-dining restaurants and convenience retail units primarily in airports and railway stations, under a broad range of brands across 35 countries in the United Kingdom, Europe, North America, India, Asia Pacific, the Middle East and South America.

The Group operates over 550 brand offerings from well-known “grab & go” sandwich shops and cafés to bespoke high end bars and restaurants. The Group’s offering includes (i) international partner



brands, (ii) local hero partner brands, (iii) proprietary brands developed by the Group and (iv) bespoke concepts created in collaboration with clients, brand owners and leading chefs.

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### B.1.3 *Major Shareholders*

In so far as is known to the Company, the name of each person who, directly or indirectly, has an interest in 3.0% or more of the Company's issued share capital, and the amount of such person's interest, as at 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus, the "**Latest Practicable Date**") are as follows (each a "**Major Shareholder**" and together the "**Major Shareholders**"):

| Name   | Shares             |                  |
|--|--------------------|------------------|
|  | No. <sup>(1)</sup> | % <sup>(2)</sup> |
| APG Asset Management Limited .....   | 49,743,251         | 9.25%            |
| BlackRock, Inc. ....   | 41,105,622         | 7.65%            |
| Parvus Asset Management Europe Limited .....   | 26,643,375         | 4.96%            |
| Marathon Asset Management LLP .....  | 24,167,130         | 4.49%            |
| Schroders plc .....  | 23,720,071         | 4.41%            |
| Artemis Investments Management LLP .....   | 22,621,923         | 4.21%            |
| JP Morgan Asset Management (UK) Limited and JP Morgan<br>Investment Management Inc ..... | 17,000,000         | 3.16%            |

<sup>(1)</sup> *Voting rights notified as at date of disclosure.*

<sup>(2)</sup> *The per cent. of the Company's voting rights has been updated from the TR-1 previously submitted to the Company to reflect the latest share capital number, in particular, after the placing in 2020 and share consolidation in 2018 and 2019.*

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### B.1.4 *Key managing directors*

Simon Smith is the Company's Chief Executive Officer and Jonathan Davies is the Company's Chief Financial Officer.

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### B.1.5 *Identity of the statutory auditors*

KPMG LLP, with its address at 15 Canada Square, London E14 5GL, United Kingdom, is the statutory auditor to the Company. The financial information for the Group as of and for each of the years ended 30 September 2018, 2019 and 2020, incorporated by reference in this Prospectus, was audited by KPMG LLP.

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### B.2 *What is the key financial information regarding the issuer?*

The tables below set out the Group's summary financial information for the periods indicated.

The consolidated summary financial information for the Group for the years ended 30 September 2020, 2019 and 2018 has been extracted without material adjustment from the Company's Annual Reports for the years ended 30 September 2020, 2019 and 2018, respectively. The consolidated summary unaudited financial information for the Group for the three-month periods ended 31 December 2020 and 2019 has been extracted from the unaudited interim financial statements included in this Prospectus.

## Consolidated income statement information

|   | Three-months ended<br>31 December |                     | Year ended 30 September |                     |                     |
|---|-----------------------------------|---------------------|-------------------------|---------------------|---------------------|
|   | 2020 <sup>(1)</sup>               | 2019 <sup>(1)</sup> | 2020 <sup>(1)</sup>     | 2019 <sup>(2)</sup> | 2018 <sup>(2)</sup> |
|   | <i>(unaudited)</i>                |                     | <i>(£ millions)</i>     |                     |                     |
| Revenue                                 | 142.7                             | 693.3               | 1,433.1                 | 2,794.6             | 2,564.9             |
| Operating costs                         | (277.5)                           | (665.2)             | (1,797.0)               | (2,575.4)           | (2,371.6)           |
| <b>Operating profit / (loss)</b>        | <b>(134.8)</b>                    | <b>28.1</b>         | <b>(363.9)</b>          | <b>219.2</b>        | <b>193.3</b>        |
| Share of profit / (loss) of associates  | 0.5                               | (0.6)               | (2.4)                   | 4.1                 | 4.8                 |
| Finance income                          | 0.4                               | 0.6                 | 2.5                     | 2.3                 | 2.8                 |
| Finance expense                         | (44.9)                            | (14.7)              | (62.0)                  | (28.4)              | (18.0)              |
| <b>Profit / (loss) before tax</b>       | <b>(178.8)</b>                    | <b>13.4</b>         | <b>(425.8)</b>          | <b>197.2</b>        | <b>182.9</b>        |
| Taxation                                | 18.5                              | (1.6)               | 28.1                    | (43.7)              | (40.2)              |
| <b>Profit / (loss) for the period</b>   | <b>(160.3)</b>                    | <b>11.8</b>         | <b>(397.7)</b>          | <b>153.5</b>        | <b>142.7</b>        |
| <b>Profit / (loss) attributable to:</b> |                                   |                     |                         |                     |                     |
| Equity holders of the parent            | (155.2)                           | 10.9                | (375.0)                 | 126.9               | 117.2               |
| Non-controlling interests               | (5.1)                             | 0.9                 | (22.7)                  | 26.6                | 25.5                |
| <b>Profit / (loss) for the period</b>   | <b>(160.3)</b>                    | <b>11.8</b>         | <b>(397.7)</b>          | <b>153.5</b>        | <b>142.7</b>        |
| Earnings per share (pence):             |                                   |                     |                         |                     |                     |
| Basic                                   | (28.9)                            | 2.4                 | (76.1)                  | 28.1                | 24.9                |
| Diluted                                 | (28.9)                            | 2.4                 | (76.1)                  | 27.7                | 24.5                |

### Notes:

- (1) Prepared in accordance with IFRS 16.  
(2) Prepared in accordance with IAS 17.

## Consolidated balance sheet information

|                          | As at<br>31 December | As at 30 September  |                     |                     |
|--------------------------|----------------------|---------------------|---------------------|---------------------|
|                          | 2020 <sup>(1)</sup>  | 2020 <sup>(1)</sup> | 2019 <sup>(2)</sup> | 2018 <sup>(2)</sup> |
|                          | <i>(unaudited)</i>   | <i>(£ millions)</i> |                     |                     |
| Non-current assets       | 2,435.0              | 2,575.4             | 1,313.4             | 1,191.2             |
| Current assets           | 295.3                | 343.9               | 478.2               | 362.9               |
| <b>Total assets</b>      | <b>2,730.3</b>       | <b>2,919.3</b>      | <b>1,791.6</b>      | <b>1,554.1</b>      |
| Current liabilities      | (884.9)              | (879.5)             | (716.2)             | (580.6)             |
| Non-current liabilities  | (1,803.3)            | (1,837.8)           | (659.8)             | (515.2)             |
| <b>Total liabilities</b> | <b>(2,688.2)</b>     | <b>(2,717.3)</b>    | <b>(1,376.0)</b>    | <b>(1,095.8)</b>    |
| <b>Net assets</b>        | <b>42.1</b>          | <b>202.0</b>        | <b>415.6</b>        | <b>458.3</b>        |
| <b>Total equity</b>      | <b>42.1</b>          | <b>202.0</b>        | <b>415.6</b>        | <b>458.3</b>        |

### Notes:

- (1) Prepared in accordance with IFRS 16.  
(2) Prepared in accordance with IAS 17.

## Consolidated cash flow statement information

|  | Three-months ended<br>31 December |                     | Year ended 30 September |                     |                     |
|--|-----------------------------------|---------------------|-------------------------|---------------------|---------------------|
|  | 2020 <sup>(1)</sup>               | 2019 <sup>(1)</sup> | 2020 <sup>(1)</sup>     | 2019 <sup>(2)</sup> | 2018 <sup>(2)</sup> |
|  | <i>(unaudited)</i>                |                     | <i>(£ millions)</i>     |                     |                     |
| Net cash flows from operating activities             | (17.6)                            | 39.4                | 2.4                     | 301.2               | 272.9               |
| Net cash flows from investing activities             | (12.1)                            | (57.3)              | (153.1)                 | (192.8)             | (172.4)             |
| Net cash flows from financing activities             | 4.5                               | 1.8                 | 107.6                   | (26.6)              | (130.7)             |
| Net increase/(decrease) in cash and cash equivalents | (25.2)                            | (16.1)              | (43.1)                  | 81.8                | (30.2)              |
| Cash and cash equivalents at end of the period       | 155.0                             | 210.1               | 185.0                   | 233.3               | 147.8               |
| <b>Increase in net debt in the period</b>            | <b>(13.2)</b>                     | <b>(1,519.8)</b>    | <b>(1,557.2)</b>        | <b>(148.7)</b>      | <b>(72.5)</b>       |
| <b>Net debt at beginning of the period</b>           | <b>(2,040.6)</b>                  | <b>(483.4)</b>      | <b>(483.4)</b>          | <b>(334.7)</b>      | <b>(262.2)</b>      |
| <b>Net debt at end of the period<sup>(3)</sup></b>   | <b>(2,053.8)</b>                  | <b>(2,003.2)</b>    | <b>(2,040.6)</b>        | <b>(483.4)</b>      | <b>(334.7)</b>      |

### Notes:

- Prepared in accordance with IFRS 16.
- Prepared in accordance with IAS 17.
- Net debt for the year ended 30 September 2020 increased by £1,557.2 million to £2,040.6 million, of which £1,349.3 million was due to the adoption of IFRS 16 and recognising lease liabilities within net debt. Net debt for the period ended 31 December 2019 increased by £1,519.8 million, of which £1,431.7 million was due to the adoption of IFRS 16.

## Pro forma financial information

The unaudited pro forma financial information set out below has been prepared to illustrate the effect of the Rights Issue on the consolidated statement of net assets of the Group as at 31 December 2020.

### Selected unaudited pro forma net assets statement

|                          | Adjustments  |   | Pro forma net assets of the Group at 31 December 2020 <sup>(3)</sup> |
|--------------------------|--|---|--|
|                          | Net assets of the Group at 31 December 2020 <sup>(1)</sup> | Net Proceeds from the Rights Issue <sup>(2)</sup> |  |
|                          | <i>(£ millions)</i>  |   |  |
| Non-current assets       | 2,435.0  | -   | 2,435.0  |
| Current assets           | 295.3  | 456.1   | 751.4  |
| <b>Total assets</b>      | <b>2,730.3</b>   | <b>456.1</b>                                      | <b>3,186.4</b>   |
| Current liabilities      | (884.9)  | -   | (884.9)  |
| Non-current liabilities  | (1,803.3)  | -   | (1,803.3)  |
| <b>Total liabilities</b> | <b>(2,688.2)</b>   | <b>-</b>  | <b>(2,688.2)</b>   |
| <b>Net assets</b>        | <b>42.1</b>  | <b>456.1</b>                                      | <b>498.2</b>   |

### Notes:

- The net assets of the Group as at 31 December 2020 have been extracted without material adjustment from the unaudited financial information for the Group for the three-month period ended 31 December 2020.
- The adjustment in Note 2 reflects the net proceeds of the Rights Issue receivable by the Company of £456.1 million (being gross proceeds of £474.9 million less fees and expenses relating to the Rights Issue of £18.8 million).
- No adjustment has been made to reflect the trading results of the Group since 31 December 2020 or any other change in its financial position in this period.

## B.3 What are the key risks that are specific to the issuer?

- Liquidity and funding:** The Group has significant borrowings and liabilities, the amount and terms of which may limit its financial and operational flexibility or give rise to an event of default.
- Impact of Coronavirus:** The Coronavirus pandemic has had and is likely to continue to have a material adverse effect on the Group, as would ongoing Coronavirus infections, the emergence of any new variants of the Coronavirus or the emergence of any subsequent pandemic, the ultimate

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impact of which is dependent on the duration and extent of the pandemic and therefore not yet known.

- **Economic conditions:** Economic conditions and other contributors to disposable income in the countries in which the Group operates and globally may impact the Group's business adversely.
- **Retention of existing contracts:** The Group's operations could be materially adversely affected by the termination of, or increased costs associated with, its contractual agreements, and the Group may not be able to obtain/renew new concessions or realise expected returns on its concessions.
- **Impact of Brexit:** The Group is subject to risks in relation to the United Kingdom's exit from the European Union.
- **Senior management capability and retention:** The Group is dependent on senior management and other qualified personnel and the inability to attract, integrate, motivate and retain such management or personnel could have a material adverse effect on the Group's business.
- **Regulatory, food safety and product compliance:** The Group is subject to extensive regulation and may be affected by changes to governmental regulations, particularly relating to food health and safety and environmental matters, that could require it to modify its current business practices, incur increased costs and subject it to potential liabilities.
- **Labour laws and unionsation:** Changes in labour conditions and increases in labour costs, including increases to the minimum wage in the markets in which the Group operates, may adversely impact the Group's business, financial condition, results of operations and prospects.
- **Information security and stability:** The Group depends on its information technology systems and any breakdown, failure or data security breach in the Group's information technology systems could result in a disruption in the Group's business and could have a material adverse effect on its results of operations.
- **Benefits realisation from efficiency programmes:** The Group is regularly seeking to implement new programmes to improve efficiency. If these programmes cannot be implemented, or the Group is unable to realise the anticipated efficiency benefits of these programmes, the Group's business, financial condition and results of operations could be adversely affected.
- **Changing customer behaviours:** The travel food and beverage market is competitive, and if the Group is not successful in anticipating and responding to changes in customer preferences, due to the Coronavirus pandemic, climate change or other factors, in a timely and cost-effective manner, its financial performance and prospects could be materially adversely affected.

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## SECTION C—KEY INFORMATION ON THE SECURITIES

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### C.1 *What are the main features of the securities?*

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#### C.1.1 *Type, class and ISIN*

Pursuant to the Rights Issue, the Company will issue 258,076,764 new ordinary shares of 1<sup>17/200</sup> pence each in the capital of the Company (the “**New Shares**”). Each New Share is expected to be issued at a premium of 182.92 pence to its nominal value of 1<sup>17/200</sup> pence. The Rights Issue will be made on the basis of 12 New Shares for every 25 existing ordinary shares in the Company (the “**Existing Shares**”).

When admitted to trading, the New Shares will be registered with ISIN number GB00BGBN7C01 and SEDOL number BGBN7C0 and trade under the symbol “SSPG”. The ISIN number for the Nil Paid Rights will be GB00BNKBD935 and the ISIN number for the Fully Paid Rights will be GB00BNKDB53.

#### C.1.2 *Currency, denomination, par value, number of securities issued and duration*

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The currency of the issue is United Kingdom pounds sterling.

On 16 March 2021 (being the last practicable date prior to the publication of this Prospectus), the share capital of the Company (excluding treasury shares) comprised of 537,659,932 Existing Shares of 1<sup>17/200</sup> pence each, all of which were fully paid or credited as fully paid. The issued and fully paid share capital (excluding treasury shares) of the Company immediately following completion of the Rights Issue is expected to be 795,736,696 Shares of 1<sup>17/200</sup> pence each.

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C.1.3 *Rights attached to the Shares*

The New Shares will, when issued and fully paid, rank equally in all respects with the Existing Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Shares.

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C.1.4 *Rank of securities in the issuer's capital structure in the event of insolvency*

The Shares do not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the Companies Act. The New Shares and the Existing Shares will rank *pari passu* in all respects.

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C.1.5 *Restrictions on the free transferability of the securities*

There are no restrictions on the free transferability of the Shares.

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C.1.6 *Dividend policy and payments to shareholders*

Under the terms of the Group's Amended Facilities, the Company is currently restricted from declaring or paying dividends until the expiry of certain restrictions that apply during the covenant waiver and amendment period.

When these restrictions are lifted and conditions improve, the Board will consider the best way to restart the return of capital to shareholders and recognise the importance of dividends and capital returns to shareholders.

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C.2 *Where will the securities be traded?*

Applications will be made to the FCA for the New Shares (nil paid and fully paid) to be admitted to the premium listing segment of the Official List of the FCA and to the London Stock Exchange for such Shares to be admitted to trading on the London Stock Exchange's main market for listed securities.

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C.3 *What are the key risks that are specific to the securities?*

- The value of an investment in the Nil Paid Rights, Fully Paid Rights or the New Shares may go down as well as up and any fluctuations may be material.
  - An active trading market for the Nil Paid Rights may not develop.
  - The market price for the Shares may decline below the Rights Issue Price.
  - Shareholders who do not (or are not permitted to) acquire New Shares in the Rights Issue will experience dilution in their ownership of the Company.
- 

**SECTION D—KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET**

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D.1 *Under which conditions and timetable can I invest in this security?*

It is expected that Admission of the New Shares (nil paid) will become effective on 7 April 2021 and that dealings in New Shares will commence, nil paid, as soon as practicable after 8.00 a.m. on that date.

The Company proposes to issue 258,076,764 New Shares in connection with the Rights Issue. Pursuant to the Rights Issue, New Shares will be offered by way of rights to Qualifying Shareholders on the terms and conditions set out in this Prospectus and, in the case of Qualifying Non-CREST Shareholders only, the Provisional Allotment Letter. The offer is to be made at 184 pence per New Share, payable in full on acceptance by no later than 11.00 a.m. on 21 April 2021. The Rights Issue Price represents a discount of 46.8% to the closing price of 345.8 pence per Share on 16 March 2021 (being the last Business Day before the publication of this Prospectus), and a discount of 37.3% to the theoretical ex-rights price of 293.3 pence per Share by reference to the closing price on the same basis.

The Rights Issue will be made on the basis of 12 New Shares at 184 pence per New Share for every 25 Existing Shares held on the Record Date (and so in proportion for any other number of Existing Shares then held) and otherwise on the terms and conditions as set out in this Prospectus and, in the case of Qualifying Non-CREST Shareholders, also in the Provisional Allotment Letters.

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D.2 ***Dilution***

If a Qualifying Shareholder does not take up any of his or her Rights to subscribe for New Shares, such Qualifying Shareholder's holding, as a percentage of the enlarged issued share capital of the Company, will be diluted by 32.4% as a result of the Rights Issue.

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D.3 ***Costs and expenses***

The total estimated costs and expenses of the Rights Issue payable by the Company are approximately £18.8 million. Shareholders will not be charged expenses by the Company in respect of the Rights Issue.

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D.4 ***Why is this Prospectus being produced?***

The Company proposes to issue 258,076,764 New Shares in connection with the Rights Issue.

Through the issue of the New Shares, the Company expects to raise gross proceeds of £474.9 million. The aggregate expenses of, or incidental to, the Rights Issue to be borne by the Company are estimated to be approximately £18.8 million, which the Company intends to pay out of the proceeds of the Rights Issue.

The net proceeds of the Rights Issue are expected to be initially retained in the Group's cash balances, decreasing the Group's net debt by £456.1 million.

The Company intends to use the net proceeds of the Rights Issue to (i) cover the Group's liquidity headroom under the reasonable worst case scenario; (ii) facilitate extensions of the Group's bank facilities and secure covenant waivers; and (iii) reduce leverage and increase capacity for investment as the Coronavirus pandemic recedes.

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## PART 1 RISK FACTORS

*The Rights Issue and any investment in the New Shares, the Nil Paid Rights and/or the Fully Paid Rights are subject to a number of risks. Accordingly, Shareholders and prospective investors should carefully consider the factors and risks associated with any investment in the New Shares, the Nil Paid Rights and/or the Fully Paid Rights, the Group's business and the industry in which it operates, together with all other information contained in this Prospectus and all of the information incorporated by reference into this Prospectus, including, in particular, the risk factors described below, and their personal circumstances prior to making any investment decision. Some of the following factors relate principally to the Group's businesses. Other factors relate principally to the Rights Issue and an investment in the New Shares, the Nil Paid Rights and/or the Fully Paid Rights. The Group's businesses, operating results, financial condition and prospects could be materially and adversely affected by any of the risks described below. In such case, the market price of the Nil Paid Rights, the Fully Paid Rights and/or New Shares may decline, and investors may lose all or part of their investment.*

*Prospective investors should note that the risks relating to the Group, its industry and the New Shares, the Nil Paid Rights and/or the Fully Paid Rights summarised in the section of this Prospectus headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the New Shares, the Nil Paid Rights and/or the Fully Paid Rights. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Prospectus headed "Summary" but also, among other things, the risks and uncertainties described below.*

*The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the New Shares, the Nil Paid Rights and/or the Fully Paid Rights and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to the Group, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, prospects, operating results and financial position and, if any such risk should occur, the price of the New Shares, the Nil Paid Rights and/or the Fully Paid Rights may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the New Shares, the Nil Paid Rights and/or the Fully Paid Rights is suitable for them in the light of the information in this Prospectus and their personal circumstances.*

### **Risks relating to the Group's business, operations and strategy**

1. ***The Group has significant borrowings and liabilities, the amount and terms of which may limit its financial and operational flexibility or give rise to an event of default.***

As at 12 March 2021, the Group had £1,058.2 million sterling equivalent in borrowings outstanding under its borrowing arrangements, including (i) US private placement notes of £321.7 million sterling equivalent with maturities between October 2025 and July 2031 (the "**US Notes**") and (ii) a facilities agreement with a maturity of 15 July 2022 (the "**Facilities Agreement**") comprising (a) two term facilities of £109.3 million and £263.5 million, both of which are fully drawn and a (b) syndicated bank revolving credit facility of £150 million, which is currently unutilised (collectively, the "**Existing Facilities**"). The Group has also secured access to the UK Covid Corporate Financing Facility ("**CCFF**"), a joint Bank of England and HM Treasury lending facility under which it had drawn £300 million as at the date of this Prospectus available until February 2022 along with access to a number of smaller local facilities amounting to £58.8 million as at 12 March 2021, the majority of which are government backed. Following amendments to the Existing Facilities in June and December 2020, the Group is currently subject to covenants that require the Group to satisfy a 6-month interest cover ratio test and a minimum consolidated Adjusted EBITDA (defined as earnings before interest, taxes, depreciation, and amortisation subject to certain agreed adjustments including alignment to accounting standards and items which are not considered reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence, "**Adjusted EBITDA**") test for 30 September 2021 and 31 December 2021 ("**6-month covenant tests**") as well as monthly tests for minimum liquidity (defined as cash and, subject to certain exceptions, undrawn amounts on the Group's Existing Facilities, the local facilities described above and the CCFF facility amount, whether drawn or not, "**liquidity**") and maximum total net debt (defined as borrowings, net of cash and restructuring costs incurred prior to 31 December 2020 and excluding lease liabilities, "**Adjusted Net Debt**").

In light of the risks associated with the Group's reasonable worst case scenario modelling, as described further below, on 12 March 2021 the Group agreed, subject to and conditional upon the Rights Issue, amendments to its Existing Facilities whereby the 6-month covenant tests were removed, the original leverage and interest cover

covenants tests (“**original covenants**”) were further waived or amended up to and including the testing period ending on 31 March 2023 (in respect of the interest cover test) and 30 September 2023 (in respect of the leverage test) and the monthly liquidity and Adjusted Net Debt covenant tests were amended and extended until such time as the Group shows compliance with the original covenants as at the March 2024 testing date. In addition, the Group agreed to extend the maturity of the Facilities Agreement to 15 January 2024, subject to and conditional upon completion of the Rights Issue (the Existing Facilities, as so amended, being the “**Amended Facilities**”).

Because the covenant and other amendments granted by the noteholders and lenders under the Existing Facilities and the extension of the Facilities Agreement are conditional upon completion of the Rights Issue, the Directors have concluded, for the reasons described below, that it is in the Group’s best interest to proceed with the Rights Issue. There are risks, however, that may prevent the Rights Issue proceeding in line with the expected timetable or at all. There is a risk that insufficient Shareholders will vote in favour of the Resolutions to enable the Rights Issue to occur.

Under the Group’s reasonable worst case scenario, in the event the Rights Issue does not complete and the amendments to the Existing Facilities do not become effective, the Group has concluded that the Group may breach its maximum Adjusted Net Debt covenant at the 30 June 2021 test date, which would, absent the further measures described below being successful, entitle the noteholders and lenders under the Group’s Existing Facilities, and Covid Corporate Financing Facility Limited under the Group’s borrowings under the CCFF, upon notice being given by the Group of such breach, to demand immediate repayment of the amounts outstanding on such date (including any make-whole payments for the noteholders, which would be expected to be material, but can only be accurately calculated at the time of any default) and immediate cancellation of any undrawn amounts on such date. Under such a reasonable worst case scenario, if such a demand were to be made, and without further action on the Group’s part to obtain amendments from its lenders and/or to secure new debt or equity financing, the Directors do not believe the Group would have sufficient cash balances to repay such amounts, in which case Shareholders could lose all or part of the value of their investment in the Company. In addition, under the reasonable worst case scenario, even absent the potential covenant breaches, the Group would face significant liquidity constraints in February 2022 when the Group’s borrowings under the CCFF (£300 million as at the date of this Prospectus) become due and in July 2022 when the amounts then outstanding under Group’s Facilities Agreement (£372.8 million as at 12 March 2021) become due.

If the Group determines that a covenant breach was likely to occur, the Group would seek to renegotiate the terms of its Existing Facilities and/or secure new financing from other lenders; however, the Group does not expect to be able to obtain such amendments to the Group’s Existing Facilities or secure such new financing prior to the relevant test date on 30 June 2021. Even if such attempts were successful, they would likely only come with significant cost to the Group in the form of additional fees payable, including make-whole payments for refinanced indebtedness, amendment fees, increased interest payments or additional restrictions on its business, which could hinder the Group’s ability to execute its recovery strategy (including by reducing the Group’s ability to negotiate with its landlords), and significantly constrain future growth. The Group would also consider other equity raising options, including on a non-preemptive basis, which would result in the dilution of non-participating shareholders’ interests and would not alone be sufficient to address the Group’s liquidity requirements in February and July 2022 under the reasonable worst case scenario. In such circumstances, there is a significant risk that the Group may breach the covenants under its Existing Facilities or be unable to repay amounts due under the CCFF or the Facilities Agreement, in which case Shareholders could lose all or part of the value of their investment in the Company.

The existence of the potential covenant breach at 30 June 2021 gives rise to a material uncertainty that casts significant doubt on the Group’s ability to continue as a going concern, and to continue realising its assets and discharging its liabilities in the normal course of business, as reflected in the basis of preparation to the Group’s financial information as at and for the three months ended 31 December 2020.

Taking into account the proceeds of the Rights Issue, however, the Directors do not expect a breach of the covenants contained in its Amended Facilities or other borrowing arrangements during the period covered by the working capital statement in this Prospectus that is for at least the next 12 months from the date of this Prospectus. Nonetheless, following a successful Rights Issue, the Group will continue to be subject to covenants in its borrowing agreements for a prolonged period of time, which may limit the flexibility of the Group in running its business and may have other operational impacts on the Group, including:

- limiting or restricting the Group’s ability to pay dividends or make other distributions;
- limiting or restricting acquisitions, entry into joint ventures or limiting capital expenditure or other investments in the Group’s business;



- placing the Group at a competitive disadvantage (with respect to landlords or existing or prospective clients or partners) compared to its competitors that may be less leveraged or restricted by financial covenants; and
- increasing the cost of servicing the Company's borrowings in the event that such covenants have to be renegotiated.

Any of the above factors could have a material adverse effect on the Group's business or financial position.

2. ***The Coronavirus pandemic has had and is likely to continue to have a material adverse effect on the Group, as would ongoing Coronavirus infections, the emergence of any new variants of the Coronavirus or the emergence of any subsequent pandemic, the ultimate impact of which is dependent on the duration and extent of the pandemic and therefore not yet known.***

The recent coronavirus (*SARS-CoV-2*, "Coronavirus") pandemic and the measures put in place to control it have negatively impacted economic conditions globally, including in the markets in which the Group operates. The Coronavirus pandemic has resulted in governments globally implementing numerous measures to contain the spread of the Coronavirus, such as travel bans and restrictions, curfews, quarantines, lock downs (including advice to work from home) and the mandatory closure of certain businesses. These measures have affected all of the markets in which the Group operates. For example, in Europe, the German government announced strict social distancing measures in March and December 2020 and the French government implemented similarly strict lockdowns in March and October 2020. In Asia and Oceania, the Hong Kong government recently implemented strict lockdown measures in December 2020 and the Australian government applied varying levels of lockdowns across its different territories, which involved home confinement, travel restrictions and the closing of non-essential stores and restaurants. The emergence of new variants of the Coronavirus has caused further increases in the severity of these travel bans and restrictions, including, for example, more than 40 countries temporarily suspending all air travel to and from the UK due to the emergence of a new variant of the Coronavirus in the UK in December 2020. Additionally, in February 2021 the UK Government announced new regulations whereby arriving passengers from certain countries would need to spend a mandatory 10-day quarantine in specified hotels.

The combined consequences of the Coronavirus pandemic have had and are continuing to have a material adverse effect on the Group's business, financial condition, results of operations and prospects, the full extent of which will depend, in part, on the overall duration and severity of the pandemic itself and government restrictions in response, longer-term changes to customer and business behaviour, particularly in relation to international air travel, and the prospects of a wider economic downturn caused by the pandemic.

*The Group's response to the pandemic may be insufficient*

The Group's response to the Coronavirus pandemic, including cost-cutting measures and taking advantage of government initiatives, may be insufficient to adequately reverse the negative impact of the pandemic. The Group has responded to the challenges presented by the Coronavirus pandemic by taking a series of steps to reduce costs and protect cash flow, including unit closures, headcount reductions, reductions in product range, suspension of non-essential overhead expenditure, reductions in executive, senior management and Director remuneration and the negotiation of rent relief with landlords, principally consisting of waivers of fixed Minimum Guaranteed Rents ("MGRs") in favour of the payment of concession fees (i.e. payments of rent as a percentage of revenue).

Where lockdowns and travel restrictions have eased in particular markets, the Group has focused on re-opening its units as rapidly as possible, but only where they contribute to cash profitability. To do this, the Group has attempted to focus on creating as much flexibility as possible in its key operating costs, such as labour and overheads, allowing it to open and operate units at breakeven levels of profitability, even at very low levels of sales. There is a risk that the Group may mis-identify certain units as profitable, fail to adjust its key operating costs accordingly or otherwise fail to implement its re-opening strategy successfully. This strategy is currently possible as most of the Group's operations are in multi-unit sites within air and rail, with on average five units per location, and it has been successful to date in agreeing this selective approach to re-opening units with its clients. However, there may be increased pressure from clients in the future to re-open units before demand returns, which will adversely affect the Group's profitability. There is no guarantee that the Group's clients continue to be amenable to the Group's strategies in dealing with the Coronavirus pandemic, when passenger numbers start to recover towards pre-pandemic levels, which may materially and negatively affect the Group's operations and financial performance.

Since the start of the Coronavirus pandemic, the Group has focussed its efforts on securing short-term rent relief on its contracts, generally by seeking suspensions of MGRs. Although these arrangements have allowed the Group to reduce certain costs in recent months, they have not applied to all rental arrangements and the Group cannot be certain of the extent (whether by time or value) to which they will be available in the future. In particular, there may be increased pressure from clients to pay MGRs as passenger numbers start to recover, which will adversely affect the Group's profitability.

Rent relief negotiations as a result of the Coronavirus pandemic may also result in stressed relations between the Group and its clients, especially for relief sought beyond the near term. Unsuccessful rent relief negotiations may force the Group to exit units that are no longer viable and could lead to disputes between the Group and its clients over the non-payment of rent and adverse reaction from clients, including calling in of bank guarantees or the commencement of legal proceedings. Moreover, as trading recovers from the impact of the Coronavirus pandemic, there may be tension over the timing of the reinstatement of rental payments and capital expenditure programmes which have been suspended. If any resource reductions in response to the Coronavirus pandemic result in reduced operational standards, it may adversely impact relationships with clients and franchise partners in the medium term.

As a result of the Coronavirus pandemic, the Group's restructuring process remains ongoing in response to changes or ending of the various furlough or government employee support schemes in the markets in which the Group operates. It is likely that, during a slow recovery, restructuring and redundancy programmes will need to be undertaken and there is a risk that these programmes may lead to negative government or media attention, which could damage the Group's reputation and accordingly, affect its ability to retain and hire people. The Group and its suppliers have a significant number of employees who are members of trade unions and also have key third party service providers whose employees are members of trade unions. The Group and their suppliers regularly collectively bargain with a number of the unionised groups. Whilst collective bargaining and other agreements with these unions take place regularly, a breakdown in the bargaining process could in the future lead to strikes or other industrial action being taken by the Group's respective employees, or by the employees of key third party service providers who are facing similar restructuring activity, which could impact on the ability to maintain and fulfil customer demand and negatively impact its business, reputation and financial results. See "*—Organised strikes or work stoppages by unionised employees may have a material adverse effect on the Group's business, results of operations, financial condition and prospects*".

Due to the various redundancy and restructuring programmes, there is a risk that the programmes will result in legal action or trade union action which may have a material adverse effect the Group's reputation, businesses, prospects, results of operations and financial condition.

#### *Impact on the Group's revenues due to reduced demand for travel*

The Group's revenues and operations have been negatively and materially impacted by significantly reduced air and rail passenger numbers as a result of flight cancellations, limitations on inter-city travel affecting many of the markets in which the Group operates and reduced demand in general from passenger safety concerns, remote working and reduced holiday travel. Passenger numbers across all of the Group's core markets have been materially and adversely affected, particularly in international travel. Airports Council International ("**ACI**") estimates that passenger traffic volumes fell by 26% in the first calendar quarter of 2020, and then by 89% in the second calendar quarter. In April, at the initial peak of the pandemic, global passenger volumes had fallen 94% compared to the same period in 2019, with international passengers down 99%. ACI estimate that there was a limited recovery in the third and fourth calendar quarters, with passenger volumes down 71% and 64%, respectively, resulting in a cumulative loss in traffic of approximately 6.0 billion passengers in 2020 compared to the projected baseline. Most air industry experts forecast a slow recovery with multiple disruptions. Similarly, volumes decreased dramatically across the Group's key rail markets, which are predominantly in Europe. The Group experienced rail sales reductions in excess of 90% during the second calendar quarter of 2020, and while there was a small recovery in rail performance in the second half of calendar year of 2020, rail sales have remained low in the first quarter of calendar year 2021, and the Group believes that they will remain so in the near-term.

The material declines in passenger numbers across the core markets in which the Group operates have had a significant impact on the Group's financial performance since the start of the Coronavirus pandemic. Given the uncertainty regarding the Coronavirus pandemic, the speed at which the roll-out of the Coronavirus vaccines is implemented, the impact on customer demand and potential further government restrictions, passenger numbers may remain low in the future.

Due to the Coronavirus pandemic, and following the introduction of lockdowns and travel restrictions by governments in the countries in which the Group operates, the Group closed approximately 90% of its approximately 2,800 units beginning in April 2020 due to the introduction of lockdowns and travel restrictions by governments in the countries in which the Group operates. The Group subsequently re-opened approximately 1,200 of its units in September 2020, before the re-introduction of lockdowns and travel restrictions led to many of these units closing again, in particular as a result of the new variant of the Coronavirus that emerged in the UK in December 2020. The reopening of these sites is predicated on a lifting of these restrictions and a return of passenger volumes to pre-Coronavirus levels. However, there is a risk that passenger volumes may never be restored to pre-Coronavirus levels, which could lead to permanent closures of some of the Group's units. This could damage the Group's relationships with its concession partners, and materially affect the Group's revenues and profitability. Failure to re-open certain sites could result in the Group paying financial penalties to its landlords/clients and could negatively impact the Group's profitability as well as relationships with partners.

#### *Impact on the Group's customer demand in the longer term*

Even after the Coronavirus pandemic abates, its impact on consumer behaviour and preferences may continue in the longer-term. For example, the Group's customer base may become more value conscious, with the least cost-sensitive business customers in starkest decline, or customer demand for air travel may decrease due to the growing awareness of their carbon footprint. The Group will also need to identify and respond to changing customer behaviours, such as a desire for social distancing and mobile ordering. This could result in diminished demand for the Group's services in the longer-term, in particular if the Group cannot adapt its business accordingly. Long-term structural changes, such as increased working from home, which would lead to declines in regular commuting, may also affect recovery in passenger numbers and demand for the Group's offerings. There is a risk that any of the above factors, individually or combined, will have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### *Impact on the Group's supply chain*

Global supply chains, including those on which the Group relies in order to continue to operate its business and provide its products and services to customers, have been disrupted as a consequence of the Coronavirus pandemic and government restrictions in response. A number of the Group's suppliers have experienced shutdowns, changes to working practices and/or reductions in productivity as a result of measures adopted in response to the Coronavirus pandemic and, in some cases, the consequences could result in an inability to supply goods to the Group. As a result, the Group is exposed to the risk of increased product costs, due to factors including the cost of social distancing in factories, as well as supply chain disruption if manufacturers halt operations due to local outbreaks or insolvency as a result of the Coronavirus pandemic. There is a risk that any such increase in product costs or supply chain disruption will have a material and adverse effect on the Group's margins.

If the Coronavirus pandemic continues, new variants of the Coronavirus emerge, the Coronavirus vaccines are ineffective or not rolled out as anticipated, the Group may experience continued supply chain disruptions and may not be able to develop alternate sourcing routes quickly or at all. These supply chain disruptions could be exacerbated if the pandemic coincides with seasonal increases in other, more common illnesses, including seasonal flu, which could increase the severity of the impact, and results in a prolonged period or recurrent periods of travel, commercial and other similar restrictions. Such supply chain disruptions could adversely impact the Group's flow of stock and, as a result, the Group's sales, and could materially adversely affect the Group's business, results of operations, financial condition and prospects. For more information, see "*—A disruption or malfunction in, increased costs associated with or failure to make improvements to, the Group's supply chain or any interruption or loss of supplies from key suppliers could have a material adverse effect on the Group's business, results of operations and financial condition*" below.

#### *Impact of government responses and combined consequences of the Coronavirus pandemic*

The combined consequences of the Coronavirus pandemic depend on various governmental factors. There is a risk that governments will continue to impose restrictions in the countries in which the Group operates in response to the Coronavirus pandemic. In the United Kingdom, a nationwide lockdown was implemented by the government on 23 March 2020, and the UK Foreign Office advised UK nationals against all "non-essential travel". In June 2020, the UK government introduced a mandatory 14-day quarantine period for any arrivals from outside the United Kingdom, with certain exempt countries, subject to change by the UK government. The UK implemented subsequent nationwide lockdowns on 5 November 2020 and 5 January 2021 and advised UK nationals against travelling in the UK or overseas unless for work or other permitted reasons.

Similar national and regional lockdowns have been enforced in other countries and regions in which the Group operates. For example, in Europe, the German government announced strict social distancing measures in March and December 2020, banning public gatherings of more than two people and ordering non-essential stores to shut. The French government also implemented similarly strict lockdowns in March and October 2020, with businesses such as restaurants and pubs ordered to close. In Asia and Oceania, governments introduced lockdowns in response to the Coronavirus pandemic as well. For example, in Hong Kong, similar measures have been implemented as of December 2020, with public gatherings of more than two people prohibited and restaurants to close dine-in services after 6:00 p.m. The Australian government applied varying levels of lockdowns across its different territories. For instance, the state of Victoria entered a lockdown period from July to October 2020, which involved home confinement, travel restrictions and the closing of non-essential stores and restaurants.

The Coronavirus pandemic and governmental responses to it have also led to the delay or cancellation of private and public investment in new infrastructure projects, as well as the upgrading of existing air and rail infrastructure. These infrastructure projects usually provide opportunities for companies in the travel food and beverage market such as the Group. However, the cancellation or delay of infrastructure projects as a result of the Coronavirus pandemic may result in a lack of opportunities for the Group, which may present a risk to the Group's implementation of its overall strategy.

The Group has benefited from temporary measures introduced by tax authorities throughout the Group's markets to support businesses through the period of disruption, including furlough schemes, the deferral of VAT and payroll tax payments and business rates relief. However, these measures only represent a partial offset of the impact of reduced sales due to the Coronavirus pandemic, and any future relief is dependent on the continued availability of government schemes, many of which are time limited.

In many jurisdictions the Group has been able to take advantage of government furlough support schemes that have typically provided partial financial compensation for the wages of employees who were not working. However, there is a risk that the Group will continue to incur unavoidable costs or that government support such as furlough schemes may not be available in the future or through the period in which revenues continue to be materially reduced by the restrictions on the travel sector due to the Coronavirus pandemic. The Group has furloughed more than 22,000 employees globally, where furlough schemes have been available and in line with a variety of government schemes across the countries in which the Group operates. There is a risk that government furlough schemes may not be available in the future and that the Group will need to implement additional redundancies. The reorganisation programmes implemented by the Group in response to the Coronavirus pandemic may also lead to reduced standards and hinder its response to the recovery.

3. ***Even after the effects of the Coronavirus pandemic stop, there is no guarantee that the Group will be able to successfully implement its overall strategy, including its growth strategy, or that the Group will be able to successfully manage potential future growth.***

After the Coronavirus pandemic abates, the Group's growth strategy includes the continued expansion of its operations, both to increase the number of units in the locations and countries in which the Group already operates, as well as to very selectively enter new territories. The Group aims to be disciplined in implementing its post-Coronavirus pandemic expansion strategy and seeks to focus on high-quality opportunities which it is confident will provide profitability and a return on capital. However, the Group's ability to implement its growth strategy depends on several factors, a number of which are outside the Group's control. Delays or failures in procuring concession agreements and opening new units, lower than expected sales in new or existing units, higher than anticipated operating costs, the inability to increase brand awareness in a cost-effective manner, or at all, any failure to achieve targeted results associated with the implementation of operational programmes or initiatives, or the lack of availability of sufficient funds for expansion could all affect the Group's growth and/or profitability materially and adversely. The manifestation of, and the effectiveness of the Group's response to, the risks described in this Prospectus could prevent the Group's growth strategy from being delivered in a disciplined manner, or at all.

Certain of the Group's targeted concession agreements are expected to be for sites or units in markets where the Group currently has less of a presence as well as in countries where the Group has not previously operated. These markets may have different competitive pressures, market conditions, logistical considerations, consumer tastes, and discretionary spending patterns than the Group's existing markets, which may cause inefficiencies in new unit roll-outs, require additional expenditure to identify and address local customer preferences or result in lower than expected profitability. The opening of new units could also result in the cannibalisation of sales from the Group's existing units.

The Group's growth strategy also targets increased sales in the Group's existing footprint. The Group's ability to increase sales per unit is dependent on a number of factors, including competition, merchandising, availability and selection, prices and promotional offers and customer satisfaction.

There can be no assurance that the Group will implement its growth strategy successfully, and any failure to do so could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

4. ***The travel food and beverage market is competitive, and if the Group is not successful in anticipating and responding to changes in customer preferences in a timely and cost-effective manner, its financial performance and prospects could be materially adversely affected.***

All of the Group's businesses operate in competitive markets. The Group competes with a wide variety of operators of varying sizes and covering different product categories, including other international concessions operators, such as Autogrill, Lagardère and Areas, local multi-site operators in each region and brand partners themselves. Whilst the Directors believe that the Group is well-positioned in its existing and targeted business areas, there can be no assurance that it will be able to maintain its present competitive position or grow its operations in the future.

Competitive activity is particularly relevant when the Group is competing for concession contracts through a tender process with a number of prospective concessions operators. Owners and operators of airports and railway stations in regions where food and beverage units historically have been operated by one concession provider are seeking increasingly to award concessions to two or more providers. Key competitive factors include the selection and variety of international and local brands offered by the Group, the Group's ability to develop localised and individual bespoke concepts for clients and to partner with local brands, the level of capital investment the Group is willing to undertake, the history of the Group's relationship with the client and key contractual terms, including concession fees.

The travel food and beverage market is currently disrupted by the Coronavirus pandemic, and it remains uncertain as to how this will ultimately impact the competitive landscape. In a competitive landscape shaped by the Coronavirus pandemic, it is possible that some of the players may exit the market, providing others with the opportunity to acquire their business, as part of distressed acquisitions. There exists a risk that the Coronavirus pandemic could provide some of the Group's competitors with opportunities to increase their competitive advantages, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Actions taken by the Group's competitors, as well as actions taken by the Group, to retain contracts could place pressure on the Group's margins and profitability (and have in the past placed pressure on the margins and profitability of the Group), as well as the availability and attractiveness of key contracts. Some of the Group's competitors may have greater financial resources, greater purchasing economies of scale and lower cost bases than the Group, any of which could give these competitors a competitive advantage. In addition, these competitors may have bidding policies in place which allow for a lower level of return on their investment for the sake of winning or maintaining contracts. The Group's clients, including airport and railway station owners and operators, could seek to increase competition by offering food and beverage units to other providers or to brand partners directly. In addition, the entry of the Group into new regions, sectors or businesses in the future could lead to new or different competitors in the future. Any of these factors could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

5. ***The Group's operations could be materially adversely affected by the termination of, or increased costs associated with, its contractual agreements, and the Group may not be able to obtain/renew new concessions or realise expected returns on its concessions.***

The Group's business operates through contractual concession arrangements with the owners and operators of airports and railway stations, as well as other operations including motorway service areas, hospitals, leisure centres and shopping centres. The contractual arrangements are typically for a specific period over a number of years, subject to possible extension in some circumstances. Before the Coronavirus pandemic, as at 30 September 2019, approximately 55% of the Group's contracts by revenue had a remaining life of less than five years, including significant contracts at Phoenix (PHX) and Toronto (YYZ) airports, and retail at Oslo (OSL) airport.

The Group's success depends on its ability to retain existing concession contracts, maintain volumes under existing contracts, and win new contracts from either new or existing clients on commercially acceptable terms, which will allow the Group to achieve target returns on capital invested in the concession contract assets.

The duration of the Group's concession agreements varies across regions and by sector (principally airports and railway stations, but also motorway service areas and other leisure locations) and in some cases can be subject to early termination by either party subject to varying notice periods. The Group's concession agreements with airport and railway station owners may also be terminated early by the concession owner on payment of compensation for redevelopment, and there is no guarantee that the redeveloped space will be granted to the Group on the same terms as were agreed prior to redevelopment, with the same number of units or at all. Redevelopment of a site, even in circumstances where the concession was not terminated, could result in temporary or permanent closure in whole or in part of the Group's unit at that site as the redevelopment could cause the location of some or all of the Group's units to be less accessible to customers, and therefore less profitable. Furthermore, an increase in the number of redevelopments at airports and/or railway stations may lead to renegotiation of concessions, which could increase competition and lead to a loss of the Group's existing contracts or cause the Group to agree to less favourable terms. Any decision by the Group's current clients to award contracts to the Group's competitors, not renew or terminate contracts with the Group, or increase the rental costs associated with their existing concessions with the Group could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

The Group's concession arrangements can also require a range of terms, including up-front payments and penalty clauses for failure to perform to stipulated operating standards. Failure to comply with such terms in existing concessions could give rise to financial penalties or a right of termination. These terms, or non-compliance with such terms, could have a material adverse effect on the Group's business, results of operations and financial condition. Specifically, such up-front payments and penalty clauses may be larger as a result of the Coronavirus pandemic as clients seek greater levels of protection. If the Group's consolidated balance sheet is weak or if the Group is unable to comply with terms in existing concessions, the Group may be required to pay large up-front payments or penalties that would have a material adverse effect on the Group's results of operations, financial condition and prospects. Although these concession arrangements have allowed the Group to reduce certain costs since the start of the Coronavirus pandemic, they have not applied to all rental arrangements and the Group cannot be certain of the extent to which they will be available in the future. In particular, there may be increased pressure from clients to pay MGRs as passenger numbers start to recover, which will adversely affect the Group's profitability.

When deciding to enter into a new concession, the Group must consider the costs associated with the concession, including initial and ongoing capital investments, and risks associated with the concession, including working with new clients and/or brand partners that may not have experience operating in airports or railway stations. Competition for concessions can be significant, and the Group must consider whether any prospective concession offers strategic benefits that could be worth a diminution in financial returns, which could lead the Group to bid more aggressively than it might otherwise. The Group's procedures to source new opportunities through regional specialists and evaluate new contract and concession agreement renewal and extension proposals through the Group Investment Committee (with input from the Group's central capital projects function) may not be adequate to identify sufficient opportunities or risks when undertaking new operations. The Group may not be successful in obtaining concessions or, if successful, may not experience the financial returns or strategic benefits it had expected, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

Furthermore, changing client requirements, such as splitting tenders across two or more providers, seeking new income streams through pouring rights agreements, partnering with operators in joint ventures, developing third-party purchasing models and favouring franchise and local brand operators or partnering directly with brand owners, may also adversely affect the Group's business, results of operations, financial condition and prospects.

#### 6. *The Group is subject to risks in relation to the United Kingdom's exit from the European Union.*

On 29 March 2017, the United Kingdom formally notified the European Council of its intention to leave the European Union ("Brexit"). On 24 January 2020, a withdrawal agreement was entered into between the European Union, the European Atomic Energy Community and the United Kingdom, setting the terms of the withdrawal of the latter from the former two. On 30 December 2020, the United Kingdom and the European Union agreed a trade and cooperation agreement (the "**Trade and Cooperation Agreement**"), which took provisional effect from 1 January 2021 and will enter into force on the first day of the month following that in which the United Kingdom and the European Union have notified each other that they have completed their respective internal requirements and procedures for establishing their consent to be bound. The Trade and Cooperation Agreement provides for, among other things, zero-rate tariffs and zero quotas on the movement of goods between the United Kingdom and the European Union. There remains significant uncertainty regarding

how the agreement will be implemented, how the relationship between the United Kingdom and the European Union will develop in the coming years and how the changing relationship will affect travel and demand for the Group's offerings.

As a result, the long-term effects of Brexit will depend on the implementation of the Trade and Cooperation Agreement and any future agreements (or lack thereof) between the United Kingdom and the European Union and, in particular, any potential changes in the arrangements for the United Kingdom to retain access to European Union markets. Brexit could result in adverse economic effects across the United Kingdom and Europe, and may continue to be a source of instability in international markets, create significant currency fluctuations or otherwise adversely affect trading agreements or similar cross-border cooperation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future.

Such uncertainty, including any restrictions in the freedom of air travel between the United Kingdom and the European Union, could negatively impact business and consumer confidence and the United Kingdom economic environment, including consumer spending in the travel food and beverage markets. As the Group derives approximately one-third of its revenues from the United Kingdom (including operations in the Republic of Ireland), it will be disproportionately impacted by any risks emerging from changes in the United Kingdom macroeconomic environment. This could include reduced demand for the Group's products and services, which could result in a material adverse effect on the Group's business, financial condition, results of operations and prospects.

The Group is also exposed to the risk that it may be unable to retain or attract the same numbers of non-British European Union staff and may need to hire a substantial number of new staff in order to comply with any reduction in immigration or any new labour and immigration laws introduced as a result of Brexit. Prior to the Coronavirus pandemic, approximately 25% of the Group's current employees in the UK were non-British European Union citizens. There can be no assurance that the Group will be able to retain or attract the same or similarly skilled employees as are currently employed.

In addition, the Group may experience material disruption to its supply chain. The imposition of customs checks at borders could increase lead times for deliveries of supplies. Moreover, in the context of weakening economic conditions caused by the Coronavirus pandemic, suppliers may encounter difficulty obtaining external financing or may be adversely affected by factors such as inflation, particularly in the food commodity markets, or the weakening of the pound sterling against the US dollar, the euro and other major currencies. The potential depreciation of the pound could lead to cost inflation pressures, particularly in the food commodity markets. Finally, there is a risk that the imposition of tariffs on United Kingdom imports or exports may materially increase the Group's operating costs.

Any of these effects of the United Kingdom having withdrawn from membership of the European Union, and others that cannot be anticipated, could materially adversely impact the Group's business, financial condition, results of operations and prospects.

**7. *The Group is dependent on senior management and other qualified personnel and the inability to attract, integrate, motivate and retain such management or personnel could have a material adverse effect on the Group's business.***

The Group's performance is dependent on the skills, experience and efforts of its senior management team and key operational leaders. In addition, in some regions competition for qualified employees is significant, including from other sectors, and as a consequence there is a risk that the Group will not effectively manage high employee turnover. Successful implementation of the Group's strategy depends on the continued attraction, motivation and retention of highly qualified employees. Despite existing or future incentive arrangements or succession planning for senior management and competitive compensation packages for other employees, the loss of services of one or more members of the Group's senior management team or a shortage of qualified employees in certain regions or specialised functions could materially and adversely affect the Group's business, results of operations and financial condition. Given the impact of the Coronavirus pandemic and the subsequent risks related to staff retention, particularly for senior employees with transferable skills, insufficient senior capability risk has increased as compared to previous years. Additionally, there continues to be a risk that the Group may not have sufficient resources in various functions, including in legal, finance and IT, to meet the changing and complex needs of an international business.

The Coronavirus pandemic has had negative impacts on the availability of key personnel. Successful execution of the Group's planned growth and development depends on the continuing availability of the Group's senior

management with the requisite knowledge of local market dynamics in both existing and new territories. If members of the Group's senior management depart (for whatever reason, including as a result of the Coronavirus pandemic), effective replacements may not be available in a timely manner, or at all, and the Group's business may be disrupted or damaged. It may also be difficult to attract senior employees as employment in the travel food sector may be considered less stable in the short to medium term.

In addition, the loss of key members of senior management to competitors could have a material adverse effect on the Group's competitive position within the travel food and beverage market. The skills developed in the Group's business are highly attractive to other companies, which regularly target the Group's staff for recruitment. The failure to effectively manage high employee turnover and recruit and retain key senior management could negatively impact the Group's sales performance, increase its wage costs, and negatively affect the Group's business, results of operations, financial condition and prospects.

8. ***The Group depends on its information technology systems and any breakdown, failure or data security breach in the Group's information technology systems could result in a disruption in the Group's business and could have a material adverse effect on its results of operations.***

Information technology systems provide key components of many of the services the Group offers across its operations and, therefore, play a key role in enabling the business to compete effectively. The Group is dependent on its information technology systems, including electronic point-of-sale technology and supply chain planning and management services, particularly in light of its international operations. Any inadequate system design or any failure of current or future systems could impair the Group's ability to conduct the day-to-day operations of its business.

In addition, the computer and communications systems are vulnerable to damage or interruption from a variety of sources, including attacks by computer viruses, ransomware, electronic break-ins or cyber-attacks, theft or corruption of confidential data or other unanticipated problems, particularly in light of increased homework of the Group's head office staff. In addition, because the Group's systems sometimes contain information about individuals and businesses, any failure to appropriately safeguard the security of the data it holds, whether as a result of its own error or the malfeasance or errors of others, could harm its reputation or give rise to legal liabilities. Although the Group has introduced various security measures, including both technology and policy controls, it cannot guarantee that these measures offer the appropriate level of security or protection. In addition, a reduction in resources as part of the Group's Coronavirus response may increase pressure on its IT teams. For more information, see "*—The Group may be subject to regulatory action or financial penalties if it fails to comply with applicable data protection legislation, including the General Data Protection Regulation, or standards, including the Payment Card Industry Security Standards, and failure to adequately protect customer and employee confidential information could significantly impact the Group's reputation and expose the Group to litigation or other legal or regulatory actions*".

Finally, the cost of implementing emerging and future technologies could be significant. For example, the Group has commenced a major programme to implement SAP Inventory and Finance systems which may be costly and risk significant operational disruption, the speed of the implementation of which could be negatively impacted by the Coronavirus recovery process. Any significant disruption of the Group's computer or communication systems could significantly affect its ability to manage its information technology systems or lead to recovery costs, litigation brought by customers or business partners or a diminished ability to operate the business, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

9. ***Failure to keep up to date with changes in technology, including food technology trends, could threaten the Group's competitive position.***

Advances in technologies or alternative methods of delivery, including advances in vending machine technology, or other technologies and methods of delivery, such as mobile payments and digital customer loyalty programmes, could have a negative effect on the Group's business if the Group is not able to respond adequately to these technological changes. There can be no assurance that the Group will be able to maintain its competitive position by responding successfully to any such developments. The Coronavirus pandemic could accelerate these changes in food technology trends or result in changes which are not anticipated by the Group. Such changes could have a negative effect on the Group's customer proposition and its relative competitive positioning. Failure to respond to these challenges successfully could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.



10. ***The Group has historically pursued, and expects to continue to pursue, continuous efficiency improvements. If these programmes cannot be implemented, or the Group is unable to realise the anticipated efficiency benefits of these programmes, the Group's business, financial condition and results of operations could be adversely affected.***

The Group regularly develops new programmes to enhance efficiency and currently has a multi-year programme of initiatives to improve operating efficiency, which is important to the Group given the historical backdrop of significant labour cost inflation and increasing concession fees in the years prior to the Coronavirus pandemic. There is a risk that these programmes may be difficult to implement due to their complexity and that they could fail to deliver the desired benefits, such as labour efficiency and minimising waste and loss. There can be no assurance that the Group will be successful in achieving its targeted efficiency improvements on its expected timetable, at expected levels or at all.

The Group cannot guarantee that its efficiency programmes will be ultimately successful in achieving the anticipated operational efficiencies or provide assurance that as the various systems and technologies become outdated, the Group will be able to replace them as quickly as its competition or within budgeted costs and timeframes. If any of the Group's efficiency programmes' underlying assumptions prove to be incorrect, if such initiatives cannot be funded or if such initiatives are not effectively prioritised, managed, communicated or implemented, the Group may not be able to realise the benefits it expects either at all or within its expected timeframes, any of which could result in higher than anticipated costs or otherwise have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In light of the Coronavirus pandemic, the Group faces significant resource constraints to meet the demands of the efficiency programmes' timely implementation, in addition to the Group's ordinary course of business. Even after the Coronavirus pandemic abates, it is likely that the financial resources needed to implement the Group's efficiency programmes will be more constrained for a certain period of time due to the pandemic's financial impact on the Group.

11. ***Failure to understand consumer preferences, changing client requirements or adapt to changes in consumer behaviour could adversely affect the Group's ability to tailor its offerings to customer needs and/or create attractive concepts for clients.***

Consumer preferences or changes in consumer behaviour, including changes driven by health considerations or otherwise, could have a negative effect on the Group's business if the Group is not able to predict, interpret and respond adequately to these consumer preferences. Failure to understand consumer preferences or adapt to changes in consumer behaviour could affect the Group's ability to create attractive concepts for clients, resulting in reduced sales volumes and/or reduced customer satisfaction, which in turn could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. Even after the Coronavirus pandemic abates, its impact on consumer behaviour and preferences may continue in the longer-term. See “—*The Coronavirus pandemic has had and is likely to continue to have a material adverse effect on the Group, as would ongoing Coronavirus infections, the emergence of any new variants of the Coronavirus or the emergence of any subsequent pandemic, the ultimate impact of which is dependent on the duration and extent of the pandemic and therefore not yet known.*”

The Group may not anticipate and respond to lasting changes in customer preferences as a result of the Coronavirus pandemic, climate change, animal welfare issues, food waste or other reasons. This could include customers becoming increasingly value conscious or cost sensitive, or changes in preference for certain types of cuisines, or styles of restaurant and service. An increase in NGO activism and public awareness, for example, has seen increased pressure to reduce the use of plastics in the food and beverage (“F&B”) industry. There is also a risk that climate change will have an impact on the availability of, or customer preference for, certain food items. Changes in customer preference due to any of the above drivers could have a lasting impact on demand for the Group's products and services, in particular if the Group is unable to adjust its customer offering accordingly.

12. ***The Group is subject to the risk that its outsourcing programmes may adversely affect its business and subject the Group to additional third-party risks.***

The Group relies on third parties for various aspects of its operations. If these third parties fail to perform their obligations in a timely manner or at satisfactory quality and cost levels, the Group may fail to deliver on contracts successfully, its reputation could suffer and its costs could increase. There is also the risk that the Group may fail to execute outsourcing projects effectively, resulting in business disruptions within the Group and additional third-party risks, as the performance of third parties is largely outside the Group's control.

In the event that one or more of these third parties fails to perform, ceases operations or becomes insolvent, replacement services may not be readily available on equivalent terms, or at all. If one of these third parties fails to perform adequately, the Group may be required to incur remedial costs, experience delays or be subject to negative publicity. The failure of a vendor, supplier or other third party, including third parties that are small and medium-sized enterprises and may therefore be more vulnerable to the risk of going insolvent or otherwise being unable to deliver on their contracts, could impact service delivery to the Group or to a client. The Group may not be successful in recovering any losses which result from the failure or third-party operators to comply with their contractual obligations to the Group, and third-party operators may seek to recover losses from the Group under indemnities or in respect of breaches of obligations or warranties under their agreements within the Group. Moreover, regulatory compliance issues or significant changes in the competitive marketplace among vendors, suppliers or other third parties could force the Group to renegotiate existing agreements on less favourable terms. There is a risk that the adverse performance of third parties, unrealised benefits of the Group's outsourcing programmes and other compliance issues with third parties could have an adverse effect on the Group's business, results of operations, financial condition and prospects.

13. ***The Group may not be able to exercise full control over the joint ventures through which it has expanded into certain developing markets and is therefore reliant, to an extent, on its local joint venture partners in these markets.***

The Group's growth strategy prior to the Coronavirus pandemic involved expanding into developing markets, including through joint ventures with partners in certain of these territories to provide access to existing local infrastructure and expertise. The Group has interests in 31 companies which are subject to joint venture arrangements (including as an associate) in 15 countries (outside of the United States and which includes 14 in India), and in 36 companies which are subject to joint ventures arrangements in the United States (where in many cases, regulatory requirements mean the Group has a joint venture for most airports) of which 51 (including those in the United States) are joint ventures in which the Group holds a (direct or indirect) controlling interest. The Group's consolidated joint ventures accounted for 21.7% (6.6% excluding joint ventures in the United States) of the Group's revenue for the year ended 30 September 2019. To the extent the Group does not have a controlling interest or does not have voting rights to direct or exert influence over the joint ventures to which it is a party, the Group may not be able to control the decision-making process of these joint ventures.

In addition to the typical risks associated with operations in developing markets, such as foreign exchange rate fluctuations, political instability, the potential of less developed corporate governance regimes, unfamiliar trading environments, language differences and lack of credit history, it is possible that the Group's local partners will fail to meet their contractual obligations, including in terms of the operating standards needed to ensure satisfactory quality and service, which could affect the Group's profitability and reputation. While the Directors believe the Group's joint venture partners to be reputable, the Group's joint venture partners may be unable, or unwilling, to fulfil their obligations under the relevant joint venture or other related agreements, may seek to use their rights to block decisions on certain matters, such as distribution of cash, or may experience financial or other difficulties that may adversely impact the Group's investment in a particular joint venture.

Additionally, failure by a joint venture to comply with its obligations under applicable laws and regulations or relevant licences including, for example, health and safety and environmental requirements, or the relevant joint venture agreement may result in delays or increased costs, lead to fines, penalties and restrictions and/or the withdrawal of licences or termination of the agreements under which the Group will operate in a particular jurisdiction. For more information, see "*—The Group relies on its suppliers and joint venture partners to comply with applicable employment, environmental, anti-money laundering, anti-corruption, sanctions and other laws and regulations*" below. The Group may also be subject to claims by a joint venture partner regarding potential non-compliance with the Group's obligations under the relevant joint venture agreement.

Any of these events could materially and adversely affect the business, financial condition, results of operations and prospects of the Group.

14. ***If the Group fails to identify, develop and maintain relationships with a number of reputable brand partners or fails to maintain an appropriate balance of partner-branded concessions and proprietary-branded concessions, its business, results of operations, financial condition and prospects could be adversely affected.***

The Group's ability to win tenders for new concessions and to attract customers depends in part on the diversity and quality of its brand offerings, particularly its partner brand offerings, including Burger King and Starbucks, other international and national brands as well as local brands. Maintenance of good relationships with brand

partners is becoming more important for the Group as the proportion of partner-branded concessions to proprietary-branded concessions in its business is increasing.

The decision of a brand partner to terminate its franchise arrangements with the Group or to not extend following the expiration of existing terms, either to tender for concessions directly or to partner with one of the Group's competitors, could limit the Group's ability to compete effectively for concessions. In addition, it could give rise to rebranding obligations on the expiry of term, increasing costs and diverting management time. For more information, see "*—The travel food and beverage market is competitive, and if the Group is not successful in anticipating and responding to changes in customer preferences in a timely and cost-effective manner, its financial performance and prospects could be materially adversely affected*".

The Group's failure to understand consumer preferences may also affect its ability to select and partner with high demand franchises and may result in the Group choosing to develop relationships with brand partners which may not comport with changing consumer preferences and behaviour. This may lead to decreased consumer demand for the Group's partner brands, which would have a material adverse effect on the Group's business, results of operations, financial condition and prospects. For more information, see "*—Failure to understand consumer preferences, changing client requirements or adapt to changes in consumer behaviour could adversely affect the Group's ability to tailor its offerings to customer needs and/or create attractive concepts for clients*".

In addition, terms for renewal of franchise agreements or replacement franchise agreements could be less favourable – for example, a brand partner may require higher licence fees and/or royalty payments on renewal – which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects. There is also a risk that the Group's smaller brand partners could fail during the Coronavirus pandemic, or the pandemic could cause the Group's partners to undertake strategic changes that include attempts to renegotiate existing franchise agreements or limit the number of or terms on which they enter into franchise agreements in the future, any of which could materially and adversely affect the Group.

Additionally, there is a risk that the Group's action or inaction may jeopardise the reputation of a partner brand and result in litigation, compensation or an end to the relationship. The loss of any significant partner brands, the inability to obtain rights to new brands over time or the diminution in the appeal of existing partner brands or the Group's proprietary brands could impair the Group's ability to compete effectively in tender processes and could ultimately have a material adverse effect on the Group's business, results of operations, financial condition and prospects. For more information, see "*—The Group is exposed to the risk of damage to or a decline in client or customer confidence in its proprietary brands and its brand partners, which could adversely affect the Group's business, results of operations and financial condition*" below.

15. ***The Group is exposed to the risk of damage to or a decline in client or customer confidence in its proprietary brands or in its brand partners, which could adversely affect the Group's business, results of operations and financial condition.***

The Group's success is dependent in part on its ability to maintain its portfolio of proprietary brands and to enhance the value of its proprietary brands, as well as the brands of its franchisors, and the appeal of those brands for clients and customers. Additionally, brands require capital expenditure and resources to build, maintain and protect their value. If the Group does not invest sufficient resources into creating value for its proprietary brands or maintaining and protecting the value of its well-known brands or if the Group's brand partners do not do so for their respective brands, the Group's ability to market its portfolio of brands successfully when pursuing tenders may be affected adversely.

Brand value can be damaged severely even by isolated incidents which reduce consumer trust in the brand, particularly if the incidents receive considerable negative publicity or result in litigation. Such incidents may arise from events that are beyond the Group's control and could damage its brands or its franchisors' brands, such as litigation and claims, security breaches or other fraudulent activities, illegal activity targeted at the Group or others, or actions taken (or not taken) by other franchisees or their employees relating to health, safety, welfare, or otherwise, including a wilful or accidental third-party contamination or tampering incident, whether by one of the Group's employees, suppliers, service providers or third-party contractors.

The widespread use of and increasing reliance on online channels (e.g., websites, social media) to share information has enabled large numbers of people to be reached very quickly and can magnify negative publicity relating to the Group's proprietary brands or those of its brand partners, even if false or defamatory. Consumer demand for the Group's products and the value of its proprietary and partner brands could diminish significantly if any such incidents or other matters erode consumer confidence in the Group or the products it offers, which could have a negative impact on the Group's growth strategies, its development efforts in domestic and foreign

markets or in its ordinary course of business, any of which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

The Group's success is also dependent on the ability of its brand partners to stay in-demand for consumers, keep their food offerings relevant, and to maintain their brand image and reputation. Customer confidence in the Group's brand partners is outside the Group's control, and any adverse shift in such brand partners' image may negatively impact the Group's reputation, which could lead to a material adverse effect on the Group's business, results of operations, financial condition and prospects.

16. ***A disruption or malfunction in, increased costs associated with or failure to make improvements to, the Group's supply chain or any interruption or loss of supplies from key suppliers could have a material adverse effect on the Group's business, results of operations and financial condition.***

The Group has supply relationships with growers, food manufacturers, distributors, and logistics providers, which it uses for the sourcing and delivery of food and other supplies. The Group has a mix of self-sourced and proprietary products that it buys directly from brands or nominated suppliers, although the Group aims to limit the amount of proprietary products it sources to better control its own supply chain. The Group recognises that it needs to develop long-term supply relationships whilst ensuring that such relationships are conducted on favourable terms both as to quality and price. The Group relies on these suppliers to provide high quality products and to comply with applicable laws. The Group's ability to find qualified suppliers that meet its standards, as well as the standards of its brand partners, and supply products in a timely and efficient manner is a significant challenge. A supplier's failure to meet the Group's standards, provide products in a timely and efficient manner or comply with applicable laws, the loss of such a supplier or a change in supply requirements of any brand partner could have a material adverse effect on the Group's business, results of operations and financial condition. For more information, see "*—The Group relies on its suppliers and joint venture partners to comply with applicable employment, environmental, anti-money laundering, anti-corruption, sanctions and other laws and regulations*".

A large number of the Group's airport-based units operate within the secure air-side region of an airport, as a result of which staff and products must be security checked. Any delays in approvals or clearance for staff and stock can result in shortfalls in staff or products which, unlike on the high street, cannot be replaced at short notice. The Group's supply chain could also be adversely affected by Brexit, as a result of additional non-tariff barriers or disruptions to the movement of goods, which could cause delays and cost inflation. For more information, see "*—The Group is subject to risks in relation to the United Kingdom's exit from the European Union*". Any material interruption in the Group's supply chain, such as interruptions in service by third-party logistics service providers or common carriers that ship goods within the Group's distribution sectors, trade restrictions, such as increased tariffs or quotas due to Brexit or otherwise, embargoes or customs restrictions, the Coronavirus pandemic or natural disasters that cause a material disruption in the Group's supply chain, could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

17. ***The Group is subject to changes in the cost of labour and raw materials.***

The bulk of the Group's cost base comprises food and other raw materials, wages and salaries. The profitability of the Group's contracts will depend on its management of such costs and the ability to continue to offer competitive pricing to its customers while maintaining sufficient margins. The Group seeks to manage cost inflation through: pricing reviews; menu management to substitute ingredients in response to any forecast shortages and cost increases; and continuing to drive greater purchasing efficiencies through supplier rationalisation and compliance. Any cost-savings initiatives undertaken by the Group could prove to be unsuccessful or not yield the anticipated results.

In some circumstances, the Group's ability to adjust prices in response to inflationary pressures is limited by price benchmarking and controls applied by both clients and brand partners. Costs could also increase as a result of an imposition of, or increase in, government-mandated minimum wages or subsidisation of health care costs for employees. For more information, see "*—Changes in labour conditions and increases in labour costs, including increases to the minimum wage in the markets in which the Group operates, may adversely impact the Group's business, financial condition, results of operations and prospects*" below. Changes in utility regulations and applicable taxes as well as increased costs imposed by external distributors in the Group's supply chain may also increase the Group's cost base. A significant or sustained increase in input costs to which the Group is unable to respond through cost reduction measures or price increases could have an adverse effect on the Group's business, results of operations, financial condition and prospects.

18. ***Organised strikes or work stoppages by unionised employees may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.***

The Group relies on maintaining good relations with its employees and representative unions. However, there can be no assurance that work stoppages or other labour-related developments (including the introduction of new labour regulations in the markets in which the Group operates) will not occur in the future, any of which could adversely affect the Group's business, results of operations, financial condition and prospects.

A substantial number of the Group's employees are covered by some form of collective bargaining or union arrangements, principally in France, Germany, Spain, Denmark, Finland, Norway, Sweden and the United States. In addition, certain countries in which the Group operates have enacted employment laws that provide employees with significant bargaining power or other rights that may require the Group to spend more time and expenses when altering or amending employees' terms of employment or making headcount reductions. Employees also have board representation or consultation rights in some of the countries in which the Group operates, including Germany, Norway and Sweden.

The Group may not be able to renew any such collective bargaining agreements on terms similar to current terms or to renegotiate such agreements on acceptable terms, and any costs associated with the terms of renewal may need to be absorbed by the Group. Moreover, a labour disturbance or work stoppage at any of the Group's units or key suppliers as a result of any changes to employment terms and conditions or for any other reason could have a material adverse effect on that facility's operations and, potentially, on the business, results of operations, financial condition and prospects of the Group.

While the Directors believe that relations with employees are good, there can be no assurance that the Group will not become the target of strikes or labour unrest in the future. Such actions, if significant, could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

19. ***The loss of important intellectual property rights could significantly harm the Group's business, and defending intellectual property claims may be expensive and could divert valuable resources.***

The Group's key trademarks are important to its business. The Group has a large portfolio of intellectual property rights consisting of trademarks relating to its proprietary brands. Key brands being "UPPER CRUST", "RITAZZA", "CAMDEN FOOD CO", "MILLIE'S COOKIES" and "PUMPKIN". While the Group relies on a combination of trademark and copyright laws and contractual arrangements, where appropriate, to establish and protect the Group's intellectual property rights, third parties may infringe on, or misappropriate, the Group's rights or assert rights in, or ownership of, the Group's trademarks and other intellectual property rights, or in trademarks that are similar to trademarks that the Group owns. The steps the Group has taken may not be sufficient to protect its intellectual property rights or to prevent others from seeking to invalidate its trademarks and the Group may in the future need to resort to litigation to enforce its intellectual property rights. Any such litigation could result in substantial costs and a diversion of financial and management resources from more beneficial uses. If the Group is unable to protect its intellectual property rights against infringement or misappropriation, or if third parties assert rights in or seek to invalidate the Group's intellectual property rights, this could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

It is also possible that the Group may not identify third-party intellectual property rights adequately or assess the scope and validity of these third-party rights correctly, which may lead to claims that the Group has infringed intellectual property rights owned by third parties that may challenge the Group's right to continue to sell certain products and/or may seek damages from the Group. Any such claims or lawsuits, whether or not proven to be with merit, could be expensive and time consuming to defend and could cause the Group to cease offering products that incorporate the challenged intellectual property, which could divert the attention and resources of the Group's management. The Group cannot provide any assurance that it will prevail in any litigation related to infringement claims against the Group. A successful claim of infringement against the Group could result in the Group being required to pay significant damages, cease the sale of certain products that incorporate the challenged intellectual property or obtain licenses from the holders of such intellectual property which may not be available on commercially reasonable terms, any of which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

20. ***The Group may suffer uninsured losses or suffer material losses in excess of insurance coverage.***

The Group's insurance coverage may be insufficient to cover losses that it might incur. While the Group currently maintains comprehensive insurance at both global and local levels with leading insurers to cover, among other things, property damage, business interruption, public and product liability, employer's liability, workers' compensation, directors' and officers' liability, airside liability, motor and other cover as required by local laws and regulations, there can be no assurance that the Group will not be exposed to uninsured liability at levels in excess of historic levels resulting from multiple pay-outs or otherwise. The occurrence of losses or other damages not covered by insurance, or that exceed insurance limits, could result in unexpected additional costs. The Group's insurance policies are renewed on an annual basis, and there is a risk that the terms of cover, whether as a result of market pressure or in response to the Group's previous claims, may be different than those previously provided to the Group. On renewal, the level of premia may increase or the availability and terms of cover may change, which could have a material effect on its business, results of operations, financial condition and prospects.

**Risks relating to the macroeconomic environment in which the Group operates**

21. ***Economic conditions and other contributors to disposable income in the countries in which the Group operates and globally may impact the Group's business adversely.***

The Group's business is influenced by general economic trends. Levels of discretionary travel (whether for business or leisure) and discretionary consumer spending have been and could be adversely affected by global economic conditions, including the Coronavirus pandemic. Passenger volumes at the airports and railway stations at which the Group operates, and the amount that customers spend on food and beverages when they travel, could decrease if disposable income decreases, sales taxes or value-added taxes increase, unemployment increases, oil prices increase leading to more expensive travel fares or the spending habits of customers change to reflect increased uncertainty or apprehension regarding current economic conditions. For example, air and rail passenger volumes globally have declined as a result of the Coronavirus pandemic, which is expected to continue to affect the Group's business, financial condition, results of operations and prospects materially and adversely. For more information, see "*—The Coronavirus pandemic has had and is likely to continue to have a material adverse effect on the Group, as would ongoing Coronavirus infections, the emergence of any new variants of the Coronavirus or the emergence of any subsequent pandemic, the ultimate impact of which is dependent on the duration and extent of the pandemic and therefore not yet known*". Furthermore, the increase of protectionist trade policies and tariffs could result in cost inflation, particularly in the United States. Cost inflation could also arise as a result of Brexit, due to the possibility of additional regulatory requirements and tariffs. For more information, see "*—The Group is subject to risks in relation to the United Kingdom's exit from the European Union*".

Similarly, a decrease in growth in the developing markets where the Group operates could also adversely impact the Group's operations and limit potential growth in those markets. A significant deterioration or sustained decline in economic conditions could reduce spending at the Group's units, and if current economic conditions continue to worsen in any of the markets in which the Group operates, as a result of the Coronavirus pandemic or otherwise, there can be no assurance that this will not have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

22. ***The Group's operations are dependent on international and regional travel, which may be adversely affected by local, regional or global events, including outbreaks of illness, political instability and terrorism.***

As discussed above, the Group's operations are highly dependent on rates of international and domestic travel. The travel environment is vulnerable to natural disasters, outbreaks of international hostilities, terrorist activities, political unrest, contagious disease outbreaks, severe weather conditions customer behavioural change or other events of a similar magnitude, which in turn could affect the Group's business, financial condition, results of operations and prospects materially and adversely. There is a risk that the Group is unable, or poorly placed, to respond to these external events. In addition to the impact of the Coronavirus pandemic as described in "*—The Coronavirus pandemic has had and is likely to continue to have a material adverse effect on the Group, as would ongoing Coronavirus infections, the emergence of any new variants of the Coronavirus or the emergence of any subsequent pandemic, the ultimate impact of which is dependent on the duration and extent of the pandemic and therefore not yet known*", the Group may be affected materially and adversely by other external events which affect international and domestic travel. For example, the insolvency of JetAirways in India and the grounding of the Boeing 737 Max fleet globally following fatal accidents in 2018/2019, resulted in an immediate reduction in passenger carrying capacity in many of the Group's core air markets. In addition, public concern over climate change may also impact air travel, either directly or through government policy.

Furthermore, issues specific to a single country or city may significantly impact passenger volumes in key locations. For example, the political unrest in Egypt since 2011 and the “*gilets jaunes*” movement in France and Belgium have had a negative impact on the number of passengers utilising rail stations and airports in these countries. Strikes by airlines and/or airport ground staff or railway station or train staff could also temporarily reduce passenger volumes in airports and railway stations in which the Group has operations.

Additionally, any local natural disasters (e.g., the Australian bushfires in 2019) or severe weather conditions (e.g., the four successive nor’easter storms that brought heavy snowfall and flooding to the northeast United States in March 2018), threat of widespread disease (e.g., the Coronavirus pandemic) or threat of international terrorism, could lead to a sharp decline in passenger volumes and changes in customer preferences (such as driving instead of flying or taking trains).

Technological changes, including an increased and continued reliance on remote working capabilities (such as videoconferencing) in lieu of traditional business travel, including as a result of the Coronavirus pandemic, could also affect passenger volumes, which in turn could have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

23. ***The Group’s potential future expansion into developing markets may increase its risk profile, divert management attention or financial or other resources away from the Group’s existing business or require additional expenditures.***

Part of the Group’s growth strategy in the medium to long term may involve further expansion into developing countries, which could expose the business to new risks that it may not have the expertise, capability or the systems to manage. The political, economic and legal systems and conditions in these markets are less predictable than in countries with more developed institutional structures, subjecting the Group to additional commercial, reputational, legal and compliance risks. These risks include cultural differences, difficulties in staffing and managing overseas operations, inherent difficulties and delays in contract enforcement and the collection of receivables under the legal systems of developing countries, the risk of non-tariff barriers, regulatory and legal requirements affecting the Group’s ability to enter new markets (including requirements for joint ventures with local entities), difficulties in obtaining regulatory approvals, environmental permits and other similar types of governmental consents, difficulties in negotiating effective contracts, obtaining the necessary facility sites, marketing units, securing essential local financing, liquidity, trade financing or cash management facilities, export and import restrictions and restrictions on repatriation of funds, other restrictions on foreign trade or investment sanctions, and the burdens of complying with a wide variety of foreign laws and regulations, including multiple tax regimes (including regulations relating to transfer pricing and withholding and other taxes on remittances and other payments from subsidiaries). Any of the foregoing may have a material adverse effect on the Group’s business, financial condition, results of operations and prospects.

24. ***The Group’s business is subject to seasonal influences, and uncharacteristic events, significant weather conditions, climate change or natural disasters could materially adversely affect its operating profit and results of operations.***

Historically, the most important trading period for the Group’s business in terms of sales, operating results and cash flow has been the second half of its financial year, which is linked to increased leisure travel during the summer holiday months in the UK, Continental Europe and North America. In the six months ended 30 September 2020, the Group’s results of operations were substantially adversely affected by the continuing impact of the Coronavirus pandemic. Before the Coronavirus pandemic, in the year ended 30 September 2019, 55% of revenues and 72% of operating profits were generated in the second half of the Group’s financial year. If sales during the Group’s peak trading months prove to be significantly lower than expected (notwithstanding the Coronavirus pandemic), for any reason, such as poor economic conditions, travel disruptions or prolonged unseasonal or severe weather, the Group’s profitability and cash flow are also likely to be significantly and adversely impacted.

Natural disasters, unexpected or extreme weather conditions, acts of terrorism or violence, public health concerns, such as pandemics and quarantines (including the Coronavirus pandemic), climate change or similar disruptions and catastrophic events, can affect consumer spending habits, confidence and consumers’ disposable income, particularly with respect to international and domestic travel. This could have an adverse effect on demand for the Group’s products and services. Climate change, for example, may influence governments to implement additional climate change regulation or shift consumer attitudes in air travel that may have a material adverse effect on the Group’s long-term growth. See “—*The Group’s operations are dependent on international*

*and regional travel, which may be adversely affected by local, regional or global events, including outbreaks of illness, political instability and terrorism”.*

These types of events can also affect the Group’s workforce adversely and can disrupt or disable operations of outlets, support centres, and portions of the Group’s supply chain and distribution network, including causing reductions in the availability of inventory or disruption to utility services. In addition, these events may affect the functionality of the Group’s information systems, including the Group’s ability to transact with customers and fulfil orders and to communicate with its outlet network. For more information, see “—*The Group depends on its information technology systems and any breakdown, failure or data security breach in the Group’s information technology could result in a disruption in the Group’s business and could have a material adverse effect on its results of operations*”. As a consequence of these or other uncharacteristic or catastrophic events, the Group’s operations may be disrupted, or the Group may incur increased costs, or suffer losses of property, equipment or inventory, which could have a material adverse effect on the Group’s business, results of operations, financial condition and prospects.

#### **Risks relating to the Group’s structure and financing**

25. ***The Company is a holding company with no business operations of its own and it depends on its subsidiaries for cash, including in order to pay dividends to the extent distributable reserves are available.***

As a holding company, the Company’s results of operations and financial condition are entirely dependent on the trading performance of the members of the Group. The Company’s ability to pay dividends in the future is affected by a number of factors, including, principally, the Company’s ability to recognise its investment in subsidiaries at cost without having to record any impairment provision (which would reduce distributable reserves). Further, both the CCF and the Existing Facilities currently have restrictions on the payment of dividends by the Company, in the latter until any deferred amortisation payment or accrued fees are paid in full. In the medium to long term the Company’s distributable reserves may depend on the receipt of dividends from subsidiaries. The payment of dividends by subsidiaries is, in turn, subject to restrictions, including the existence of sufficient distributable reserves and cash in those subsidiaries, legislatively imposed repatriation requirements in certain jurisdictions (for example, China), restrictions imposed through the use of certain government furlough schemes and certain restrictions in the Group’s debt financing arrangements. These restrictions could limit or prohibit the payment of dividends to the Company by its subsidiaries, which could (at a future time) restrict the Company’s ability to pay dividends to Shareholders. For more information, see “—*The Company’s ability to pay dividends in the future depends, among other things, on the Group’s financial performance and capital requirements and is therefore not guaranteed*”.

26. ***The Group’s ability to satisfy future capital expenditure requirements depends on cash generated by the Group’s business and financing arrangements.***

The Group expects to satisfy future capital expenditure requirements from the cash generated by the Group’s business and the Group’s financing arrangements. If the cash that the Group generates from its business, together with cash that it may borrow under its existing financing arrangements, is not sufficient to fund its capital requirements outside of the working capital period, that is, 12 months from the date of this Prospectus, the Group will require additional debt and/or equity financing. There can be no assurance that any such additional financing that the Group requires will be available or, if available, that any such financing will be available on terms that are satisfactory to the Group. If such additional financing is not available to fund its capital requirements outside of the working capital period, that is, 12 months from the date of this Prospectus, the Group could suffer a decrease in its revenue and cash flows that could have a material adverse effect on its business. Furthermore, the Group’s ability to incur such additional debt will be limited by, among other things, the covenants and further permitted financial indebtedness clauses contained in its existing financing arrangements. If the Group is unable to obtain such sufficient additional capital outside of the working capital period, that is, 12 months from the date of this Prospectus, on terms that are satisfactory to the Group, it could have a material adverse effect on the business, financial condition and results of operations of the Group. For more information, see “—*The Group’s costs of finance could increase or, in the longer term, financing could cease to be available on appropriate terms or at all*”.



27. ***The Group's interest costs could increase due to fluctuations in interest rates or due to a change in its credit rating.***

The Group is exposed to fluctuations in interest rates. If interest rates increase significantly, the Group's interest expense will correspondingly increase to the extent of the unhedged drawings under such debt bearing floating rates of interest, thereby reducing its cash flow.

Within the Group, variable rates are typically applied to bank term loans and revolving credit facilities. The most material exposures include LIBOR (sterling and US dollar), EURIBOR, NIBOR and STIBOR. The Group has entered into a series of interest rate swaps to hedge 69% of its interest rate exposure on such bank term loans until 15 July 2021 and 63% until 15 July 2022. In the future, appropriate hedging products may not continue to be available on commercially reasonable terms and, if available, may not be successful in mitigating all risks related to fluctuating interest rates, which could have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

The Group may enter into additional indebtedness bearing floating rates of interest in the future. Any floating interest rates applicable to such indebtedness could rise significantly in the future.

In addition, following the 15 December 2020 amendment, the US Notes have an additional fee which is linked to the credit rating of the Company. There is a risk that a change to the credit rating of the Company would increase additional fees and have a material adverse effect on the Group's results of operations, financial condition or prospects.

28. ***The Group's costs of finance could increase or, in the longer term, financing could cease to be available on appropriate terms or at all.***

The Group's continued ability to arrange diverse sources of external financing (both debt and equity), and the cost of such financing, will depend on numerous factors, including its credit rating, its future financial condition and results of operations, as well as that of its individual operating companies, general macroeconomic and capital markets conditions, including the credit ratings of the countries in which the Group operates, interest rates, credit availability from banks or other lenders, foreign exchange rates, investor confidence in the Group, applicable provisions of tax and securities laws and political and economic conditions in any relevant jurisdiction.

Taking into consideration the Rights Issue contemplated in this Prospectus, the Directors believe the Group will be able to continue to access the debt capital markets on terms that are commercially reasonable and, based on its expected sources and uses of funds, does not believe its ability to service its debt and sustain its operations will be materially affected in the near term, that is, for the period of at least twelve months from the date of this Prospectus. Nevertheless, any increase in the cost of financing or any decrease in the availability of financing on commercially reasonable terms could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

29. ***The Group is subject to currency exchange rate risk in the conduct of its business.***

The Group's business operates in 35 countries worldwide and its principal currencies of operation are sterling, the euro and the US dollar.

The Group is subject to currency exchange risk including transaction, translation and economic risk. The Group is exposed to translation risk because its reporting currency is sterling and hence fluctuations in foreign exchange rates impact the consolidation into sterling of foreign currency denominated assets, liabilities and earnings. The Group is exposed to economic risk because it expects fluctuations in foreign exchange rates to impact the overall cash flow generated by its business and ultimately its likely market valuation. The Group has some exposures to transaction risk, whilst predominantly supply chains are local and consequently in local currencies, there are some exceptions around the Group where suppliers are located in different countries or landlords prefer payment in a non-domestic currency. The realisation of any of these risks could have a material adverse effect on the Group's business, results of operations and financial condition.

30. ***The Group is subject to counterparty risk, including hedging counterparty risk and credit risk.***

The Group is exposed to the default risk of the financial institutions with which it will operate. Although it manages this risk through diversification, the Group's risk management strategy may not be successful in limiting its exposure to credit risk, which could have a material adverse effect on its business, results of operations, financial condition and prospects.

## Risks relating to legal, tax and regulatory matters

31. ***The Group may become involved in legal proceedings in the ordinary course of business, which could result in material settlements, fines or penalties and may adversely impact the Group's business, results of operations and financial condition.***

The Group may become subject to claims and actions incidental to its business operations in the ordinary course, including with clients, customers, suppliers and employees, and the outcome of which may not always be predictable and which could result in material settlements, fines or penalties. For example, customer claims relating to food quality, food allergies, food poisoning, kitchen hygiene, accidents and unit cleanliness are common in the food and beverage market. Claims can also be made against the Group by clients, suppliers, contractors, consultants and other third parties with whom the Group does business, for breach of contract or otherwise (including in relation to action taken or not taken by the Group during the pandemic). In some jurisdictions the Group may benefit from temporary protection from claims granted by legislation, however there is no certainty as to how long such legislation will be in place. The Group could also face the risk of claims of illness, injury or death relating to public liability, including those relating to health and safety incidents, given that it operates commercial establishments that are open to the public. In addition, there may be a risk of employment claims based on, among other things, discrimination, harassment, wrongful termination and issues such as rest breaks, meal breaks, overtime compensation, allocation of gratuities among staff and holiday pay.

Furthermore, in circumstances where the Group has sold businesses, it has given certain warranties and indemnities to the purchasers of such businesses and may have other exposure to third parties in respect of the disposed business, including for example any undischarged guarantee and indemnity arrangements or other undertakings. A breach of such warranties and indemnities by the Group or any crystallisation of other third-party liabilities could give rise to contractual or other claims and litigation and expose the Group to material losses.

Regardless of whether a claim is successful, involvement in high profile litigation can cause reputational damage to the Group (which could in turn impact the Group's ability to successfully tender for new business), as well as diverting financial resources and the attention of key personnel away from operating the business. If one or more large claims were successful, or if there is a significant increase in the number of claims, the financial consequences and the adverse publicity could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

32. ***The Group is subject to extensive regulation and may be affected by changes to governmental regulations, particularly relating to food health and safety and environmental matters, that could require it to modify its current business practices, incur increased costs and subject it to potential liabilities.***

The Group's operations are subject to government regulations in the jurisdictions in which it operates and are subject to complex, overlapping and rapidly evolving laws, regulations and licensing requirements, which are administered by a large number of regulatory and enforcement authorities. The laws and regulations governing the Group's industry have become increasingly complex across a number of jurisdictions and in a wide variety of areas, including, among others, food safety, labour, employment, immigration, security, health and safety, competition and antitrust, consumer protection (including data protection), tax and the environment.

The Group is required to comply with the provisions of the UK Bribery Act and legislation aimed at preventing the facilitation of tax evasion, as well as the local equivalent laws in the territories in which the Group operates. The Group is also required to comply with data protection laws in the jurisdictions in which it operates. The Group is subject to the General Data Protection Regulation (EU) 2019/679 (as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018 and implemented through the Data Protection Act 2018) (the "GDPR"), in effect since 25 May 2018, which requires the ability to evidence compliance against a large number of mandatory obligations relating to personal data processing activities including being able to respond to an increased range of data subject rights and mandatory personal data breach response reporting. See "*—The Group may be subject to regulatory action or financial penalties if it fails to comply with applicable data protection legislation, including the General Data Protection Regulation, or standards, including the Payment Card Industry Security Standards, and failure to adequately protect customer and employee confidential information could significantly impact the Group's reputation and expose the Group to litigation or other legal or regulatory actions.*" There is a risk that the Group will fail to comply with such laws and regulations.

The Coronavirus pandemic has resulted in an additional compliance burden due to the use of government support programmes and an increased focus on good governance. Reduced staffing, increased remote working and employees placed on furlough, and an increase in reliance on external advisors, carries a higher data security risk and has led to an increased risk of non-compliance with government laws and regulations.

The Directors believe that the level and complexity of the regulations to which the Group is subject are likely to increase, which could increase the cost of regulatory compliance, divert management attention and negatively impact the Group's operating efficiency.

Any failure or suspected failure to comply with any of these regulations may result in increased regulatory scrutiny through inquiries or investigations, increased costs of compliance for, among other things, employee screening and increased insurance costs. Training employees and investing in and implementing systems to remain in compliance with applicable laws and regulations also imposes additional costs for the operation of the Group's business. The Group could also be subject to governmental and private civil remedies, including fines, penalties, damages, injunctions, disciplinary actions, recalls or seizures and loss of licences, as well as potential criminal sanctions, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. For more information, see "*—The Group may become involved in legal proceedings in the ordinary course of business, which could result in material settlements, fines or penalties and may adversely impact the Group's business, results of operations and financial condition*".

**33. *Loss of operating licences could have a material adverse effect on the Group's business.***

The Group is required, among other things, to obtain and maintain licences and/or registrations to operate, including in relation to the sale of food and beverages, in all jurisdictions in which it operates, at a state and/or local level. Potential licensees are often required to meet certain financial requirements and sometimes to provide security. In addition, licensees are generally subject to certain reporting requirements and audits and may be required to maintain a minimum level of infrastructure and local management, which imposes additional costs. The loss of any operating licence as a result of failure to comply with applicable requirements could result in the Group's inability to continue operating at a site, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

In addition, any material increase in the costs associated with obtaining and maintaining licences or remaining in compliance with applicable laws and regulations or penalties for failure to comply, as a result of a change in law or otherwise, could force the Group to leave the relevant jurisdiction or lead to the payment of fines, which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects. For more information, see "*—The Group is subject to extensive regulation and may be affected by changes to governmental regulations, particularly relating to food health and safety and environmental matters, that could require it to modify its current business practices, incur increased costs and subject it to potential liabilities*".

**34. *The Group may be subject to food safety and product liability claims and recalls which could adversely affect its business, reputation and financial performance.***

The preparation of food and the maintenance of the Group's supply chain require a base level of hygiene, temperature maintenance and traceability and expose the Group to possible food safety liability claims and issues, such as the risk of food poisoning. The Group's existing food safety controls and procedures may prove inadequate, for example, in cases of tampering with or contaminating food or failing to prepare food in accordance with relevant requirements (such as for halal, kosher, allergies or other dietary requirements). The occurrence of, or allegations of, any such event or any related negative press could harm the Group's relationship with its clients or customers or its reputation and result in a loss of customers, even if the Group is not responsible for the event or if its liability is limited. This could limit the Group's ability to renew contracts with clients and/or franchisors on acceptable terms or at all and/or to obtain new business. Furthermore, food safety regulations continue to evolve. For example, from October 2021, foods that are pre-packaged for direct sale in the United Kingdom will need to have a label with a full ingredients list, with allergenic ingredients emphasised (commonly referred to as "Natasha's Law"). There also exists the risk that the Group's suppliers may fail to comply or adhere to applicable food or product safety regulations, which may expose the Group to the aforementioned risks, such as food safety liability claims. For more information, see "*—The Group relies on its suppliers and joint venture partners to comply with applicable employment, environmental, anti-money laundering, anti-corruption, sanctions and other laws and regulations*".

Failures may also lead to food safety or other liability claims or sanctions orders under federal, state, provincial and local food controls and regulations, which may include loss of licence and closure of the Group's operations.

In addition, such claims and incidents may cause the Group to incur significant legal and other costs and could divert the attention of management and key personnel from the business, any of which could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

35. ***Changes in labour conditions and increases in labour costs, including increases to the minimum wage in the markets in which the Group operates, may adversely impact the Group's business, financial condition, results of operations and prospects.***

The Group's success depends in part on its ability to attract and retain qualified personnel in all areas of its business. The Group's workforce requires large numbers of entry level and skilled workers and managers; low levels of unemployment or mismatches between the relevant labour markets and the Group's skill requirements in one or more of the regions in which the Group operates may compromise its ability to continue to provide quality service in its various food and beverage units or to compete effectively for concessions. Competition for labour has at times resulted in wage increases in the past and future competition could substantially increase the Group's labour costs. In addition, as a business operating in a sector which was disproportionately impacted by the Coronavirus pandemic and accordingly, one of the last sectors anticipated to fully recover, the Group may experience difficulty in attracting and retaining qualified personnel.

A substantial number of the Group's employees are covered by some form of collective bargaining or union arrangements. As union contracts and collective bargaining agreements expire or are re-negotiated from time to time, the Group may be required to re-negotiate these in an environment of increasing wage rates, which could lead to agreed terms less favourable to the Group. Redundancy payments for any headcount reductions in the future could also impose increased costs on the Group. Collective bargaining agreements, redundancy programmes, the apprenticeship levy in the UK and government mandated increases in the minimum wage could also result in an increase in labour costs, which could materially impact the Group's results of operations. See "*—Organised strikes or work stoppages by unionised employees may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.*"

The Group is also subject to minimum wage requirements and mandatory healthcare subsidisation in some of the jurisdictions in which it operates, notably North America and the United Kingdom. In the United States, increased costs associated with healthcare reform legislation and the Fair Labor Standards Act ("FLSA") and, in the United Kingdom, an increase to the national minimum wage of between 4.6% and 6.5% and an increase in the national living wage of 6.2%, both with effect from 1 April 2020, have had negative impacts on the Group's operating costs in these countries. In the United States, costs have also increased due to immigration policies which have had an adverse impact on the supply of labour. Further increases in the national minimum or living wage rates applicable in the countries in which the Group has significant operations, increases in the cost of labour linked to potential restrictions on the availability of migrant workers, or any increase in the amounts employers must contribute in social security payments on behalf of each employee could increase the Group's operating costs and if such costs cannot be passed on to consumers in the form of higher retail prices, any such increase could adversely impact the Group's profitability. As a result of the Coronavirus pandemic, governments may seek further employee protections, which could negatively impact the Group's base costs. In addition, any finding that the Group failed to pay the national living wage, as and for the hours required, or otherwise failed to comply with minimum wage requirements could result in penalties and adverse publicity as well as payment of any arrears and the required amounts going forward.

36. ***The Group may be subject to regulatory action or financial penalties if it fails to comply with applicable data protection legislation, including the General Data Protection Regulation, or standards, including the Payment Card Industry Security Standards, and failure to adequately protect customer and employee confidential information could significantly impact the Group's reputation and expose the Group to litigation or other legal or regulatory actions.***

The Group is subject to expansive regulations regarding the use of personal data. The Group processes personal data (such as name, address, age, bank and credit card details and other personal data) from its employees, customers, brand partners, clients and other business contacts as part of the operation of its business, and therefore must comply with applicable data protection and privacy laws. Those laws generally impose certain requirements on the Group in respect of the collection, retention, use and processing of such personal information. Failure to operate effective data collection controls could potentially lead to regulatory censure, fines, reputational damage and financial costs. The Group seeks to ensure that procedures are in place to enable compliance with the relevant data protection regulations by its employees and any third-party service providers, and that security measures are in place to help prevent cyber-theft. Notwithstanding such efforts, the Group is

exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of applicable data protection laws.

In addition, the Group may not have the appropriate controls in place today and may be unable to invest on an ongoing basis to ensure such controls are current and adequate to keep pace with the growing threat. In particular, the Group is subject to the GDPR. The GDPR increased the regulatory burden on the Group, as well as third party providers on which the Group relies, in processing personal customer, employee and other data in the conduct of its business and may also increase the potential sanctions for breach as the GDPR includes significant financial penalties up to the higher of 4% of the annual worldwide turnover of company groups or €20 million. While the Group has taken steps to comply with the GDPR, the Group will be required to continue to implement additional measures, controls, procedures and policies in the future to achieve and maintain GDPR compliance. Ensuring compliance with the GDPR is an ongoing process and it is possible that, despite the Group's efforts, supervisory authorities or other third parties will assert that the Group's practices do not comply with aspects of the GDPR. If the Group is not fully compliant with its obligations under the GDPR, the Group may be subject to regulatory action or financial penalties, which could also result in adverse publicity and reputational damage.

In addition, in certain jurisdictions in which the Group accepts debit and/or credit cards at its food and beverage units, it is becoming increasingly important to demonstrate that the Group is managing data security risks effectively. The impact of any failure to comply with the Payment Card Industry Security Standards ("PCIDSS") could be a loss of contracts, income and an inability to offer card payment options to customers leading to a potentially significant loss of business. Weaknesses in the Group's data security controls could result in an unlawful use of card data, and the Group could face significant penalties and remediation costs, material damage to its reputation, potential loss of contracts with clients and partners and potential loss of customer trust and confidence.

Any of the foregoing events could result in the Group suffering reputational damage as well as the loss of new or repeat business, which could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

37. ***The Group is subject to taxation, which is complex and often requires subjective assessments, and may face adverse tax determinations from the tax authorities in the markets in which the Group operates, which could adversely impact the Group's business, reputation and financial performance.***

The Group is subject to many different forms of taxation including but not limited to corporate income tax, withholding tax, value added tax, transfer pricing rules, commodity tax and social security and other payroll related taxes. Tax law and administration is complex and often requires the Group to make subjective determinations. Tax authorities around the world are increasingly rigorous in their scrutiny of transactions and may not agree with the determinations that are made by the Group with respect to the application of tax law. There is a risk that the Group may not be tax compliant in each of the jurisdictions in which it operates due to complicated local tax laws across different geographical territories. Coronavirus support schemes such as furlough of employees have further increased the Group's tax compliance burden.

There is an increased focus on tax governance from the tax authorities in the countries in which the Group operates, including the integration of systems with tax authorities. There continues to be more investment from the OECD into Base Erosion and Profit Shifting ("BEPS") related initiatives, and there is a risk that there could be wholesale changes to how taxation systems work based on the data gathered in the future. This focus on tax governance is driving digitisation of the Group, resulting in increased costs and complexity in adhering to tax regulation.

Additional tax expenses could accrue in relation to previous tax assessment periods, which are still subject to a tax audit or a pending tax audit or have not been subject to a tax audit yet and are still open to review by tax authorities. As a result, the tax authorities could revise original tax assessments and substantially increase the tax burden (including interest and penalty payments) of the Group's affected entities (for example, in connection with transfer pricing, restructuring measures, transaction costs or recovery of indirect taxes). The Group may also suffer reputational damage if customers, clients or suppliers believe that the Group is engaged in aggressive or abusive tax avoidance. The realisation of any of these risks could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

38. ***The Group relies on its suppliers and joint venture partners to comply with applicable employment, environmental, anti-money laundering, prevention of facilitation of tax-evasion, anti-corruption, anti-slavery, sanctions and other laws and regulations.***

Whether or not within the Group's control, events, including adverse publicity regarding business practices in the Group's extended supply chain and joint ventures that reflect poorly on the Group's reputation, could have a material adverse effect on the Group's business, results of operations, financial condition, or prospects.

Although the Group maintains clear standards for its suppliers and joint venture partners, including as to creditworthiness, sustainability, technical specifications and quality, as well as applicable employment, environmental, anti-money laundering and anti-facilitation of tax evasion, anti-corruption, anti-slavery, sanctions and other relevant laws and regulations, there can be no assurance that these entities are, or will remain, in compliance with such standards or laws and regulations. For more information, see "*—The Group may not be able to exercise full control over the joint ventures through which it has expanded into certain developing markets and is therefore reliant, to an extent, on its local joint venture partners in these markets*" above. In light of the increased public focus on employment, health and safety and environmental matters, a violation, or allegations of a violation, of such laws or regulations, or a failure to achieve particular standards by any of the Group's suppliers or joint venture partners, could lead to unfavourable publicity and a decline in public demand for the Group's products, or require the Group to incur expenditure or make changes to its supply chain and other business arrangements to ensure compliance. Even if successfully resolved without direct adverse financial effect, such claims or complaints could have a material adverse effect on the Group's brand and reputation and could divert financial and management resources from more beneficial uses. Any such events concerning the Group, its joint venture partners or any of the manufacturers or suppliers that supply products to it could erode the Group's reputation or otherwise result in a material adverse effect on the Group's business, results of operations, financial condition and prospects.

#### **Risks relating to the Company's Shares**

39. ***The value of an investment in the Nil Paid Rights, Fully Paid Rights or the New Shares may go down as well as up and any fluctuations may be material.***

The Company's share price has fluctuated and may continue to fluctuate. The market price of the Nil Paid Rights, Fully Paid Rights and the New Shares could also be subject to significant fluctuations due to a change in sentiment in the market regarding these securities. The factors which may affect the Company's share price, and the price of the Nil Paid Rights, the Fully Paid Rights and the New Shares, include (but are not limited to):

- events relating to the Coronavirus pandemic, including the imposition or re-imposition of government policies or restrictions;
- the Company's expected and actual performance and the performance of the markets in which it operates;
- regulatory and tax changes affecting the Group's operations;
- speculation regarding mergers or acquisitions involving, and/or major divestments by, the Company or its competitors;
- future issues of Shares, or large purchases or sales of Shares in the market; and
- announcements of changes in the Company's credit rating.

Furthermore, the Company's share price, and the price of the Nil Paid Rights, the Fully Paid Rights and the New Shares, may fall in response to market appraisal of its current strategy or if the Group's operating results and/or prospects from time to time are below the prior expectations of market analysts and investors. In addition, stock markets have from time to time experienced significant price and volume fluctuations that have affected the market price of securities and which may be unrelated to the Group's operating performance and prospects.

Any of these events could result in a decline in the market price of the Ordinary Shares, the Nil Paid Rights, the Fully Paid Rights or the New Shares.

40. ***An active trading market for the Nil Paid Rights may not develop.***

An active trading market in the Nil Paid Rights may not develop on the London Stock Exchange during the trading period. In addition, because the trading price of the Nil Paid Rights depends on the trading price of the Shares, the Nil Paid Rights price may be volatile and subject to the same risks to which the New Shares are subject. The volatility of the price of New Shares may also magnify the volatility of the price of the Nil Paid Rights.

41. ***The market price for the Shares may decline below the Rights Issue Price.***

The public trading market price of the Shares may decline below the Rights Issue Price. Should that occur prior to the latest time and date for acceptance under the Rights Issue, Shareholders who exercise their rights in the Rights Issue will suffer an immediate loss as a result. Moreover, following the exercise of their rights, Shareholders may not be able to sell their New Shares at a price equal to or greater than the acquisition price for those shares. Shareholders who decide not to exercise their Nil Paid Rights may also sell or transfer them. If the public trading market price of the Shares declines below the Rights Issue Price, investors who have acquired any such Nil Paid Rights in the secondary market will likely suffer a loss as a result.

The market price of the Shares may fluctuate and may not always reflect the underlying asset value of the Group

42. ***Shareholders who do not (or are not permitted to) acquire New Shares in the Rights Issue will experience dilution in their ownership of the Company.***

If any Shareholder does not take up the offer of New Shares under the Rights Issue, either because the Shareholder is in the United States or another jurisdiction where their participation is restricted for legal, regulatory and other reasons or because the Shareholder does not respond by 11.00 a.m. on 21 April 2021, the expected latest time and date for acceptance and payment in full for that Shareholder's provisional allotment of the New Shares, and that Shareholder's Nil Paid Rights to acquire the New Shares lapse, the Shareholders' proportionate ownership and voting interests as well as the percentage that their shares will represent of the total issued ordinary share capital of the Company will be reduced accordingly. Even if a Shareholder elects to sell their unexercised Nil Paid Rights, or such Nil Paid Rights are sold on their behalf, the consideration the Shareholder receives may not be sufficient to compensate them fully for the dilution of their percentage ownership of the Company's share capital that may be caused as a result of the Rights Issue.

If, however, the Underwriters are unable to find acquirers for such New Shares or are unable to achieve a price at least equal to the Rights Issue Price and the related expenses of procuring such acquirers, Shareholders will not receive any consideration for the Nil Paid Rights they have not taken up. Furthermore, to the extent that Shareholders do not exercise their Nil Paid Rights to acquire the New Shares, their proportionate ownership and voting interest in the Company will be reduced and the percentage that the Ordinary Shares of that Shareholder would represent of the total share capital of the Company will also be reduced accordingly. Any consideration received may not be sufficient to compensate that Qualifying Shareholder fully for the dilution of their percentage ownership of the Company's issued ordinary share capital that may be caused as a result of the Rights Issue.

43. ***Shareholders located outside the United Kingdom may not be permitted to take up their entitlements under the Rights Issue.***

Securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders resident in such jurisdictions in the Rights Issue. In particular, the Rights Issue will not be registered under the Securities Act and therefore Shareholders located in the United States may not be permitted to take up their entitlements under the Rights Issue unless an exemption from the registration requirements of the Securities Act is available. Qualifying Shareholders with a registered address in, or who are a resident in or are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their Nil Paid Rights or to acquire Fully Paid Rights or the New Shares.

44. ***Overseas Shareholders may not be able to participate in future issues of the Company's Shares.***

The articles of association of the Company (the "**Articles**") provide for pre-emption rights to be granted to Shareholders in the Company, unless such rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders in future offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless either the Company's Shares and any other securities that are offered and sold are registered under the Securities Act, or the Company's Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Company cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable Overseas Shareholders to exercise their pre-emption rights or, if available, that the Company will utilise any such exemption.

45. ***Not all rights available to shareholders under the laws of the United States will be available to Shareholders.***

Rights afforded to shareholders under English law differ in certain respects from the rights of shareholders in typical US companies. The rights of holders of the Company's Shares are governed by English law and the Articles. In particular, English law currently significantly limits the circumstances under which the shareholders of English companies may bring derivative actions. Under English law, in most cases, the Company may be the only plaintiff with standing for the purposes of maintaining proceedings in respect of wrongful acts committed against it and, generally, neither an individual shareholder, nor any group of shareholders, has any right of action in such circumstances. In addition, English law does not afford appraisal rights to dissenting shareholders in the form typically available to shareholders in a US company.

46. ***The Company's ability to pay dividends in the future depends, among other things, on the Group's financial performance and capital requirements and is therefore not guaranteed.***

There can be no guarantee that the Group's historic performance will be repeated in the future, particularly given the competitive nature of the markets in which it operates, and its sales, profit and cash flow may significantly underperform market expectations. If the Group's cash flow underperforms market expectations, then its capacity to pay a dividend will suffer. Furthermore, under the terms of the Group's Existing Facilities, the Company is prohibited from paying dividends until the expiry of certain restrictions that apply during the covenant amendment period. Any future decision to declare and pay dividends will be made at the discretion of the Directors and will depend on, among other things, applicable law, regulation, restrictions on the payment of dividends in the Group's financing arrangements, the Group's financial position, the Company's distributable reserves, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Directors deem significant from time to time.

47. ***Overseas Shareholders may be subject to exchange rate risk.***

The Company's Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. An investment in the Company's Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Company's Shares or any dividends in foreign currency terms.



## **PART 2 IMPORTANT INFORMATION**

### **General**

The Company will update the information provided in this Prospectus by means of a supplement if a significant new factor that may affect the evaluation by prospective investors of the offer occurs after the publication of this Prospectus or if this Prospectus contains any material mistake or substantial inaccuracy. This Prospectus and any supplement will be subject to approval by the FCA (as competent authority under Regulation (EU) 2017/1129) as it forms part of retained EU law as defined in the EU (Withdrawal) Act 2018) and will be made public in accordance with the Prospectus Regulation Rules. If a supplement to this Prospectus is published prior to Admission of the New Shares, investors shall have the right to withdraw their applications for New Shares made prior to the publication of the supplement. Such withdrawal must be made within the time limits and in the manner set out in any such supplement (which shall not be shorter than two clear Business Days after publication of the supplement).

### **Market and industry information**

Unless the source is otherwise stated, the market, economic and industry data in this Prospectus constitute the Directors' estimates, using underlying data from independent third parties. Market data and certain industry data and forecasts used in this Prospectus have been obtained from internal company surveys, reports and studies, where appropriate, as well as market research, consultant surveys and publicly available information, including publications and data compiled by Airports Council International ("ACT"), International Air Transport Association ("IATA") and SCI Verkehr.

The Company confirms that all third-party data contained in this Prospectus has been accurately reproduced and, so far as the Company is aware and able to ascertain from information published by that third-party, no facts have been omitted that would render the reproduced information inaccurate or misleading. Where third-party information has been used in this Prospectus, the source of such information has been identified. While industry surveys, publications, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, the accuracy and completeness of such information is not guaranteed. The Company has not independently verified any of the data from third-party sources, nor has the Company ascertained the underlying economic assumptions relied upon therein. Similarly, internal surveys, industry forecasts and market research, which the Company believes to be reliable based upon the Directors' knowledge of the industry, have not been independently verified. Statements as to the Group's market position are based on recently available data. Any industry forecasts are forward-looking statements. See "Cautionary Note Regarding Forward-Looking Statements" below. For purposes of calculating certain operational information, including the number of units or the markets in which the Group operates, the term "Group" includes the Company, its subsidiary undertakings and its associated undertakings.

### **Cautionary note regarding forward-looking statements**

This Prospectus contains forward-looking statements that are based on current expectations or beliefs, as well as assumptions about future events. 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", "is confident", or other words of similar meaning. Undue reliance should not be placed on any such statements because they speak only as at the date of this Prospectus and, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Company's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements.

There are a number of factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are; the impact of the Coronavirus pandemic, increased competition, the loss of or damage to one or more key concession and brand relationships, changes in customer behaviours, the failure of one or more key suppliers, the outcome of business or industry restructuring, the outcome of any litigation, changes in economic conditions, currency fluctuations, changes in interest and tax rates, changes in laws, regulations or regulatory policies, the failure to retain key management, or the key timing and success of future acquisition opportunities or major investment projects.

You are advised to read this Prospectus and the information incorporated by reference into this Prospectus in their entirety, and, in particular, the section of this Prospectus headed “*Risk Factors*”, for a further discussion of the factors that could affect the Group’s future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements in this Prospectus and/or the information incorporated by reference into this Prospectus may not occur. The statements above related to forward-looking statements should not be construed as a qualification of the working capital statement contained in Part 16 “*Additional Information—Working Capital*” of this Prospectus.

Other than in accordance with their legal or regulatory obligations (including under the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules), neither the Company nor the Underwriters undertake any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, future events or otherwise.

### **Presentation of Financial Information**

Unless otherwise indicated, the historical and other financial information for the Group presented in this Prospectus has been extracted from the Company’s Annual Reports prepared in accordance with IFRS as adopted by the EU for each of the years ended 30 September 2020, 2019 and 2018. Where information has been extracted from the audited historical financial information of the Group, the information is audited unless otherwise stated. The consolidated summary unaudited financial information for the Group for the three-month periods ended 31 December 2019 and 2020 has been extracted from the unaudited interim financial statements included in Part 13 “*Financial Information of the Group*”.

The historical financial information incorporated by reference into this Prospectus is presented in pounds sterling and has been prepared in accordance with IFRS as adopted by the EU.

### **Rounding**

The financial information presented in a number of tables in this Prospectus has been rounded to the nearest whole number or the nearest decimal. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

### **Alternative Performance Measures**

The Group uses alternative performance measures for analysis as it believes these measures provide additional useful information on the underlying trends, performance and position of the Group. The alternative performance measures are unaudited and not defined by IFRS and therefore may not be directly comparable with other companies’ performance measures and are not intended to be a substitute for IFRS measures.

#### *Revenue growth*

As the Group operates in 35 countries, it is exposed to translation risk on fluctuations in foreign exchange rates, and as such the Group’s reported revenue and operating profit will be impacted by movements in actual exchange rates. The Group presents its financial results on a constant currency basis in order to eliminate the effect of foreign exchange rates and to evaluate the underlying performance of the Group’s businesses. The table below reconciles reported revenue to constant currency sales growth, like-for-like sales growth, net contract gains/(losses) and the impact of acquisitions where appropriate.

The Group presents like-for-like sales growth and net contract gains/(losses) because the Directors believe these alternative performance measures contribute to a better understanding of the Group's revenue, as (i) like-for-like sales growth represents revenues generated in an equivalent period in each financial year in units which have been open for a minimum of 12 months, and (ii) net contract gains/(losses) represents the net year-on-year revenue impact from new units opened and existing units permanently closed in the 12 preceding months.

|   | UK   | Continental<br>Europe | North<br>America | RoW <sup>(1)</sup> | Total   |
|---|--|-----------------------|------------------|--------------------|---------|
|   | <i>(millions of £, except percentages)</i> |                       |                  |                    |         |
| Financial year 2020 Revenue at actual rates by segment . . . . .          | 410.1                                      | 558.2                 | 274.9            | 189.9              | 1,433.1 |
| Impact of foreign exchange . . . . .                                      | 0.6  | 15.5                  | 3.2              | 2.5                | 21.8    |
| Financial year 2020 Revenue at constant currency <sup>(2)</sup> . . . . . | 410.7                                      | 573.7                 | 278.1            | 192.4              | 1,454.9 |
| Financial year 2019 Revenue at actual rates . . . . .                     | 840.5                                      | 1,036.9               | 533.4            | 383.8              | 2,794.6 |
| Constant currency sales (fall)/growth . .                                 | (51.1)%                                    | (44.7)%               | (47.9)%          | (49.9)%            | (47.9)% |
| Which is made up of:  |  |                       |                  |                    |         |
| Like-for-like sales growth <sup>(3)</sup> . . . . .                       | (51.2)%                                    | (48.2)%               | (53.1)%          | (53.5)%            | (50.8)% |
| Net contract gains <sup>(4)</sup> . . . . .                               | 0.1%                                       | 3.5%                  | 5.2%             | 3.6%               | 2.9%    |
|   | (51.1)%                                    | (44.7)%               | (47.9)%          | (49.9)%            | (47.9)% |

**Notes:**

- (1) China, Hong Kong, Taiwan, Australia, Thailand, Singapore, Philippines, Malaysia, India, Greece, Cyprus, Russia, Egypt, Hungary, UAE, Israel and Brazil.
- (2) Constant currency is based on average 2019 exchange rates weighted over the financial year by 2019 results.
- (3) Like-for-like sales represent revenues generated in an equivalent period in each financial period in units which have been open for a minimum of 12 months. Units temporarily closed as a result of the Coronavirus pandemic have not been excluded for the purposes of the like-for-like calculation. Like-for-like sales are presented on a constant currency basis.
- (4) Net contract gains represent the net year-on-year revenue impact from new units opened and existing units permanently closed in the past 12 months. Net contract gains/(losses) are presented on a constant currency basis.

*Underlying Operating Profit & Underlying Operating Profit (pre IFRS 16)*

The Group presents an underlying operating profit / (loss) measure, which excludes a number of items which are not considered reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence. The following table provides a reconciliation of the respective non-underlying items for the periods indicated:

|  | Three-months ended<br>31 December |             | Year ended 30 September |              |              |
|--|-----------------------------------|-------------|-------------------------|--------------|--------------|
|  | 2020                              | 2019        | 2020                    | 2019         | 2018         |
|  | <i>(£ millions)</i>               |             |                         |              |              |
| <b>Operating profit / (loss)</b> . . . . .                         | (134.8)                           | 28.1        | (363.9)                 | 219.2        | 193.3        |
| <b>Total non-underlying operating costs</b> . . . . .              | <b>15.9</b>                       | <b>0.5</b>  | <b>48.5</b>             | <b>1.9</b>   | <b>1.9</b>   |
| <i>Of which:</i>   |                                   |             |                         |              |              |
| Impairment of goodwill* . . . . .                                  | 3.1                               | -           | 33.0                    | -            | -            |
| Impairment of property, plant and equipment* . . . . .             | 6.9                               | -           | 38.4                    | -            | -            |
| Impairment of right-of-use assets* . . . . .                       | 15.5                              | -           | 38.2                    | -            | -            |
| Accelerated Depreciation* . . . . .                                | -                                 | -           | 6.2                     | -            | -            |
| IFRS 16 rent credit* . . . . .                                     | (20.0)                            | -           | (91.9)                  | -            | -            |
| Restructuring expenses* . . . . .                                  | 9.9                               | -           | 22.7                    | -            | -            |
| Amortisation of intangible assets arising on acquisition . . . . . | 0.5                               | 0.5         | 1.9                     | 1.9          | 1.9          |
| <b>Underlying operating profit / (loss)</b> . . . . .              | <b>(118.9)</b>                    | <b>28.6</b> | <b>(315.4)</b>          | <b>221.1</b> | <b>195.2</b> |
| Impact of IFRS 16 leases . . . . .                                 | 36.3                              | 9.5         | 103.7                   | -            | -            |
| <b>Underlying operating profit / (loss) (pre IFRS16)</b> . .       | <b>(82.6)</b>                     | <b>38.1</b> | <b>(211.7)</b>          | <b>221.1</b> | <b>195.2</b> |

\*Denotes Coronavirus-related amounts, totalling £15.4 million in three months ended 31 December 2020 and £46.6 million in the year ended 30 September 2020.

Underlying Operating Profit by segment

| Three months ended 31 December 2020           |                    |               |               |                  |              |                |
|---|--------------------|---------------|---------------|------------------|--------------|----------------|
| UK  | Continental Europe | North America | RoW           | Non-attributable | Total        |                |
| ( <i>£ millions</i> )                         |                    |               |               |                  |              |                |
| Operating profit/ (loss) .....                | (24.0)             | (64.0)        | (21.0)        | (14.7)           | (11.1)       | (134.8)        |
| Non-Underlying Operating Costs .....          | (0.5)              | (15.7)        | (0.6)         | 2.9              | (2.0)        | (15.9)         |
| <b>Underlying Operating profit/ (loss) ..</b> | <b>(23.5)</b>      | <b>(48.3)</b> | <b>(20.4)</b> | <b>(17.6)</b>    | <b>(9.1)</b> | <b>(118.9)</b> |

| Three months ended 31 December 2019           |                    |               |            |                  |               |             |
|---|--------------------|---------------|------------|------------------|---------------|-------------|
| UK  | Continental Europe | North America | RoW        | Non-attributable | Total         |             |
| ( <i>£ millions</i> )                         |                    |               |            |                  |               |             |
| Operating profit/ (loss) .....                | 20.5               | 0.6           | 9.5        | 7.9              | (10.4)        | 28.1        |
| Non-Underlying Operating Costs .....          | (0.4)              | (0.1)         | -          | -                | -             | (0.5)       |
| <b>Underlying Operating profit/ (loss) ..</b> | <b>20.9</b>        | <b>0.7</b>    | <b>9.5</b> | <b>7.9</b>       | <b>(10.4)</b> | <b>28.6</b> |

| Year ended 30 September 2020                  |                    |                |               |                  |               |                |
|---|--------------------|----------------|---------------|------------------|---------------|----------------|
| UK  | Continental Europe | North America  | RoW           | Non-attributable | Total         |                |
| ( <i>£ millions</i> )                         |                    |                |               |                  |               |                |
| Operating profit/ (loss) .....                | (39.0)             | (193.5)        | (63.3)        | (37.3)           | (30.8)        | (363.9)        |
| Non-Underlying Operating Costs .....          | (10.3)             | (45.4)         | (7.9)         | 18.3             | (3.2)         | (48.5)         |
| <b>Underlying Operating profit/ (loss) ..</b> | <b>(28.7)</b>      | <b>(148.1)</b> | <b>(55.4)</b> | <b>(55.6)</b>    | <b>(27.6)</b> | <b>(315.4)</b> |

| Year ended 30 September 2019                  |                    |               |             |                  |               |              |
|---|--------------------|---------------|-------------|------------------|---------------|--------------|
| UK  | Continental Europe | North America | RoW         | Non-attributable | Total         |              |
| ( <i>£ millions</i> )                         |                    |               |             |                  |               |              |
| Operating profit/ (loss) .....                | 100.3              | 78.9          | 41.9        | 35.9             | (37.8)        | 219.2        |
| Non-Underlying Operating Costs .....          | (1.5)              | (0.4)         | -           | -                | -             | (1.9)        |
| <b>Underlying Operating profit/ (loss) ..</b> | <b>101.8</b>       | <b>79.3</b>   | <b>41.9</b> | <b>35.9</b>      | <b>(37.8)</b> | <b>221.1</b> |

| Year ended 30 September 2018                  |                    |               |             |                  |               |              |
|---|--------------------|---------------|-------------|------------------|---------------|--------------|
| UK  | Continental Europe | North America | RoW         | Non-attributable | Total         |              |
| ( <i>£ millions</i> )                         |                    |               |             |                  |               |              |
| Operating profit/ (loss) .....                | 88.0               | 79.1          | 27.7        | 35.7             | (37.2)        | 193.3        |
| Non-Underlying Operating Costs .....          | (1.5)              | (0.4)         | -           | -                | -             | (1.9)        |
| <b>Underlying Operating profit/ (loss) ..</b> | <b>89.5</b>        | <b>79.5</b>   | <b>27.7</b> | <b>35.7</b>      | <b>(37.2)</b> | <b>195.2</b> |

EBITDAAP, Adjusted EBITDA, Net Debt and Adjusted Net Debt

The Group is subject to two key financial covenants, which are tested semi-annually. These covenants relate to the leverage ratio, being the ratio between Adjusted EBITDA and Adjusted Net Debt, and the interest cover ratio between Adjusted EBITDA and net interest payable. The calculation of these ratios, which are contained in this Prospectus, involves the translation of non-sterling denominated debt using average, rather than closing, rates of exchange. The leverage ratio is only tested half yearly on a last twelve months basis and is currently waived under the Existing Facilities and is therefore not required to be calculated for the periods ended 31 December.

EBITDAAP is earnings before interest, taxes, depreciation, amortisation, and share of profit from associates, and Adjusted EBITDA is earnings before interest, taxes, depreciation, and amortisation subject to certain agreed adjustments including alignment to accounting standards agreed at the time of the facilities and excludes items which are not considered reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence. A reconciliation of Operating (loss) / profit to EBITDAAP and Adjusted EBITDA is presented for the periods below:

|   | Three-months ended<br>31 December |              | Year ended 30 September |              |              |
|---|-----------------------------------|--------------|-------------------------|--------------|--------------|
|   | 2020                              | 2019         | 2020                    | 2019         | 2018         |
| <b>Operating (loss) / profit</b>                                | <b>(134.8)</b>                    | <b>28.1</b>  | <b>(363.9)</b>          | <b>219.2</b> | <b>193.3</b> |
| Depreciation of property, plant and equipment                   | 23.2                              | 26.5         | 111.0                   | 98.3         | 90.3         |
| Depreciation of right-of-use assets                             | 73.2                              | 80.1         | 305.3                   | -            | -            |
| Amortisation of intangible assets                               | 2.3                               | 1.9          | 10.6                    | 8.9          | 9.3          |
| <b>EBITDAAP</b>   | <b>(36.1)</b>                     | <b>136.6</b> | <b>63.0</b>             | <b>326.4</b> | <b>292.9</b> |
| Non-underlying operating costs <sup>(1)</sup>                   | -                                 | -            | 40.4                    | -            | -            |
| Remove impact of IFRS 16 on EBITDAAP <sup>(2)</sup>             | -                                 | -            | (201.6)                 | -            | -            |
| Add back items of a one off, exceptional or non-recurring basis | -                                 | -            | 1.9                     | 1.9          | 1.9          |
| Add back Pension service costs                                  | -                                 | -            | 0.4                     | 0.5          | 0.6          |
| Add cash dividends received from Associates                     | -                                 | -            | 3.6                     | 5.2          | 3.9          |
| Deduct Profits attributable to Non Controlling Interests        | -                                 | -            | 22.7                    | (26.6)       | (25.5)       |
| <b>Adjusted EBITDA</b>  | <b>-</b>                          | <b>-</b>     | <b>(69.6)</b>           | <b>307.4</b> | <b>273.8</b> |

**Notes:**

- (1) Amounts included within Adjusted EBITDA for the year ended 30 September 2020 include impairment of asset of £109.6 million, IFRS16 rent credit of £(91.9) million and restructuring costs of £22.7 million.
- (2) Impact on Operating Profit due to IFRS 16 in the year ended 30 September 2020 was £(103.7) million, of which £(305.3) million was depreciation of right-of-use asset, and £201.6 million (£(103.7) million less £(305.3) million) was included as a credit to EBITDAAP (previously rent due under operating leases). Therefore, the impact of IFRS 16 on EBITDAAP is £201.6 million.

Adjusted Net Debt is Net Debt subject to alignment to accounting standards agreed at the time of the facilities. A reconciliation between Net Debt and Adjusted Net Debt for the periods indicated is presented below:

|   | Three-months ended<br>31 December |                  | Year ended 30 September |                |                |
|---|-----------------------------------|------------------|-------------------------|----------------|----------------|
|   | 2020                              | 2019             | 2020                    | 2019           | 2018           |
| Bank Loans                                | (463.7)                           | -                | (411.3)                 | (471.6)        | (485.9)        |
| US Private Placement notes                | (347.5)                           | -                | (341.1)                 | (243.9)        | -              |
| Covid Corporate Financing Facility (CCFF) | (124.1)                           | -                | (123.9)                 | -              | -              |
| Finance Leases                            | -                                 | -                | -                       | (1.2)          | (1.7)          |
| Lease Liabilities                         | (1,276.6)                         | -                | (1,349.3)               | -              | -              |
| Other Financial Assets                    | -                                 | -                | -                       | -              | 5.1            |
| Available Cash & Cash Equivalents         | 155.0                             | -                | 185.0                   | 233.3          | 147.8          |
| <b>Net Debt at end of period</b>          | <b>(2,056.9)</b>                  | <b>(2,003.2)</b> | <b>(2,040.6)</b>        | <b>(483.4)</b> | <b>(334.7)</b> |
| Add back lease liabilities under IFRS 16  | 1,276.6                           | 1,431.7          | 1,349.3                 | -              | -              |
| <b>Adjusted Net Debt</b>                  | <b>(780.3)</b>                    | <b>(571.5)</b>   | <b>(691.3)</b>          | <b>(483.4)</b> | <b>(334.7)</b> |

## Cash Usage

Since the start of the Coronavirus pandemic, the Group has focussed its attention on carefully managing its cash balances and uses the measure Cash Usage to monitor this.

|   | Three-months ended<br>31 December |                | Year ended 30 September |                |               |
|---|-----------------------------------|----------------|-------------------------|----------------|---------------|
|   | 2020                              | 2019           | 2020                    | 2019           | 2018          |
|   |                                   |                | <i>(£ millions)</i>     |                |               |
| Net cash flows from operating activities                            | (17.6)                            | 39.4           | 2.4                     | 301.2          | 272.9         |
| Net cash flows from investing activities                            | (12.1)                            | (57.3)         | (153.1)                 | (192.8)        | (172.4)       |
| Net cash flows from financing activities                            | 27.3                              | 1.8            | 107.6                   | (26.6)         | (130.7)       |
| <b>Net Decrease in Cash and cash equivalents</b>                    | <b>(2.4)</b>                      | <b>(16.1)</b>  | <b>(43.1)</b>           | <b>81.8</b>    | <b>(30.2)</b> |
| Cash (inflow) / outflow from movements in revolving credit facility | (50.0)                            | 10.0           | 97.5                    | (27.5)         | -             |
| Cash (inflow) / outflow from US Private Placement debt              | -                                 | (101.8)        | (101.8)                 | (239.8)        | -             |
| Cash (inflow) / outflow from Covid Corporate Financing Facility     | -                                 | -              | (125.0)                 | -              | -             |
| Cash (inflow) / outflow from movement in other financial assets     | -                                 | -              | -                       | (5.1)          | (5.2)         |
| Cash (inflow) / outflow from other changes                          | (22.5)                            | 0.3            | (32.1)                  | 35.2           | (36.8)        |
| <b>Cash Usage</b>   | <b>(74.9)</b>                     | <b>(107.6)</b> | <b>(204.5)</b>          | <b>(155.4)</b> | <b>(72.2)</b> |

## Constant currency

Financial information on a constant currency basis is unaudited and reflects an adjustment to eliminate the effect of exchange rate movements on the Group's financial results. The Directors use financial information, including revenue and Adjusted EBITDA, on a constant currency basis to eliminate the impact of exchange rate movements and to enhance comparability between periods in evaluating the Group's business performance and like-for-like growth.

In this Prospectus, financial information on a constant currency basis has been presented using the Group's exchange rates for the year ended 30 September 2020.

The weighted monthly average exchange rates for the Group's principal currencies for the 12 months period ended 30 September 2020 were as follows:

|          |       |
|----------|-------|
| EUR / £  | 1.13  |
| USD / £  | 1.27  |
| HK\$ / £ | 10.01 |
| DKK / £  | 8.44  |
| NOK / £  | 11.00 |
| SEK / £  | 11.89 |
| RMB / £  | 8.77  |
| CHF / £  | 1.27  |
| INR / £  | 92.47 |

## Currencies

In this Prospectus and the information incorporated by reference into this Prospectus, references to "£", "sterling", "pence", "pounds" or "GBP" are to the lawful currency of the United Kingdom and references to "US dollars", "US\$", "\$US", "US¢" or "cents" are to the lawful currency of the United States. The abbreviation "€" represents the euro, the European single currency. References to "HK\$" are to the lawful currency of Hong Kong. References to "DKK" are to the lawful currency of Denmark. References to "Norwegian Krone" or "NOK" are to the lawful currency of Norway. References to "Swedish Krona" or "SEK" are to the lawful currency of Sweden. References to "RMB" are to the lawful currency of the People's Republic of China. References to "CHF" or "Swiss Francs" are to the lawful currency of Switzerland. References to "INR" or "Indian Rupee" are to the lawful currency of India.

## Average rate against sterling

| Calendar year ended 31 December | US dollar  |         |        |        |
|---------------------------------|------------|---------|--------|--------|
|                                 | Period End | Average | High   | Low    |
| 2015                            | 1.4734     | 1.5283  | 1.5872 | 1.4654 |
| 2016                            | 1.2345     | 1.3554  | 1.4810 | 1.2158 |
| 2017                            | 1.3524     | 1.2886  | 1.3582 | 1.2068 |
| 2018                            | 1.2746     | 1.3351  | 1.4325 | 1.2516 |
| 2019                            | 1.3263     | 1.2767  | 1.3326 | 1.2060 |
| 2020                            | 1.3651     | 1.2838  | 1.3651 | 1.1555 |

Source: Bloomberg

| Calendar year ended 31 December | Euro       |         |        |        |
|---------------------------------|------------|---------|--------|--------|
|                                 | Period End | Average | High   | Low    |
| 2015                            | 1.3559     | 1.3823  | 1.4238 | 1.3305 |
| 2016                            | 1.1705     | 1.2182  | 1.3116 | 1.1153 |
| 2017                            | 1.1250     | 1.1434  | 1.1879 | 1.0854 |
| 2018                            | 1.1130     | 1.1289  | 1.1424 | 1.1130 |
| 2019                            | 1.1813     | 1.1441  | 1.1813 | 1.0977 |
| 2020                            | 1.1166     | 1.1252  | 1.2041 | 1.0733 |

Source: Bloomberg

## No Profit Forecast

No statement in this Prospectus is intended as a profit forecast and no statement in this Prospectus should be interpreted to mean that earnings per Share for the current or future financial years would necessarily match or exceed the historical published earnings per Share.

## Notice to investors in the United States of America

Subject to certain exceptions, neither this Prospectus nor the Provisional Allotment Letter constitutes, or will constitute, or forms part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or acquire, New Shares, Nil Paid Rights and/or Fully Paid Rights to any Shareholder with a registered address in, or who is resident of, the United States. If you are in the United States, you may not exercise your Nil Paid Rights or Fully Paid Rights and/or acquire any New Shares offered hereby. Notwithstanding the foregoing, the Company reserves the right to offer and deliver the Nil Paid Rights to, and the Fully Paid Rights and the New Shares may be offered to and acquired by, a limited number of Shareholders in the United States reasonably believed to be QIBs, within the meaning of Rule 144A, or to other persons in offerings exempt from or in a transaction not subject to, the registration requirements under the Securities Act. The Nil Paid Rights, the Fully Paid Rights and the New Shares being offered outside the United States are being offered in reliance on Regulation S. If you are a QIB located in the United States, in order to exercise your Nil Paid Rights or Fully Paid Rights and/or acquire any New Shares upon exercise thereof, you must sign and deliver an investor letter.

If you sign such an investor letter, you will be, amongst other things: representing that you and any account for which you are acquiring the New Shares, the Nil Paid Rights or the Fully Paid Rights are a QIB; and agreeing not to reoffer, sell, pledge or otherwise transfer the New Shares, the Nil Paid Rights, the Fully Paid Rights or the Provisional Allotment Letters, except: in an offshore transaction in accordance with Rule 904 of Regulation S (which, for the avoidance of doubt, includes a sale over the London Stock Exchange), and neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States; to a QIB in a transaction in accordance with Rule 144A; with respect to the New Shares only, pursuant to Rule 144 under the Securities Act (if available); or in another transaction pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, and, in each case, in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

No representation has been, or will be, made by the Company or the Underwriters as to the availability of Rule 144 under the Securities Act or any other exemption under the Securities Act or any applicable securities laws of any state or other jurisdiction of the United States for the reoffer, pledge or transfer of the New Shares.

Any envelope containing a Provisional Allotment Letter and post-marked from the United States will not be valid unless it contains a duly executed investor letter in the appropriate form as described above, any Provisional Allotment Letter in which the exercising holder requests New Shares to be issued in registered form and gives an address in the United States will not be valid unless it contains a duly executed investor letter.

The payment paid in respect of Provisional Allotment Letters that do not meet the foregoing criteria will be returned without interest.

Any person in the United States who obtains a copy of this Prospectus and who is not a QIB will be unable to purchase or acquire Nil Paid Rights, Fully Paid Rights and/or New Shares and is required to disregard this Prospectus.

### **Overseas territories**

Shareholders who have registered addresses in or who are resident in, or who are citizens of, all countries other than the UK should refer to paragraph 8 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

### **Notice to all Shareholders**

Any reproduction or distribution of this Prospectus, the Provisional Allotment Letters or the Forms of Instruction, in whole or in part, and any disclosure of its contents or use of any information contained in this Prospectus for any purpose other than considering an investment in the Nil Paid Rights, the Fully Paid Rights or the New Shares is prohibited. By accepting delivery of this Prospectus and, where applicable, the Provisional Allotment Letters or the Forms of Instruction, each offeree of the Nil Paid Rights, the Fully Paid Rights and the New Shares agrees to the foregoing.

The distribution of this Prospectus and any accompanying documents into jurisdictions other than the UK may be restricted by law. Persons into whose possession these documents come should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. For further information on the Excluded Territories, please see Part 8 “*Terms and Conditions of the Rights Issue*”.

No action has been taken by the Company or by the Underwriters that would permit an offer of the Nil Paid Rights, the Fully Paid Rights or the New Shares or possession or distribution of this Prospectus, the Provisional Allotment Letters or any other offering or publicity material in any of the Excluded Territories or in any other jurisdictions where the extension and availability of the Rights Issue would breach any applicable law.

### **Available information**

If, at any time, the Company is neither subject to Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, the Company will furnish, upon request, to any holder or beneficial holder of Shares, or any prospective purchaser designated by any such holder or beneficial owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act. In such cases, the Company will also furnish to each such owner all notices of general meetings and other reports and communications that the Group generally makes available to Shareholders.

### **Enforcement of civil liabilities**

The ability of an Overseas Shareholder to bring an action against the Company may be limited under law. The Company is a public limited company incorporated and registered in England and Wales. The rights of holders of Shares are governed by English law and by the Company’s memorandum and articles of association. These rights differ from the rights of shareholders in typical US corporations and some other non-UK corporations.

An Overseas Shareholder may not be able to enforce a judgment against some or all of the Directors and executive officers. The majority of the Directors and executive officers are residents of the UK. Consequently, it may not be possible for an Overseas Shareholder to effect service of process upon the Directors and executive officers within that Shareholder’s country of residence or to enforce against the Directors and executive officers’ judgments of courts of that Shareholder’s country of residence based on civil liabilities under that country’s securities laws. There can be no assurance that an Overseas Shareholder will be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than the UK against the Directors or executive officers who are residents of the UK or countries other than those in which judgment is made. In addition, English or other courts may not impose civil liability on the Directors or executive officers in any original action based solely on the foreign securities laws brought against the Company or the Directors in a court of competent jurisdiction in England or other countries.



**PART 3**  
**EXPECTED TIMETABLE FOR THE RIGHTS ISSUE<sup>(1)(2)</sup>**

|   |   |
|---|---|
| <b>Publication and posting of combined prospectus and circular</b>  | <b>Wednesday, 17 March 2021</b>                                   |
| Latest time and date for receipt of Forms of Proxy  | 11.00 a.m. on Thursday, 1 April 2021                              |
| <b>Record Date for entitlements under the Rights Issue</b>  | <b>close of business on Thursday, 1 April 2021</b>                |
| <b>General Meeting</b>  | <b>11.00 a.m. on Tuesday, 6 April 2021</b>                        |
| Date of dispatch of Provisional Allotment Letters (to Qualifying non-CREST Shareholders only <sup>(1)</sup> )   | Tuesday, 6 April 2021   |
| Special Dealing Service open for applications   | Tuesday, 6 April 2021   |
| <b>Dealings in New Shares, nil paid, commence on the London Stock Exchange</b>  | <b>8.00 a.m. on Wednesday, 7 April 2021</b>                       |
| Existing Shares marked ex-Rights (the “ <b>Ex-Rights Date</b> ”)  | 8.00 a.m. on Wednesday, 7 April 2021                              |
| CREST Stock accounts credited with Nil Paid Rights (for Qualifying CREST Shareholders only) <sup>(3)</sup>  | As soon as practicable after 8.00 a.m. on Wednesday, 7 April 2021 |
| Nil Paid Rights and Fully Paid Rights enabled in CREST (for Qualifying CREST Shareholders only) <sup>(3)</sup>  | As soon as practicable after 8.00 a.m. on Wednesday, 7 April 2021 |
| Latest time and date for receipt of instructions under Special Dealing Service in respect of Cashless Take-up or disposal of Nil Paid Rights  | 11 a.m. on Wednesday, 14 April 2021                               |
| Recommended latest time for requesting withdrawal of Nil Paid Rights or Fully Paid Rights from CREST (i.e. if your Nil Paid Rights or Fully Paid Rights are in CREST and you wish to convert them into certificated form) | 4.30 p.m. on Thursday, 15 April 2021                              |
| Final date for dealing carried out in relation to Cashless Take-up or disposal of Nil Paid Rights under Special Dealing Services  | Thursday, 15 April 2021   |
| Final date for settlement of dealings in relation to Cashless Take-up or disposal of Nil Paid Rights under Special Dealing Services   | Friday, 16 April 2021   |
| Final date for despatch of cheques in relation to proceeds of disposal of Nil Paid Rights under Special Dealing Services  | By no later than Friday, 16 April 2021                            |
| Latest time and date for depositing renounced Provisional Allotment Letters, nil paid or fully paid, into CREST or for dematerialising Nil Paid Rights into a CREST stock account   | 3.00 p.m. on Friday, 16 April 2021                                |
| Latest time and date for splitting Provisional Allotment Letters  | 3.00 p.m. on Monday, 19 April 2021                                |
| <b>Latest time and date for acceptance and payment in full and registration of renounced Provisional Allotment Letters</b>  | <b>11.00 a.m. on Wednesday, 21 April 2021</b>                     |
| Expected date of announcement of results of the Rights Issue through a Regulatory Information Service   | Thursday, 22 April 2021   |
| <b>Dealings in the New Shares, fully paid, commence on the London Stock Exchange fully paid</b>   | <b>8.00 a.m. on Thursday, 22 April 2021</b>                       |
| New Shares credited to CREST stock accounts (for Qualifying CREST Shareholders only) <sup>(3)</sup>   | As soon as practicable after 8.00 a.m. on Thursday, 22 April 2021 |
| Despatch of definitive share certificates for New Shares in certificated form (to Qualifying non-CREST Shareholders only) <sup>(3)</sup>  | by no later than Thursday, 29 April 2021                          |

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**Notes:**

- (1) The times and dates set out in the expected timetable of principal events above and mentioned throughout this Prospectus, by announcement through a Regulatory Information Services, and in the Provisional Allotment Letter may be adjusted by the Company, in which event details of the new dates will be notified to the FCA and to the London Stock Exchange and, where appropriate, to Shareholders.
- (2) References to times in this Prospectus are to London time unless otherwise stated.
- (3) Subject to certain restrictions relating to Overseas Shareholders. See paragraph 8 of Part 8 “*Terms and Conditions of the Rights Issue*”.

**PART 4**  
**RIGHTS ISSUE STATISTICS**

|  |   |
|--|---|
| Price per Share .....  | 184 pence                                     |
| Basis of Rights Issue .....  | 12 New Shares for every<br>25 Existing Shares |
| Number of Shares in issue at 16 March 2021 <sup>(1)</sup> .....  | 537,659,932                                   |
| Number of New Shares to be issued by the Company <sup>(2)</sup> .....  | 258,076,764                                   |
| Number of Shares in issue immediately following completion of the Rights Issue <sup>(2)</sup>  | 795,736,696                                   |
| New Shares as a percentage of enlarged issued share capital of the Company immediately following completion of the Rights Issue <sup>(2)</sup> ..... | 32.4%   |
| Estimated net proceeds receivable by the Company after expenses .....  | £456.1 million                                |
| Estimated expenses in connection with the Rights Issue .....   | £18.8 million                                 |

**Notes:**

- (1) Being the latest practicable date prior to the date of this Prospectus
- (2) Assuming that no Shares are issued as a result of the exercise of any options between 16 March 2021, being the latest practicable date prior to the publication of this Prospectus, and Admission becoming effective.

**PART 5**  
**DIRECTORS, COMPANY SECRETARY AND ADVISERS**

**Board of Directors**

A list of the members of the Company's Board of Directors is set forth in the table below.

| Name                  | Position                                  |
|-----------------------|---|
| Mike Clasper .....    | Chair                                     |
| Simon Smith .....     | Chief Executive Officer                   |
| Jonathan Davies ..... | Chief Financial Officer                   |
| Carolyn Bradley ..... | Senior Independent Non-Executive Director |
| Ian Dyson .....       | Independent Non-Executive Director        |
| Judy Vezmar .....     | Independent Non-Executive Director        |
| Tim Lodge .....       | Independent Non-Executive Director        |

Each of the Directors' business address is the Company's registered office address at Jamestown Wharf, 32 Jamestown Road, London, United Kingdom, NW1 7HW.

Telephone: +44 (0)207 543 3300

|  |   |
|--|---|
| <b>Company Secretary:</b>  | Helen Byrne   |
| <b>Registered Office:</b>  | Jamestown Wharf<br>32 Jamestown Road<br>London NW1 7HW<br>United Kingdom  |
| <b>Sponsor and Joint Global Coordinator</b>                          | Goldman Sachs International<br>Plumtree Court<br>25 Shoe Lane<br>London EC4A 4AU  |
| <b>Joint Global Coordinators, Joint Bookrunners and Underwriters</b> | Barclays Bank PLC<br>5 The North Colonnade<br>Canary Wharf<br>London, E14 4BB<br>United Kingdom<br><br>HSBC Bank plc<br>8 Canada Square<br>Canary Wharf<br>London E14 5HQ<br>United Kingdom<br><br>J.P. Morgan Securities plc (conducting its UK investment banking activities as J.P. Morgan Cazenove)<br>25 Bank Street<br>Canary Wharf<br>London E14 5JP<br>United Kingdom |
| <b>Joint Bookrunners and Underwriters</b>                            | BNP PARIBAS<br>16, boulevard des Italiens<br>Paris, 75009<br>France<br><br>Merrill Lynch International<br>2 King Edward Street<br>London, EC1A 1HQ<br>United Kingdom<br><br>Mediobanca – Banca di Credito Finanziario S.p.A.<br>Piazzetta Enrico Cuccia 1<br>20121 Milan<br>Italy   |

|  |  |
|--|--|
| <b>Co-Lead Managers and Underwriters</b>   | Mizuho International plc<br>Mizuho House<br>30 Old Bailey<br>London EC4M 7AU<br>United Kingdom               |
|  | MUFG Securities EMEA plc<br>Ropemaker Place<br>25 Ropemaker Street<br>London, EC2Y 9AJ<br>United Kingdom     |
| <b>Reporting Accountant and Auditors to the Company</b>                            | KPMG LLP<br>15 Canada Square<br>London, E14 5GL<br>United Kingdom  |
| <b>Legal advisers to the Company as to English and US law</b>                      | Freshfields Bruckhaus Deringer LLP<br>100 Bishopgate<br>London EC2P 2SR<br>United Kingdom                    |
| <b>Legal advisers to the Sponsor and the Underwriters as to English and US law</b> | Linklaters LLP<br>One Silk Street<br>London, EC2Y 8HQ<br>United Kingdom                                      |
| <b>Registrar</b>   | Computershare Investor Services PLC<br>The Pavilions, Bridgwater Road<br>Bristol, BS99 6ZZ<br>United Kingdom |
| <b>Receiving Agent</b>   | Computershare Investor Services PLC<br>The Pavilions, Bridgwater Road<br>Bristol, BS99 6AH<br>United Kingdom |

**PART 6**  
**LETTER FROM THE CHAIR OF SSP GROUP PLC**



*(Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 5735966)*

**Registered and Head Office**

Jamestown Wharf  
32 Jamestown Road  
London NW1 7HW  
United Kingdom

*Directors*

Mike Clasper .....

Simon Smith .....

Jonathan Davies .....

Carolyn Bradley .....

Ian Dyson .....

Judy Vezmar .....

Tim Lodge .....

Chair

Chief Executive Officer

Chief Financial Officer

Senior Independent Non-Executive Director

Independent Non-Executive Director

Independent Non-Executive Director

Independent Non-Executive Director

**17 March 2021**

Dear Shareholder

**Proposed 12 for 25 Rights Issue at 184 pence per New Share and Notice of General Meeting**

**1. INTRODUCTION**

The Group is a leading operator of branded food and beverage units in travel locations in 35 countries across the world. Since our IPO in 2014, we have generated exceptionally strong performance, delivered against our strategic plans and generated significant value for our shareholders in the period prior to the Coronavirus pandemic.

The Group has been significantly impacted by the Coronavirus pandemic, given that the air and rail travel sectors typically comprise 95% of our revenue. Since the start of the pandemic, we have taken a range of decisive actions to protect the business and preserve cash flow, including an array of financing actions (which included an equity placing for £209 million in March 2020), temporary closure of units and the delivery of various restructuring activities.

The Board is confident in the long-term recovery of our end markets, led by leisure travel. However, the reality is that the pace of the recovery has been prolonged relative to our expectations at the outset of the pandemic. Notwithstanding the rapid approval of Coronavirus vaccines and the global roll-out of vaccination programmes, new variants of the virus, vaccine supply constraints and various lockdown and travel restrictions mean that the pace of the recovery in 2021 has been delayed relative to our expectations towards the end of 2020. These factors also mean that whilst there is confidence in the medium term outlook, there are uncertainties as to the pace and shape of the recovery.

Against the backdrop of a more prolonged and uncertain recovery, the Board has updated its base case and reasonable worst case scenarios for the Group. In light of these updated scenarios for the Group, the Board believes that the most appropriate course of action at this point for the Group and its shareholders is to further strengthen the Group's balance sheet through a holistic solution. Having considered the alternatives, we announced today (i) our intention to raise gross proceeds of approximately £475 million by way of the Rights Issue, (ii) the extension of our bank facilities that were due to mature on 15 July 2022 to 15 January 2024, and (iii) waivers and modifications of the existing covenants under those bank facilities as well as our outstanding US Notes. The extension of our bank facilities and the waivers and modifications of existing covenants are conditional upon the Rights Issue

The measures announced today will:

- cover liquidity headroom under a reasonable worst case scenario;
- facilitate extensions to our bank facilities, and secure covenant waivers; and
- reduce leverage and increase capacity for investment as the pandemic recedes.

In a reasonable worst case scenario, these actions will protect the Group and pave the way for future growth in a disrupted competitive landscape. Under our base case, these actions will deliver a balance sheet reset and provide capacity for investment as our end markets recover from the Coronavirus pandemic. Under either of these scenarios we believe that the balance sheet measures set out below, together with the operational actions we have taken over the past 12 months, will enable the Group to emerge from the crisis in an advantaged position, and with an agile and flexible business that will be well-positioned to deliver sustainable growth for the benefit of all stakeholders.

The purpose of the remainder of this letter and this Prospectus is to explain the background to and reasons for the Rights Issue, set out the terms and conditions of the Rights Issue and provide a notice of a General Meeting to Shareholders to consider and, if thought fit, approve, the Resolutions to allow the Group to carry out the Rights Issue.

This Prospectus also explains why the Board considers that the Resolutions to be proposed at the General Meeting are in the best interests of Shareholders and why the Board unanimously recommends that shareholders vote in favour of the Resolutions.

**Shareholders should read the whole of this Prospectus and not only rely on the information set out in this letter.**

## **2. BACKGROUND TO AND REASONS FOR THE RIGHTS ISSUE**

### **2.1 Track record prior to the pandemic**

Since the Group's IPO in 2014, it has delivered exceptionally strong operating and financial performance, which has resulted in excellent shareholder returns.

In the five-year period to 30 September 2019, our revenues increased by 53.0% from £1,827 million to £2,795 million. This growth was achieved through a combination of consistently high like-for-like sales growth (averaging 2.9% per annum during this period) and significant new contract growth, with average net contract gains of 3.8% per annum over this period. Over this period, our Underlying Operating Profit increased by 150%, from £89 million to £221 million, and our Underlying Operating Profit margin expanded by 310 basis points from 4.8% to 7.9%. This was achieved through strong revenue growth driving operating leverage in the business and the continued roll-out of strategic initiatives.

This performance has resulted in excellent shareholder returns. We delivered total shareholder return of 231% between the date of our IPO and 31 December 2019 (representing an annualised return of 24%), significantly outperforming the FTSE 350 index which delivered a total return of 43% in the period.

Since the Group's IPO, we have also managed our balance sheet in an efficient but conservative way, with a stated leverage target of 1.5-2.0x Adjusted Net Debt to Adjusted EBITDA. In the period prior to the start of the pandemic, our leverage decreased from an Adjusted Net Debt to Adjusted EBITDA ratio of 2.3x in the year ended 30 September 2014 to 1.5x in the year ended 30 September 2019.

### **2.2 Impact of the Coronavirus pandemic**

The emergence of the Coronavirus pandemic globally confronted the Group with a sudden and material adverse impact on the global travel market, including the air and rail travel sectors which are our key areas of operation, as wide-ranging measures were implemented across the world in an attempt to contain the spread of the virus.

Passenger numbers across all of our core markets have been materially and adversely affected. ACI estimates that air passenger traffic volumes fell by 26% in the first calendar quarter of 2020, and then by 89% in the second calendar quarter, as compared to its projected baseline. ACI estimates that there was a limited recovery in the

third and fourth calendar quarters, with air passenger volumes down 71% and 64%, respectively. ACI Europe estimates that air passenger volumes have fallen in the first two months of 2021 relative to the fourth calendar quarter of 2020, given the increase in infection levels in key markets, new variants of the Coronavirus and new government restrictions on air travel.

Similarly, volumes have decreased significantly across our key rail markets, which are predominantly in Europe. We experienced rail sales reductions in excess of 90% during the second calendar quarter of 2020, and while there was a small recovery in rail performance in the second half of calendar year 2020, rail sales have remained low in the first quarter of calendar year 2021.

The material decline in passenger numbers has had a significant impact on our financial performance. In the second half of the 2020 financial year, the Group's revenues were down 86% as compared to the second half of the 2019 financial year. Reflecting strong operational control, our cash outflow in the period was contained to £195 million, a materially better performance than the expectation included in the June 2020 half year results of £340-440 million cash outflow.

Our trading conditions did not improve during the first and second quarters of the 2021 financial year. For information on the trading impact of the current financial year, see "*—Current Trading and Financial Outlook*".

### **2.3 Our immediate response to the pandemic: "Protection"**

In response to the initial outbreak of the pandemic, we implemented a number of health and safety measures, in line with local and national guidelines, designed to ensure the safety and wellbeing of our employees. We also materially increased communications and rolled out support programmes to colleagues both working in the business and those on furlough.

We took a number of immediate actions to protect our financial position during the pandemic. At the peak, we closed approximately 2,500 units and furloughed more than 22,000 employees globally, where government furlough schemes were available or under contractual layoff provisions. Where the outlook was for a very slow recovery in passenger travel and where the furlough schemes were planned to be scaled back or removed, we took a number of very difficult decisions to protect our cash and manage the size of the organisation in response to the Coronavirus pandemic which regretfully included reducing contractual and temporary workers and making approximately 14,000 roles redundant across the organisation. However, as far as possible, the Group has aimed to retain its longest-serving and most highly skilled talent in anticipation of the recovery so that it is well placed to rebound and mobilise quickly when demand returns.

In addition to salary reductions across the Board, Executive Committee and Senior Management, our management team took extensive action to reorganise and simplify the business and reduce the cost base. These included creating a smaller, leaner and more flexible organisation structure, streamlining management processes and reducing unnecessary complexity, negotiating the removal or modification of MGRs and reducing overheads. The new business development programme was halted and all non-essential capital expenditure deferred. As part of our thorough review of our operating model, we planned for a systematic approach to re-opening units. Having tested this model we are confident that we can re-open our units progressively and profitably as demand recovers.

We also took action to improve balance sheet resilience, including (i) completing a £209 million equity placing in March 2020; (ii) a subsequent £11 million placing which allowed investors to reinvest their 2019 final dividend into new shares; (iii) securing £300 million access to the CCFF in April 2020 which is available to the Group until February 2022; (iv) securing waivers and amendments of existing covenant tests up to March 2022 (secured in two stages through amendments agreed in May and December 2020) and deferring term loan amortisation payments; (v) suspending our share buyback programme to conserve cash, and (vi) announcing that we would not pay a dividend in the current financial year.

At the same time, we are proud to have supported the communities in which we operate in a variety of ways, including distributing 100,000 freshly baked cookies to NHS hospital staff, and in India, our joint venture supplying more than 1 million meals to those that have lost their livelihoods through the pandemic.

### **2.4 Proposed further measures to strengthen the balance sheet**

We set out a central planning scenario and a pessimistic scenario for the year ended 30 September 2020 as part of our equity placing in March 2020. Under the scenarios set out at that time, the Board believed that the Group



would have sufficient liquidity and balance sheet flexibility to protect the business through the Coronavirus pandemic and be well-positioned for investment and growth as the pandemic recedes. Given the depth and extent of disruption to our end markets arising from the pandemic, as part of our financial year 2020 preliminary results in December 2020, we noted the potential need to raise additional liquidity prior to the repayment of the CCFF in early 2022, dependent on the pace and shape of the recovery.

Since December, notwithstanding the roll-out of vaccination programmes, we have seen increased uncertainty in the operating outlook as Coronavirus infection levels have increased, new variants of the virus have emerged, and governments in our core markets have implemented further lockdowns and travel restrictions as part of their responses. The Board remains confident in the medium term outlook for the Group's end markets, but the profile of the recovery remains uncertain.

Against this backdrop, the Board has updated its base case and reasonable worst case scenarios for the Group. These scenarios were used to evaluate the options available to the Group in the debt and equity markets to strengthen the balance sheet. In determining the optimal financing solution for the Group (including its timing), the Board evaluated a number of alternatives in light of, amongst other factors, the need to manage debt maturities in February 2022 and July 2022, upcoming risk around covenant tests, the fact that a number of the Group's existing lenders have a contractual right to be repaid pro rata out of new debt proceeds raised by the Group to pay down existing debt, audit requirements, the importance of delivering a long term strengthening of the balance sheet, preserving pre-emption rights for the Group's shareholders and the desire to avoid multiple equity financings.

Having concluded this evaluation of the updated scenarios and given the uncertainties described above, the Board believes that the most appropriate course of action at this point for the Group and its shareholders is to further strengthen the Group's balance sheet with the measures set out below.

We believe that addressing our balance sheet challenges at this point will provide us with a clear runway looking forward to focus on the opportunities presented by the recovery of the travel market, including providing appropriate liquidity and financial capacity to meet even the reasonable worst case scenario.

The measures to strengthen and de-risk the balance sheet that the Board is pursuing comprise:

- i. A Rights Issue to raise gross proceeds of approximately £475 million;
- ii. Extension of our term loans of £372.8 million (at 12 March 2021) and revolving credit facility of £150 million that were due to mature on 15 July 2022 to 15 January 2024; and
- iii. Agreement of further waivers and modifications of existing covenants under our bank facilities and outstanding US Notes.

We have already secured agreements with our lenders in relation to (ii) and (iii) above, conditional on the Rights Issue.

Specifically, the Board believes that the Rights Issue will:

***i. Cover liquidity headroom under a reasonable worst case scenario***

The package of balance sheet strengthening measures is expected to provide sufficient liquidity under the reasonable worst case scenario.

SSP currently has a robust liquidity position, but there are sizeable debt maturities occurring over the next 18 months and, under the reasonable worst case scenario, the prospect of continued material cash usage. Specifically, the Group had liquidity of £420 million as at 31 January 2021. This will be reduced by cash usage in our financial years 2021 and 2022, and further reduced by the scheduled CCFF maturity of £300 million in February 2022 and maturity of our bank facilities of £522.8 million in July 2022 (of which £372.8 million was outstanding as at 12 March 2021). This compares to the requirement to maintain a minimum liquidity of £200 million under the Group's existing package of lender covenants.

Following implementation of the balance sheet measures described above, the Group's adjusted liquidity position is expected to be as follows:

|  | <u>£ million</u>      |
|--|-----------------------|
| Liquidity as of 31 January 2021 . . . . .  | 420                   |
| Modelled cash usage to 30 June 2021 (assuming £25-30 million cash usage per month) . . . . .                           | (125-150)             |
| Modelled liquidity on 30 June 2021 . . . . .   | 270-295               |
| Gross proceeds from the Rights Issue <sup>(1)</sup> . . . . .  | 475                   |
| Less: CCFM maturity in February 2022 . . . . .   | (300)                 |
| Less: minimum liquidity covenant (reduced from £200 million, conditional on the Rights Issue) <sup>(2)</sup> . . . . . | (150)                 |
| <b>Adjusted liquidity as at 30 June 2021 . . . . .</b>   | <b><u>295-320</u></b> |

(1) Excluding fees and expenses set out elsewhere in this Prospectus.

(2) From February 2022.

In addition, as part of these balance sheet measures, the maturity of the £522.8 million bank facilities will be extended from July 2022 to January 2024. This provides additional support to the Group's liquidity position.

Further details of the reasonable worst case scenario, including the detailed assumptions on which it is based, are set out in section 18 (Working Capital) of Part 16 "Additional Information".

**ii. Facilitate extensions to our bank facilities, and secure covenant waivers**

The Rights Issue will facilitate the extension of our upcoming maturities of our bank facilities, address the February 2022 maturity of the CCFM and will allow us to secure meaningfully improved flexibility under our financial covenants with our lenders. This increased flexibility accommodates the reasonable worst case scenario in particular. The Group has £372.8 million of term loans that expire in July 2022 and an undrawn RCF of £150 million which expires on the same date. We have agreed with our lenders that these facilities will be extended to 15 January 2024, conditional on the Rights Issue.

We have also secured extensions and waivers to our covenants with lenders, conditional on the Rights Issue. Under our current covenants, we have an Adjusted Net Debt/Adjusted EBITDA test of 3.25x for the period to March 2022. This covenant has been waived until March 2024, with new covenants at higher levels as at March 2023, June 2023 and September 2023. As set out above, we have also secured a reduction, effective from February 2022, in the minimum liquidity covenant from £200 million to £150 million. These covenants have been agreed with our lenders to reflect the reasonable worst case scenario. These covenants apply to both our borrowings under our Facilities Agreement and our US Notes (of which £321.7 million are outstanding).

**iii. Reduce leverage and increase capacity for investment as the pandemic recedes**

The Rights Issue will raise gross proceeds of approximately £475 million, which will result in a material reduction in net indebtedness.

Under our reasonable worst case scenario, the Rights Issue will significantly de-risk our balance sheet, protect the Group and pave the way for future growth in a disrupted competitive landscape. Under our base case scenario, in addition to delivering a reset of our leverage levels, the Rights Issue will provide financial capacity for investment. We anticipate there will be a number of opportunities to win new contracts and gain market share as our sector is reshaped by the pandemic. The Rights Issue and the Group's operating performance over time will provide capacity to invest in the recovery in order to drive sustainable long term growth. Under our base case scenario, in the medium term, leverage would be below the historical target range of 1.5-2.0x Adjusted Net Debt to Adjusted EBITDA. In this scenario, there would be up to an additional £350-400 million in which to invest in the business, with any surplus cash returned to shareholders. Our investment decisions will continue to be based on our strict return requirements and, naturally, will depend on the opportunities and prevailing conditions at that time.

### 3. STRENGTHS

We believe that the Group benefits from a number of strengths that will play an important role as we emerge from the Coronavirus pandemic and implement our longer-term strategy:

- We have market leading positions in many of the most attractive sectors of the travel food and beverage market across 35 countries;
- Our people have a deep understanding of what our clients and customers require in a travel environment, a compelling proposition and in-depth knowledge of how to operate in complex travel environments which are logistically demanding;
- We have excellent, long-standing relationships with our clients, who are principally the owners and operators of airports and railway stations, and an excellent track record of contract retention;
- The Group has strong local insight and a deep knowledge of the individual markets in which we operate, alongside significant international scale and expertise; and
- We benefit from a highly experienced colleague base throughout the business with a broad skillset across the food and beverage, travel and retail industries. Within that, we have a dedicated senior management team, focused on business development, sales, marketing, human resources and operations, who work closely with our clients to ensure their requirements are met. During the pandemic, our management team has demonstrated its ability to respond to rapidly changing market conditions and has a proven track record of delivering strong operational and financial performance.

### 4. STRATEGY

#### 4.1 Introduction

Our overarching aim remains unchanged – to be the leading provider of food and beverage in travel locations worldwide, delivering across all of our stakeholders: our customers, clients, brand partners, investors and importantly, our employees.

We continue to believe that the markets in which we operate are fundamentally attractive. We estimate that, supported by the roll-out of Coronavirus vaccination programmes in key markets, there will be a recovery in travel from the second half of the 2021 financial year compared to the first half of the year. We believe that air and rail travel markets will deliver long-term growth, albeit from a lower base, as global GDP recovers and an increasing proportion of the world's population is willing and able to travel. The growth in our end markets will also be underpinned by longer term trends that were evident prior to the pandemic, such as the trend towards increased eating-out (including eating “on the move”) and investment in travel infrastructure and capacity expansion, in part supported by government policy.

In the near term, we expect that domestic travel will recover the fastest, for which the Group is well-positioned given its large rail businesses in the UK, Germany and France, and its significant air operations in markets such as the US, Australia, India, China and Thailand, which are driven by domestic travel. We expect a strong recovery thereafter in short haul regional leisure travel, notably European leisure air travel, which accounts for over two-thirds of air demand over the summer months. Over time, the Group expects that long haul travel will recover and that the secular trends that were observed prior to the pandemic, including emerging middle classes in Asia travelling long haul and European / US leisure travellers seeking long haul destinations, will continue.

As the markets recover from the Coronavirus pandemic, we may see some changes in travel patterns. For example, a study commissioned by the Group suggests that post-Coronavirus, the structural change due to increased remote working will reduce the level of commuter traffic in France and Germany by between 3% and 7%, whilst in the UK the reduction could be greater and in the range of 8% to 10%. This reflects the higher levels of working from home in the UK before the Coronavirus pandemic, largely as a consequence of the structure of the business environment and its weighting towards the professional and financial services sector, particularly in London. However, the Board believes the Group will be well-positioned to adapt, as flexible working ameliorates rush hour peaks generating more consistent consumption across the day, and leisure travel (which accounts for a clear majority of our traffic) makes a strong recovery.

We believe that the strengths described above, and our strategy described below, will allow us to take advantage of opportunities as the pandemic recedes and ultimately deliver strong returns for our shareholders.

We believe that our people are at the heart of our success and, therefore, a key enabler of our strategy. We plan to implement “Our People Strategy”, through which we will seek to invest in our employees by focusing on retention, engagement and development, further embedding the Group’s values within the organisation and incentivising critical talent. We are also focused on implementing our strategy in a manner that supports a wide range of stakeholders and, as a result, we intend to further embed corporate responsibility into our business through (i) the relaunch of our corporate responsibility strategy in line with stakeholder priorities and (ii) the setting of strategic targets and key performance indicators. For example, we seek to promote inclusion, diversity and human rights throughout our business and supply chain, and we have established partnerships with charitable and local organisations in the communities which we serve. Beyond this, we have sought to decrease our environmental impact by committing to various environmental initiatives, such as cutting food waste and replacing single-use plastic where possible. Further details are set out in Part 10 “*Business Overview—Corporate Responsibility*”.

## 4.2 SSP’s Strategy

Our strategy is flexible and tailored to each market, to reflect the stage of recovery from the Coronavirus pandemic and the opportunities available in each market. As such, our strategy has a timing dimension to it, and is characterised by three phases: **Protection**, **Recovery** and **Sustainable Growth**.

### i. **Protection**

As described above in section 2.3, in the early stages of the pandemic, we took significant action to protect our employees, customers and the business. We have successfully implemented our initiatives in the “Protection” element of our strategy, including: our reorganisation and right-sizing of the business; the simplification of our operating model, product ranges and menus, production processes and supply chains; and rent renegotiations to lower or create more flexible rental structures by removing or modifying minimum rent guarantees.

A significant portion of our units remain closed given the ongoing impact of heightened infection levels and related government restrictions, and our strategy of protection is thus ongoing in some of the markets in which we operate. As at 28 February 2021, approximately 71% of our units globally were closed. However, we expect many of our key markets to transition from this phase in the second half of calendar 2021.

### ii. **Recovery**

The re-opening of certain of our markets in summer 2020 allowed us to test and validate the Group’s re-engineered operating model at both a Group-wide and individual unit basis. Although many markets subsequently re-closed as renewed government restrictions came into force, the experience demonstrated that we are able to trade even at low levels of footfall. Our approach addresses a number of aspects, including:

- A data-driven and systematic approach to re-opening based on passenger traffic volumes;
- Prioritising unit re-openings based on customer demand and unit location to capture footfall and expected profitability, including optimising operations at multi-site locations;
- Negotiating more flexible rent deals with landlords, which has typically meant moving to concession fees (based on a percentage of sales) and, where possible, reducing those concession fees;
- Re-engineering and simplifying the offer, and focusing on best-selling, high margin items, as a result of which we have been able to optimise our gross margin as well as reduce waste and improve purchasing and production efficiency;
- Accelerating the roll-out of service digital technology, which has been well-received by customers and has been successful in driving up average transaction values and reducing our labour costs; and
- Selectively adding complementary revenue streams, for example adding the sale of travel and health essentials like masks and sanitising gel.

By re-engineering the operating model, we were able to open units profitably at lower levels of footfall, and by the end of September 2020 we had successfully reopened approximately 1,200 units. By leveraging this lower cost flexible multi-site model, we are confident that we will be able to reopen units on a profitable basis going forward as passenger numbers improve.

### iii. *Sustainable Growth*

Once the travel sector in each market shows evidence of sustainable recovery from the pandemic, our focus will shift more to driving sustained profitable growth, with a focus on our proven strategic levers as set out below.

#### a) *Optimising the customer proposition to drive like-for-like revenue growth*

We will seek to optimise existing space through a range of opportunities from unit location to the customer proposition, to optimise customer capture rates and spend. This is expected to drive like-for-like revenue growth.

The scale of our business provides us with access to a wealth of consumer insight, which we will use to deliver the right proposition to meet consumers' post-Coronavirus expectations as to product range (including sustainable offerings), innovation, and customer-facing digital technologies (including self-service kiosks, self-scan and contactless payments).

At the same time, we will seek to strengthen our brand partner relationships, benefitting from improved commercial terms and greater flexibility on product range and brand standards.

#### b) *Delivering efficient revenue conversion*

Running efficient operations is one of our core competencies and deeply embedded in our culture. Where relevant and appropriate, we will retain the structural benefits and efficiency measures achieved during the pandemic and we will continue to take advantage of our largely variable cost base to scale up and down efficiently. Building on the operational leverage inherent in the business, we continue to avoid unproductive costs, simplify and further automate culinary processes to drive efficiencies and manage input cost inflation.

We will continue to re-engineer our customer offer to optimise gross margins by reducing product ranges where appropriate and simplifying menus to focus on the best-selling, highest margin items. This approach will assist in reducing waste and driving greater purchasing and production efficiency.

In addition, we will continue to optimise our cost base by opening and closing units more flexibly to match operating costs to passenger numbers and demand, and maintaining lower head office and overhead costs, while retaining the capability to grow and develop the business within the Group's business model.

As mentioned above, we are accelerating the roll-out of digital technology, including customer ordering and payment technology models. In addition to delivering a safer and improved customer experience, this is expected to lead to an increase in average transaction values while simultaneously reducing labour costs.

#### c) *Optimising and growing our estate*

We have a strong track record of growing profitable new space. Prior to the pandemic, we selectively expanded our business through new unit openings and high levels of contract retention. We had seen significant growth in North America and in RoW, which together now account for approximately one-third of our business. We believe that these large and growing markets (where we still have a relatively small overall market share), will continue to provide attractive expansion opportunities in the medium-term, particularly as the backlog of deferred transportation infrastructure projects will allow us to participate in new tenders in what we expect to be a fundamentally altered competitive environment.

The immediate focus is to optimise our current footprint. We will continue to seek opportunities to extend our existing contracts where we can secure longer-term and more flexible rental agreements, benefitting from the current period of disruption and low passenger numbers. We will selectively consider opportunities to re-locate units within our existing sites where we expect to be able to generate higher returns.

We already have a considerable pipeline of new contracts to mobilise, comprising approximately 90 new units primarily across Europe and North America, which we will do selectively once we have greater

visibility over the shape of the recovery. We will do this systematically in conjunction with our clients, and where we are confident that we will meet our financial return criteria. Where possible, the Group aims to open units during quieter periods so as to minimise disruption and costs.

In addition, over time, we expect to see new tenders which we will be in a strong position to bid for, retaining our high hurdle rates. The Group expects to see opportunities both for new units as well as pre-existing units which have not re-opened following the pandemic. Further, as the market recovers, we will selectively look at new markets, based on the outlook at the time. We have a track record of delivering strong returns from new units, with average payback periods of 3-4 years on a discounted cash flow basis.

Finally, selective and disciplined bolt-on M&A has always been part of our strategy. It is likely that new acquisition opportunities will arise as we emerge from the Coronavirus pandemic.

## 5. CURRENT TRADING AND FINANCIAL OUTLOOK

### *Trading in the Six-month Period to 31 March 2021*

As noted above in section 2.2, with increases in infection levels in key markets, new variants of the Coronavirus, and new government restrictions on travel implemented towards the end of calendar year 2020, passenger numbers have remained depressed in both Rail and Air. For the three months ended 31 December 2020, our revenues were £142.7 million, down £550.6 million or 79.4%, compared to the first quarter of the 2020 financial year (and 78.1% down on the first quarter of the 2019 financial year); the underlying operating loss was £118.9 million, down £147.5 million compared to the underlying operating profit to the first quarter of the 2020 financial year. Underlying operating loss (pre IFRS 16) was a loss of £82.6 million in the three months ended 31 December 2020, down £120.7 million year-on-year, representing a profit conversion on the reduced sales of 21.9%. The reported operating loss was £134.8 million, including exceptional items of £15.9 million in the same period.

These trends continued into the second quarter of our 2021 financial year. Revenues in January and February were 82% down relative to the equivalent period in 2019 and as at 7 March 2021 the Group had 827 of its units opened. Trading conditions have improved slightly in early March as a result of the easing of some of the lockdown restrictions in our major markets. In the first week of March sales were 81% down relative to the equivalent period in 2019. Accordingly we expect our revenues in the first half of our 2021 financial year (ended 31 March 2021) to be approximately 80% lower than the equivalent period in 2019.

At these very low levels of sales, the Group continued to experience cash outflows, with a cash usage of £74.9 million in the first three months ended 31 December 2020 and a further £45.2 million in January 2021, to give a total cash usage for the four months up to 31 January 2021 of £120.1 million, of which £11.5 million related to one off exceptional costs. This is in line with the range of cash usage of £25 million to £30 million per month, as indicated in December 2020 in our preliminary results for the year ended 30 September 2020. We expect cash usage to continue at this level, whilst passenger numbers across our markets remain at very low levels and sales remain in the range between 15% and 25% of pre-Coronavirus levels (i.e. the financial year 2019).

### *Financial Outlook*

The return of passenger volumes in the Group's principal channels will be the main driver of a recovery in sales. Whilst the timing remains uncertain, the various mitigating actions of governments, and in particular the roll-out of the various vaccines, are expected to result in a return to more normal levels of activity in the travel sector. We expect domestic travel markets to recover first, as seen already in China, benefiting Rail and short haul Air markets initially, followed by regional Air, driven by leisure travel (such as tourism across the European markets), and finally long-haul Air driven by both business and leisure travel as set out in Part 9 "*Industry Overview*". The impact of the pandemic on working practices, resulting in virtual meetings and working from home, may have a longer term impact on both business travel in Air and commuter travel in Rail, although the impact on the Group is mitigated by our bias toward leisure travel. In the medium term, we expect Air travel to return to pre-virus levels, with the ongoing growth in leisure travel being partly offset by a reduction in business travel. However, there is likely to be a structural change in the level of working from home in our major Rail markets and therefore commuter traffic is not expected to fully return to pre-pandemic levels in the medium term.

Accordingly, whilst the timing of the recovery remains uncertain, based on this scenario, we expect like for like revenue (representing sales from units open during the entirety of our 2019 financial year) to recover to broadly

to 2019 levels in our 2024 financial year, driven by a recovery in passenger numbers, approaching pre-pandemic levels for Air and 90-95% for Rail, and anticipated retail price inflation. In addition the full year impact of units opened during 2019, the first half of our 2020 financial year, as well as mobilising our existing pipeline of unit openings would be anticipated to contribute a further 10-15% of revenue (compared with financial year 2019).

We expect that many of the actions we have taken during the pandemic to optimise and simplify the business model and reduce our cost base will deliver sustainable benefits throughout the recovery period and into the medium term. These are expected to mitigate the impact of input cost inflation and lower volumes enabling us to return to pre-Coronavirus levels of Adjusted EBITDA margin in the medium term.

This, together with the cash generative nature of the Group's business model and benefitting from the recovery of the normal level of negative working capital and after the capital investment implied by the new contracts as well as the normal level of maintenance capital investment, would allow us to take advantage of new contract opportunities that will arise as a consequence of the impact of the pandemic on the market. This opportunity and the consequent level of capital investment is unknown at present, although under our base case scenario, we expect to have up to £350-400 million of additional investment capacity over the medium term, whilst continuing to operate within our historical leverage target of 1.5-2.0x Adjusted Net Debt to Adjusted EBITDA. The Group remains committed to delivering an efficient balance sheet and will prioritise the use of available cash to capitalise on the significant structural opportunities that exist within our markets to drive organic growth as well as reviewing potential M&A opportunities as and when they arise. As has been seen in recent years, the Group would also potentially look at returning cash to shareholders via, for example, special dividends or re-starting its share buyback programme.

In the longer term, the Group expects the global aviation market will continue to expand, driven by the same macroeconomic and demographic trends prevailing prior to the Coronavirus pandemic. While travel patterns will change in the rail segment, and passenger volumes are expected to recover more slowly, the growth drivers of track expansion, station development, infrastructure development and government policies favouring rail over automotive travel remain valid. We expect that spend per passenger in both segments will continue their upward trajectory in line with previous trends.

## **6. USE OF PROCEEDS**

The net proceeds of the Rights Issue are expected to be retained in the Group's cash balances, decreasing the Group's net debt by £456.1 million.

See Part 14: "*Unaudited Pro Forma Financial Information*" of this Prospectus, which contains an unaudited pro forma statement of net assets that illustrates the effect of the Rights Issue on the Group's net assets as at 31 December 2020 as if the Rights Issue had been undertaken at that date.

## **7. DIVIDEND POLICY AND PAYMENTS TO SHAREHOLDERS**

Under the terms of the Group's Amended Facilities, the Company is currently restricted from declaring or paying dividends until the expiry of certain restrictions that apply during the covenant waiver and amendment period.

When these restrictions are lifted and conditions improve, the Board will consider the best way to restart the return of capital to shareholders and recognise the importance of dividends and capital returns to shareholders.

## **8. PRINCIPAL TERMS OF THE RIGHTS ISSUE**

### **8.1 Overview**

The Group is proposing to raise aggregate gross proceeds of £474.9 million from the Rights Issue (£456.1 million after deduction of estimated commissions, fees and expenses).

#### **(A) Pricing**

The Rights Issue Price represents a 46.8% discount to the Closing Price of 345.8 pence per Existing Share on 16 March 2021 and a 37.3% discount to the theoretical ex-rights price of 293.3 pence per Existing Share based on that same Closing Price.

The Rights Issue Price has been set at the level which the Directors necessary to ensure the success of the Rights Issue, taking into account the aggregate proceeds to be raised. The Directors believe that the Rights Issue Price, and the discount which it represents, is appropriate.

(B) Dilution

The Rights Issue will result in 258,076,764 New Shares being issued and the number of Shares being increased from a total of 537,659,932 Shares to a total of 795,736,696 Shares, representing an increase of approximately 48.0%, assuming no Shares are issued due to the vesting or exercise of any awards under the Share Plans or otherwise between the Latest Practicable Date and the completion of the Rights Issue.

If a Qualifying Shareholder does not (or is not permitted to) take up any New Shares under the Rights Issue, such Qualifying Shareholder's shareholding in the Company will be diluted by approximately 32.4% as a result of the Rights Issue, assuming no Shares are issued due to the vesting or exercise of any awards under the Share Plans or otherwise between the Latest Practicable Date and the completion of the Rights Issue.

## 8.2 Key terms of the Rights Issue

On and subject to, among other things, the terms and conditions described in Part 8 "*Terms and Conditions of the Rights Issue*" of this Prospectus, 258,076,764 New Shares will be offered by way of rights at the Rights Issue Price of 184 pence per New Share to Qualifying Shareholders on the basis of:

12 New Shares for every 25 Existing Shares

held and registered in their name on the Record Date (and so in proportion for the number of Existing Shares then held, subject to fractional entitlements).

Qualifying Non-CREST Shareholders with registered addresses in the United States or in any of the other Excluded Territories will not be sent Provisional Allotment Letters and will not have their CREST stock accounts credited with Nil Paid Rights, except where the Company and the Underwriters are satisfied that such action would not result in the contravention of any registration or other legal or regulatory requirement in such jurisdiction.

Entitlements to New Shares under the Rights Issue will be rounded down to the nearest whole number and fractions of New Shares will not be provisionally allotted to Qualifying Shareholders. Fractional entitlements will be aggregated and issued into the market for the benefit of the Company. Holdings of Existing Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue. The Rights Issue has been fully underwritten by the Underwriters in accordance with the terms and subject to the conditions of the Underwriting Agreement, details of which are set out in paragraph 13 of Part 16 "*Additional Information*" of this Prospectus.

The Rights Issue is conditional upon (among other things): (i) the passing of the Resolutions at the General Meeting without material amendment; (ii) the Underwriting Agreement having become unconditional in all respects (save for the condition relating to Admission of Nil Paid Rights); and (iii) Admission of Nil Paid Rights becoming effective by not later than 8.00 a.m. on 7 April 2021 (or such later date as the Company and the Underwriters may agree).

Application will be made to the FCA for the New Shares (nil and fully paid) to be admitted to listing on the premium listing segment of the Official List and to the London Stock Exchange for the New Shares (nil and fully paid) to be admitted to trading on its main market for listed securities. It is expected that Admission of Nil Paid Rights will become effective, and that dealings in the New Shares, nil paid, on the London Stock Exchange's main market for listed securities will commence, at 8:00 a.m. on 7 April 2021. It is also expected that Admission of the New Shares (fully paid) will become effective, and dealings in New Shares, fully paid, on the London Stock Exchange's main market for listed securities will commence, at 8:00 a.m. on 22 April 2021.

The New Shares will, when issued and fully paid, rank *pari passu* in all respects with, and will carry the same voting and dividend rights as, the Existing Shares.

Overseas Shareholders, including Shareholders resident in the United States should refer to paragraph 8 (Overseas Shareholders) of Part 8 "*Terms and Conditions of the Rights Issue*" of this Prospectus for further information regarding their ability to participate in the Rights Issue.



Some questions and answers, together with details of further terms and conditions of the Rights Issue, including the procedure for acceptance and payment and the procedure in respect of rights not taken up, are set out in Part 7 “*Questions and Answers about the Rights Issue*” and Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

## **9. EMPLOYEE SHARE PLANS**

The number of Ordinary Shares subject to awards or options outstanding under the Share Schemes (as defined herein) will be adjusted, in accordance with the rules of the relevant Share Scheme, to take account of the issue of the New Shares pursuant to the Rights Issue. Holders of awards or options under the Share Schemes will be contacted separately and in due course with further information on how their options and awards may be affected by the Rights Issue. The Remuneration Committee may also consider appropriate adjustments to performance conditions applicable to awards or options under the PSP.

Participants in the Company’s UK SIP and ISIP will be contacted by the trustee of the UK SIP Trust or nominee of the ISIP (as appropriate) with regard to the impact of the Rights Issue on the Ordinary Shares (and the matching awards in the case of the ISIP) held for them under the UK SIP and ISIP and the actions (if any) that they need to take.

## **10. GENERAL MEETING**

A notice convening the General Meeting to be held at 11.00 a.m. on 6 April 2021 at the Company’s registered office at 32 Jamestown Road, London, NW1 7HW is set out at the end of this Prospectus.

In light of the ongoing restrictions relating to the Coronavirus pandemic, and the UK Governments’ current guidance on social distancing and prohibition on public gatherings, neither Shareholders nor proxies (except for the Chair of the meeting) will be able to attend the General Meeting in person, and the General Meeting will be held as a closed meeting. To ensure that the quorum requirements for holding the General Meeting are met, a minimum number of Director shareholders will attend the General Meeting. Shareholders are strongly encouraged to appoint the Chair of the meeting as their proxy to ensure that their vote is counted and raise questions in advance of the General Meeting, given they will not be able to attend the General Meeting.

In light of the format of the General Meeting, Shareholders are encouraged to raise questions to the Board by sending any questions they may have in connection with the General Meeting by post addressed to James Shipman, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or by email to cosec@ssp-intl.com. Responses to questions received by 11.00 a.m on 30 March 2021 (and relating to the business of the meeting) will be made available on the Group’s website as soon as practicable after that deadline. Please note that the General Meeting is being held specifically to seek approval in relation to the Rights Issue, so questions should relate only to the business of the meeting rather than the general business of the Company.

The Board will keep the situation under review and may need to make further changes to the arrangements relating to the General Meeting, including how it is conducted. Shareholders should continue to monitor the Company’s website and announcements for any updates in relation to the General Meeting.

The purpose of the General Meeting is to seek approval for the Resolutions.

The first resolution provides the Directors with the necessary power and authority to allot 258,076,764 Shares (subject to and conditional upon the second resolution being passed and on Admission of the New Shares becoming effective), representing approximately 48.0% of the Company’s current issued share capital (excluding treasury shares) as at 16 March 2021, being the latest practicable date before the publication of this Prospectus. This will enable the Company to allot sufficient Shares to undertake the Rights Issue. This authority will expire at the conclusion of the Company’s 2022 annual general meeting. The first resolution is to be proposed at the General Meeting as an ordinary resolution. This resolution will pass if more than 50% of the votes cast (either in person or by proxy) are in favour.

The second resolution, to approve the terms and conditions of the Rights Issue as set out in this Prospectus and to provide the Directors with the necessary power and authority to allot Shares in connection with the Rights Issue on the basis described in this Prospectus (subject to and conditional upon the first resolution being passed), is to be proposed at the General Meeting as a special resolution. This resolution will pass if 75% or more of the votes cast (either in person or by proxy) are in favour.

If granted, the authority conferred by the above resolutions will be used to allot the New Shares pursuant to the Rights Issue. Subject to the customary share allotment authority being granted at the Company's 2021 annual general meeting, the directors undertake not to issue shares pursuant to such 2021 annual general meeting share allotment authority in excess of the difference between the maximum number of ordinary shares that could be allotted and issued by the Company using such 2021 annual general meeting share allotment authority and the number of New Shares allotted and issued in the Rights Issue.

As at the date of this Prospectus, the Company holds 263,499 Shares in treasury, representing approximately 0.05% of the Company's current issued share capital (excluding treasury shares) as at 16 March 2021, being the latest practicable date before the publication of this Prospectus.

## **11. OVERSEAS SHAREHOLDERS**

The attention of Qualifying Shareholders who have registered addresses outside the United Kingdom, or who are citizens or residents of countries other than the United Kingdom, or who are holding Shares for the benefit of such persons (including, without limitation, custodians, nominees, trustees and agents) or who have a contractual or other legal obligation to forward this Prospectus, a Provisional Allotment Letter and any other document in relation to the Rights Issue to such persons, is drawn to the information which appears in paragraph 8 of Part 8: "*Terms and Conditions of the Rights Issue*" of this Prospectus. In particular, subject to certain very limited exceptions, the Rights Issue is not being made to Shareholders in the United States or into any of the other Excluded Territories.

Notwithstanding any other provision of this Prospectus or the Provisional Allotment Letter, the Company reserves the right to permit any Qualifying Shareholder to take up his or her rights if the Company and the Underwriters in their absolute discretion are satisfied that the transaction in question will not violate applicable laws.

The Company has made arrangements under which the Underwriters will try to find acquirers for the New Shares provisionally allotted to such Shareholders (and other Shareholders who have not taken up their rights) by 4.30 p.m. on the second Dealing Day after the last date for acceptance of the Rights Issue. If the Underwriters find acquirers and are able to achieve a premium over the Rights Issue Price and the related expenses of procuring those acquirers (including any applicable brokerage and commissions and amounts in respect of VAT which are not recoverable), such certificated Shareholders will be sent a cheque and such CREST Shareholders will be credited for the amount of that aggregate premium over the Rights Issue Price less related expenses (including any applicable brokerage and commissions and amounts in respect of VAT which are not recoverable), so long as the amount in question is at least £5.

If any person in the United States or any other Excluded Territory receives a Provisional Allotment Letter, that person should not seek to, and will not be able to, take up his or her rights thereunder, except as described in paragraph 8 of Part 8: "*Terms and Conditions of the Rights Issue*" of this Prospectus. The provisions of paragraph 8 of Part 8: "*Terms and Conditions of the Rights Issue*" of this Prospectus will apply to Overseas Shareholders who cannot or do not take New Shares provisionally allotted to them.

Persons who have registered addresses in or who are resident in, or who are citizens of, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their entitlements to the Rights Issue.

## **12. TAXATION**

Information on UK and US taxation with regard to the Rights Issue is set out in Part 15: "*Taxation*" of this Prospectus. The information contained therein is intended only as a general guide to the current tax position in the United Kingdom and the United States. Qualifying Shareholders in the United Kingdom and the United States should consult their own tax advisers regarding the tax treatment of the Rights Issue in light of their own circumstances. Shareholders who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult an appropriate professional adviser immediately.

### 13. ACTION TO BE TAKEN

#### 13.1 *In respect of the General Meeting*

Under the UK Government's current guidance on social distancing and prohibition on public gatherings, it will not be possible for Shareholders nor proxies to attend, or vote at the General Meeting in person, you are therefore strongly encouraged to submit a proxy form appointing the chair of the General Meeting as your proxy, in order to register your votes. Please do this as soon as possible and, in any event, so it is received by not later than 11.00 a.m. on 1 April 2021 (or, in the case of an adjournment, not later than 48 hours before the time fixed for the holding of the adjourned meeting) by either: (i) visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions there; or (ii) completing and returning the enclosed Form of Proxy to the Registrar in accordance with the instructions printed on it. If you are a member of CREST, you may alternatively be able to use the CREST electronic proxy appointment service.

#### 13.2 *In respect of the Rights Issue*

**The latest time and date for acceptance and payment in full in respect of the Rights Issue is expected to be 11.00 a.m. on 21 April 2021, unless otherwise announced by the Company.**

Please refer to Part 7 "*Questions and Answers about the Rights Issue*" and Part 8 "*Terms and Conditions of the Rights Issue*" for further details of the Rights Issue and the action to be taken, including the procedure for acceptance and payment and the procedure in respect of rights not taken up. Further details also appear in the Provisional Allotment Letter which will be sent to all Qualifying Non-CREST Shareholders (other than, subject to certain exceptions, those Qualifying Non-CREST Shareholders with a registered address in the Excluded Territories).

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsor regarding the action to be taken in connection with this Prospectus and the Rights Issue.

If you are in any doubt as to the action you should take, you should immediately seek your own financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the FSMA or, if you are outside the United Kingdom, by another appropriately authorised independent financial adviser.

SSP has engaged Computershare Investor Services PLC to make available the Special Dealing Services in order for Qualifying Non-CREST Shareholders (who are individuals and whose registered addresses are in the United Kingdom or any permitted jurisdiction) to sell all of the Nil Paid Rights to which they are entitled or to effect a Cashless Take-up should they wish. Further information about the Special Dealing Services is set out in paragraph 2.3(f) of Part 7 "*Questions and Answers about the Rights Issue*" and the Special Dealing Service Terms and Conditions will be posted to Qualifying Non-CREST Shareholders together with the Provisional Allotment Letter.

### 14. FURTHER INFORMATION

Your attention is drawn to the risk factors in Part 1 "*Risk Factors*" and the additional information set out in Part 16 "*Additional Information*" of this Prospectus. Investors should read the whole of this Prospectus and the information incorporated by reference and not rely solely on information summarised in this letter, including the summarised financial information.

### 15. IMPORTANCE OF VOTE

Both Resolutions must be passed by Shareholders at the General Meeting in order for the Rights Issue to proceed. As noted above, the Rights Issue, in conjunction with the other measures to strengthen the balance sheet that the Board is pursuing, provides the Group with a clear runway going forward to focus on the recovery phase by addressing our balance sheet related challenges, including providing appropriate liquidity and financial capacity to meet even the reasonable worst case scenario.

If, for any reason, either of the Resolutions is not passed, or any other condition of the Rights Issue is not fulfilled (as to which see paragraph 2 of Part 8 "*Terms and Conditions of the Rights Issue*" of this Prospectus), the Rights Issue will not proceed and the Company will not receive the net proceeds of the Rights Issue. In addition, the amendments to the Existing Facilities will not become effective.

As noted above, since our financial year 2020 preliminary results announcement and notwithstanding the roll-out of vaccination programmes, we have seen increased uncertainty in the operating outlook as Coronavirus infection

levels have increased, new variants of the virus have emerged, and governments in our core markets have implemented further lockdowns and travel restrictions as part of their responses. In response, the Board has updated its base case and reasonable worst case scenarios for the Group to reflect this more uncertain outlook. Under the Group's updated reasonable worst case scenario, in the event the Rights Issue does not complete and the amendments to the Existing Facilities do not become effective, the Group has concluded that the Group may breach its maximum Adjusted Net Debt covenant at the 30 June 2021 test date, which would, absent the further measures described below being successful, entitle the noteholders and lenders under the Group's Existing Facilities, and Covid Corporate Financing Facility Limited under the Group's borrowings under the CCFF, upon notice being given by the Group of such breach, to demand immediate repayment of the amounts outstanding on such date (including any make-whole payments for the noteholders, which would be expected to be material, but can only be accurately calculated at the time of any default) and immediate cancellation of any undrawn amounts on such date. Under such a reasonable worst case scenario, if such a demand were to be made, and without further action on the Group's part to obtain amendments from its lenders and/or to secure new debt or equity financing, the Directors do not believe the Group would have sufficient cash balances to repay such amounts, in which case Shareholders could lose all or part of the value of their investment in the Company. In addition, under the reasonable worst case scenario, even absent the potential covenant breaches, the Group would have insufficient liquidity to repay its borrowings under the CCFF (£300 million as at the date of this Prospectus) when that liability falls due in February 2022, or its borrowings under the Facilities Agreement (£372.8 million as at 12 March) when that liability falls due in July 2022.

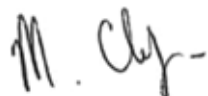
If the Group determines that a covenant breach was likely to occur, the Group would seek to renegotiate the terms of its Existing Facilities and/or secure new financing from other lenders; however, the Group does not expect to be able to obtain such amendments to the Group's Existing Facilities or secure such new financing prior to the relevant test date on 30 June 2021. Even if such attempts were successful, they would likely only come with significant cost to the Group in the form of additional fees payable, including make-whole payments for refinanced indebtedness, amendment fees, increased interest payments or additional restrictions on its business, which could hinder the Group's ability to execute its recovery strategy (including by hindering negotiations with landlords) and significantly constrain future growth. The Group would also consider other equity raising options, including on a non-pre-emptive basis, which would result in the dilution of non-participating shareholders' interests and would not alone be sufficient to address the Group's liquidity requirements under the reasonable worst case scenario. In such circumstances, there is a significant risk that the Group may breach the covenants under its Existing Facilities, in which case Shareholders could lose all or part of the value of their investment in the Company.

## 16. DIRECTORS' INTENTIONS

The Directors believe the Rights Issue is in the best interests of Shareholders taken as a whole and unanimously recommend that Shareholders vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial holdings, amounting in aggregate to 2,216,282 Shares, which represent approximate 0.4% of the total voting rights in the Company as at the Latest Practicable Date.

The Board considers the Rights Issue to be in the best interests of the shareholders of the Company as a whole. Each of the Directors either intends, to the extent that they are able, to take up in full or in part his or her rights to subscribe for New Shares under the Rights Issue or to sell sufficient of their Nil Paid Rights during the nil paid dealing period to meet the costs of taking up the balance of their entitlements to New Shares. Your attention is drawn to the further information set out in Part 7 "*Questions and answers about the Rights Issue*", Part 8 "*Terms and Conditions of the Rights Issue*" and Part 16 "*Additional Information*" of this Prospectus.

Yours faithfully



Mike Clasper  
Chair

## PART 7 QUESTIONS AND ANSWERS ABOUT THE RIGHTS ISSUE

*The questions and answers set out in this Part 7 are intended to be generic guidance only and, as such, you should read Part 8 “Terms and Conditions of the Rights Issue” of this Prospectus for full details of what action you should take. If you are in any doubt about the action to be taken, you are recommended to seek immediately your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other 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.*

*This Part 7 deals with general questions relating to the Rights Issue and more specific questions relating to Existing Shares held by persons resident in the United Kingdom. If you are an Overseas Shareholder, you should read paragraph 8 of Part 8 “Terms and Conditions of the Rights Issue” of this Prospectus and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your rights.*

*If you do not know whether you hold Existing Shares in certificated form or in uncertificated form (that is, through CREST), please call the Shareholder Helpline on 0370 707 1042 (from inside the United Kingdom) or +44 370 707 1042 (from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays). Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Shareholder Helpline will only be able to provide information contained in this Prospectus and information relating to the Company’s register of members and will be unable to give advice on the merits of the Rights Issue or to provide financial, tax legal or investment advice.*

### **1. GENERAL**

#### **1.1 What is a rights issue?**

A rights issue is one way for companies to raise money. Companies do this by issuing shares for cash and giving their existing shareholders a right to buy these shares in proportion to their existing shareholdings. For example, a 1 for 4 rights issue generally means that a shareholder is entitled to buy one New Share for every four currently held. This Rights Issue is a 12 for 25 rights issue; that is, an offer of 12 New Shares for every 25 Existing Shares held by Qualifying Shareholders at the close of business on 1 April 2021 (the “**Record Date**”). If you hold Existing Shares on the Record Date, you will be a Qualifying Shareholder. Qualifying Shareholders, other than, subject to certain exceptions, those who have a registered address, or are resident, in the Excluded Territories, will be entitled to buy New Shares under the Rights Issue. If you hold Existing Shares in certificated form, your entitlement will be set out in your Provisional Allotment Letter.

The Rights Issue Price of 184 pence per New Share represents a 46.8% discount to the Closing Price as derived from the Official List of 345.8 pence per Ordinary Share on 16 March 2021 (the Closing Price prior to the announcement of the Rights Issue). Because of this discount and while the market value of the Existing Shares exceeds the Rights Issue Price, the right to buy the New Shares is potentially valuable. The New Shares, when fully paid, will rank *pari passu* in all respects with the Existing Shares.

If you are a Qualifying Shareholder other than, subject to certain exceptions, a Shareholder with a registered address, or resident, in any of the Excluded Territories, and you do not want to buy the New Shares to which you are entitled, you can instead sell or transfer your rights (called “**Nil Paid Rights**”) to those New Shares and receive the net proceeds, if any, of the sale or transfer in cash. This is referred to as dealing “nil paid”.

#### **1.2 Why is a general meeting being held?**

A General Meeting is being convened for the purposes of considering and, if thought fit, passing the Resolutions to approve the terms of the Rights Issue and the allotment of New Shares associated with the Rights Issue and to authorise the Company to do those things it determines necessary to implement the Rights Issue, as described more fully in Part 6 “*Letter from the Chair of SSP Group plc*” and set out in the Notice of General Meeting on pages 228 to 234 of this Prospectus.

The Rights Issue is conditional on the passing of the Resolutions. If the Resolutions are not approved at the General Meeting, the Company will be unable to complete the Rights Issue.

### 1.3 What happens next?

The Company has called a General Meeting to be held at its head office at 32 Jamestown Road, London, NW1 7HW, at 11.00 a.m. on 6 April 2021. Please see the Notice of General Meeting on pages 228 to 234 of this Prospectus.

You are able to appoint one or more proxies to exercise all or any of your rights to vote at the General Meeting. In light of the UK government's current guidance on social distancing and restrictions on public gatherings, you are encouraged to appoint the Chair of the General Meeting as your proxy, which will ensure your vote is cast in accordance with your wishes, given you will be unable to attend the meeting in person.

To appoint a proxy, either:

- (a) return the form of proxy that has been sent to you, and any power of attorney or other authority under which it is executed (or a duly certified copy of any such power or authority) to the Registrars, Computershare, at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY. If you have any questions or wish to obtain an additional proxy form, please contact the Shareholder Helpline on 0370 707 1042 (from inside the United Kingdom) or +44 370 707 1042 (from outside the United Kingdom) which is open between 8.30 a.m. and 5.30 p.m. (London Time), Monday to Friday (excluding English and Welsh public holidays). Please note that the Registrar and/or Shareholder Helpline cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes; or
- (b) shareholders may appoint a proxy electronically via [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy), a process which has been agreed by the Company and approved by the Registrar. Before appointing a proxy online, you will need to have agreed to the associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. These are available to read prior to appointing a proxy once you've logged in. Further information is available in Part 19 "*Notice of General Meeting*".
- (c) in the case of CREST members, using the CREST electronic proxy appointment service in accordance with the procedures set out in the Part 19 "*Notice of General Meeting*", in each case that the proxy is received by the Registrar no later than 11.00 a.m. on 1 April 2021 (or, in the case of an adjournment, not later than two business days before the time fixed for the holding of the adjourned meeting).
- (d) if you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to [www.proxymity.io](http://www.proxymity.io). Your proxy must be lodged by 11.00 a.m. on 1 April 2021. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. Further information is available in Part 19 "*Notice of General Meeting*".

If the Resolutions are approved at the General Meeting, the Rights Issue will proceed (subject to certain conditions). Subject to the passing of the Resolutions, Provisional Allotment Letters are due to be dispatched on 6 April 2021 to Qualifying Non-CREST Shareholders and the Nil Paid Rights are due to be credited to the CREST stock accounts of Qualifying CREST Shareholders as soon as practicable after 8.00 a.m. on 7 April 2021.

### 1.4 Can I sell some rights and use the proceeds to take up my remaining rights?

This is known as a Cashless Take-up or "tail-swallowing". You should contact your stockbroker, financial adviser or fund manager who may be able to help if you wish to do this. Alternatively, if you are an individual certificated shareholder whose registered address is in the United Kingdom or any permitted jurisdiction, you can use the Special Dealing Service (see paragraph 2.3(f) below). Please note

that your ability to sell your rights is dependent on demand for such rights and that the price for Nil Paid Rights may fluctuate. Please ensure that you allow enough time so as to enable the person acquiring your rights to take all necessary steps in connection with taking up the entitlement prior to 11:00 a.m. on 21 April 2021.

## **2. ORDINARY SHARES IN CERTIFICATED FORM**

### **2.1 How do I know if I am eligible to acquire New Shares under the Rights Issue?**

If you are a holder of Ordinary Shares and receive a Provisional Allotment Letter and do not, subject to certain exceptions, have a registered address in the Excluded Territories, then you should be eligible to acquire New Shares under the Rights Issue (as long as you have not sold all of your Existing Shares before 8:00 a.m. on 7 April 2021 (the time when the Existing Shares are expected to be marked “ex-rights” by the London Stock Exchange), in which case you will need to follow the instructions on the front page of this Prospectus).

However, if you receive a Provisional Allotment Letter and you have a registered address in, or are a citizen, resident or national of, a country other than the United Kingdom, you must satisfy yourself as to the full observance of the applicable laws of such territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. Receipt of this Prospectus or a Provisional Allotment Letter does not constitute an offer in those jurisdictions in which it would be illegal to make such an offer. Overseas Shareholders should refer to paragraph 8 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus for further details.

If you do not receive a Provisional Allotment Letter, and you do not hold your shares in CREST, this probably means you are not eligible to acquire any New Shares. However, see the question in paragraph 2.4 of this Part 7 “*What if I do not receive a Provisional Allotment Letter*”.

### **2.2 What do I need to do in relation to the Rights Issue?**

If you hold your Existing Shares in certificated form at the Record Date and, subject to certain exceptions, do not have a registered address in any of the Excluded Territories, you will be sent a Provisional Allotment Letter that shows:

- (a) how many Existing Shares you held at the close of business on 1 April 2021 (the Record Date for the Rights Issue);
- (b) how many New Shares you are entitled to acquire; and
- (c) how much you need to pay if you want to take up your right to buy all the New Shares provisionally allotted to you in full.

### **2.3 What are my choices and what should I do with the Provisional Allotment Letter?**

#### **(a) *If you want to take up all of your rights in full***

If you want to take up all of your rights to acquire the New Shares to which you are entitled, all you need to do is send the Provisional Allotment Letter, together with your cheque or banker’s draft for the full amount shown in your Provisional Allotment Letter, payable to CIS PLC re SSP RI and crossed Account Payee only, by post to the Receiving Agent, Computershare, Corporate Actions Projects, Bristol, BS99 6AH, to arrive by no later than 11:00 a.m. on 21 April 2021. Within the United Kingdom only, you can use the reply-paid envelope which will be enclosed with the Provisional Allotment Letter.

Full instructions are set out in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus and will be set out in the Provisional Allotment Letter.

You will be required to pay in full for all the rights you take up. A definitive share certificate will then be sent to you for the New Shares that you take up. Your definitive share certificate for New Shares is expected to be dispatched to you by no later than 29 April 2021.

Cheques must be in pounds sterling and drawn on a UK account. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has inserted the full name of the account holder and added the building society or bank branch stamp. The account name should be the same as that shown on the Provisional Allotment Letter. Post-dated cheques will not be accepted.

(b) ***If you do not want to take up your rights at all***

If you do not want to take up your rights, you do not need to do anything. If you do not return your Provisional Allotment Letter to acquire the New Shares to which you are entitled by 11.00 a.m. on 21 April 2021, the Company has made arrangements under which the Underwriters will try to find investors to take up your rights and the rights of others who have not taken them up on your or their behalf. If the Underwriters find investors who agree to pay a premium over the Rights Issue Price and the related expenses of procuring those investors (including any applicable brokerage and commissions and amounts in respect of VAT which are not recoverable), you will be sent a cheque for your share of the amount of that premium, provided that this is £5.00 or more. Cheques are expected to be dispatched by 29 April 2021 and will be sent to your existing address appearing on the Company's register of members (or to the first-named holder if you hold your Existing Shares jointly). If the Underwriters cannot find investors who agree to pay a premium over the Rights Issue Price and related expenses so that your entitlement would be £5.00 or more, you will not receive any payment, and any amounts of less than £5.00 will be aggregated and retained for the benefit of the Company. Alternatively, if you do not want to take up your rights, you can sell or transfer your Nil Paid Rights (see paragraph (e) and below).

(c) ***If you want to take up some but not all of your rights***

If you want to take up some but not all of your rights and wish to sell some or all of those rights you do not want to take up, you should first apply to have your Provisional Allotment Letter split by completing Form X (the form of renunciation) on the Provisional Allotment Letter (unless you wish to use the Special Dealing Service), and returning it by post, to the Receiving Agent to be received by 3.00 p.m. on 19 April 2021, together with confirmation of the number of split Provisional Allotment Letters required and the number of Nil Paid Rights to be comprised in each split Provisional Allotment Letter. You should then deliver the split Provisional Allotment Letter(s) representing the New Shares that you wish to accept together with your cheque or banker's draft made payable to CIS PLC re SSP RI and crossed Account Payee only, by post to the Receiving Agent, Computershare, Corporate Actions Projects, Bristol, BS99 6AH to be received by 11.00 a.m. on 21 April 2021, while the split Provisional Allotment Letter(s) relating to the rights you wish to sell should be forwarded to your agent undertaking the sale. Please note that the ability to sell your rights is dependent on demand for such rights and that the price of Nil Paid Rights will fluctuate. The latest time and date for selling all of your rights is 11.00 a.m. on 21 April 2021. Please ensure that you allow enough time so as to enable the person acquiring your rights to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 21 April 2021.

Alternatively, if you only want to take up some of your rights (but not sell some or all of the rest of your rights, you should complete Form X (the form of renunciation) on the Provisional Allotment Letter (unless you wish to use the Special Dealing Services), and return it with a cheque or bankers draft made payable to CIS PLC re SSP RI and crossed Account Payee only, by post to the Receiving Agent, Computershare, Corporate Actions Projects, Bristol, BS99 6AH to be received by 11.00 a.m. on 21 April 2021.

Further details are set out in Part 8 "*Terms and Conditions of the Rights Issue*" of this Prospectus and will be set out in the Provisional Allotment Letter.

(d) ***If you want to sell some of your rights***

If you want to sell some of your rights other than through the Special Dealing Service, you will first need to apply to have your Provisional Allotment Letter split (see paragraph (c) above). Please note that the ability to sell your rights is dependent on demand for such rights and that



the price of Nil Paid Rights will fluctuate. The latest time and date for selling all of your rights is 11.00 a.m. on 21 April 2021. Please ensure that you allow enough time so as to enable the person acquiring your rights to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 21 April 2021.

Further details are set out in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus and will be set out in the Provisional Allotment Letter.

(e) ***If you want to sell all of your rights***

If you want to sell all of your rights other than through the Special Dealing Service, you should complete and sign Form X (the form of renunciation) on the Provisional Allotment Letter (if it is not already marked “Original Duly Renounced”) and pass the entire letter to your stockbroker, bank manager or other appropriate financial adviser or to the transferee (provided, subject to certain very limited exceptions, they are not resident in any of the Excluded Territories).

Please note that your ability to sell your rights is dependent upon demand for such rights and that the price for the rights may fluctuate.

The latest time and date for selling all of your rights is 11.00 a.m. on 21 April 2021. Please ensure, however, that you allow enough time to enable the person acquiring your rights to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 21 April 2021.

Further details are set out in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus and will be set out in the Provisional Allotment Letter.

(f) ***If you want to use the Special Dealing Service***

If you are an individual certificated shareholder whose registered address is in the United Kingdom or any permitted jurisdiction, you can use the Special Dealing Service to either (i) sell all of your Nil Paid Rights or (ii) sell a sufficient number of Nil Paid Rights to raise money to take up the remainder (that is, effect a Cashless Take-up).

If you want to effect a Cashless Take-up, you should tick Box B of your Provisional Allotment Letter, sign and date it and return the Provisional Allotment Letter by 11:00 a.m. on 14 April 2021.

If you want to use the Special Dealing Service to sell all of your Nil Paid Rights, you should tick Box C on the front page of your Provisional Allotment Letter, sign and date it and return the Provisional Allotment Letter by 11:00 a.m. on 14 April 2021.

Computershare Investor Services PLC will charge a commission of 0.5% of the gross proceeds of any sale of Nil Paid Rights effected using the Special Dealing Service, subject to a minimum of £15.00 per holding.

You should be aware that by returning your Provisional Allotment Letter and electing to use the Special Dealing Service, you will be deemed to be agreeing to the Special Dealing Service Terms and Conditions and make a legally binding agreement with Computershare Investor Services PLC on those terms. The Special Dealing Service Terms and Conditions will be posted to you together with the Provisional Allotment Letter if you hold your Ordinary Shares in certificated form.

If you have any questions relating to the Special Dealing Service, please telephone Computershare Investor Services PLC on 0370 707 1042 from within the United Kingdom or +44 370 707 1042 if calling from outside the United Kingdom. Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The helpline is open between 8.30 a.m.

and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Please note that Computershare Investor Services PLC cannot provide advice on the merits of the Rights Issue nor give any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Further details are set out in Part 8 “*Terms and Conditions of the Rights Issue*” and the Special Dealing Service Terms and Conditions.

#### 2.4 **What if I do not receive a Provisional Allotment Letter?**

If you do not receive a Provisional Allotment Letter but hold your Existing Shares in certificated form, this probably means that you are not able to acquire New Shares under the Rights Issue. However, some Qualifying Shareholders will not receive a Provisional Allotment Letter but may still be able to acquire New Shares under the Rights Issue, namely:

- (a) Qualifying CREST Shareholders who held their Existing Shares in uncertificated form on the Record Date and who have converted them to certificated form;
- (b) Qualifying Non-CREST Shareholders who bought Existing Shares prior to 7 April 2021 but were not registered as the holders of those Existing Shares at the close of business on 1 April 2021; and
- (c) certain Overseas Shareholders.

If you do not receive a Provisional Allotment Letter but think that you should have received one, please contact the Shareholder Helpline on 0370 707 1042 (from within the United Kingdom) or +44 370 707 1042 (from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays). Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Shareholder Helpline will only be able to provide information contained in this Prospectus and information relating to the Company’s register of members and will be unable to give advice on the merits of the Rights Issue or to provide financial, tax, legal or investment advice.

#### 2.5 **If I buy Ordinary Shares after the Record Date, will I be able to acquire New Shares under the Rights Issue?**

If you bought Ordinary Shares after the Record Date but prior to 8.00 a.m. on 7 April 2021 (the time when the Existing Shares are expected to start trading “ex-rights” on the London Stock Exchange), you may be able to acquire New Shares under the Rights Issue.

If you are in any doubt, please consult your stockbroker, bank, fund manager or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Ordinary Shares at or after 8.00 a.m. on 7 April 2021 (the “**Ex-Rights Date**”), you will not be able to acquire New Shares under the Rights Issue in respect of those Shares.

#### 2.6 **I hold my Existing Shares in certificated form. If I take up my rights, when will I receive the certificate representing my New Shares?**

If you take up your rights under the Rights Issue, share certificates for the New Shares are expected to be posted by no later than 29 April 2021.

#### 2.7 **Can I change my decision to take up my rights?**

Once you have returned your Provisional Allotment Letter you cannot withdraw your application or change the number of New Shares for which you have applied, except in the very limited circumstances set out at paragraph 6 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

**2.8 I hold my Existing Shares in certificated form. What if I want to sell the New Shares for which I have paid?**

Provided the New Shares have been paid for and you have requested the return of the receipted Provisional Allotment Letter, you can transfer the Fully Paid Rights by completing Form X (the form of renunciation) on the receipted Provisional Allotment Letter in accordance with the instructions set out in the Provisional Allotment Letter until 11.00 a.m. on 21 April 2021. After that time, you will be able to sell your New Shares in the normal way. The share certificate relating to your New Shares is expected to be dispatched to you by no later than 21 April 2021. Pending dispatch of the share certificate, instruments of transfer will be certified by the Registrar against the register.

Further details are set out in Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

**3. ORDINARY SHARES IN CREST**

**3.1 How do I know if I am eligible to acquire New Shares under the Rights Issue?**

If you are a Qualifying CREST Shareholder (save as mentioned below), and on the assumption that the Rights Issue proceeds as planned, your CREST stock account will be credited with your entitlement to Nil Paid Rights on 7 April 2021. The stock account to be credited will be the account under the participant ID and member account ID that apply to your Ordinary Shares on the Record Date. The Nil Paid Rights and the Fully Paid Rights are expected to be enabled as soon as practicable after 8.00 a.m. on 7 April 2021. If you are a CREST Sponsored Member, you should consult your CREST Sponsor if you wish to check that your account has been credited with your entitlement to Nil Paid Rights. The CREST stock accounts of Overseas Shareholders with a registered address in any of the Excluded Territories will not be credited with Nil Paid Rights. Overseas Shareholders should refer to paragraph 8 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

**3.2 How do I acquire New Shares under the Rights Issue using CREST?**

If you are a Qualifying CREST Shareholder, you should refer to paragraph 5 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus for details on how to acquire New Shares under the Rights Issue .

If you are a CREST member you should ensure that an MTM Instruction has been inputted and has settled by 11.00 a.m. on 21 April 2021 in order to make a valid acceptance. If your Ordinary Shares are held by a nominee or you are a CREST sponsored member, you should speak directly to the agent who looks after your stock or your CREST sponsor (as appropriate) who will be able to help you. If you have further questions, particularly of a technical nature regarding acceptance through CREST, you should call the CREST Service Desk on 0845 964 5648 (+44 (0) 207 849 0199 if you are calling from outside the United Kingdom).

**3.3 If I buy Ordinary Shares before 8.00 a.m. on the Ex-Rights Date will I be able to acquire New Shares under the Rights Issue?**

If you buy Ordinary Shares before 8.00 a.m. on 7 April 2021 but are not registered as the holder of those Ordinary Shares on the Record Date, you may still be eligible to acquire New Shares under the Rights Issue. Euroclear will raise claims in the normal manner in respect of your purchase and your Nil Paid Rights will be credited to your stock account(s) on settlement of those claims.

You will not be entitled to Nil Paid Rights in respect of any further Ordinary Shares acquired on or after the Ex-Rights Date.

**3.4 What should I do if I sell or transfer all or some of my Ordinary Shares before 8.00 a.m. on the Ex-Rights Date?**

You do not have to take any action except, where you sell or transfer all of your Ordinary Shares before the Ex-Rights Date, to send this Prospectus to the purchaser or transferee or to the stockbroker, bank or other financial adviser through whom you made the sale or transfer. A claim transaction in respect of that sale or transfer will automatically be generated by Euroclear which, on settlement, will transfer the appropriate number of Nil Paid Rights to the purchaser or transferee.

**3.5 How many New Shares am I entitled to acquire?**

Your stock account will be credited with Nil Paid Rights in respect of the number of New Shares which you are entitled to acquire. You will be entitled to acquire 12 New Shares for every 25 Existing Shares you hold on 1 April 2021, the Record Date. You can also view the claim transactions in respect of purchases/sales effected after this date, but before the Ex-Rights Date. If you are a CREST sponsored member, you should consult your CREST sponsor.

**3.6 If I take up my rights, when will New Shares be credited to my CREST stock account(s)?**

If you take up your rights under the Rights Issue, it is expected that New Shares will be credited to the CREST stock account in which you hold your Fully Paid Rights on 22 April 2021.

**4. FURTHER PROCEDURES FOR ORDINARY SHARES WHETHER IN CERTIFICATED FORM OR IN CREST**

**4.1 What if the number of New Shares to which I am entitled is not a whole number; am I entitled to fractions of New Shares?**

Your entitlement to New Shares will be calculated at the Record Date (other than in the case of those who bought Existing Shares after the Record Date but before the Ex-Rights Date who are able to acquire New Shares under the Rights Issue). If the result is not a whole number, you will not receive a fraction of a New Share and your entitlement will be rounded down to the nearest whole number. The New Shares representing the aggregated fractions that would otherwise be allotted to Shareholders will be issued in the market nil paid for the benefit of the Company. The New Ordinary Shares representing aggregated fractions that would otherwise be allotted to Qualifying Shareholders will be aggregated and, if possible, sold in the market nil paid for the benefit of the Company.

**4.2 Will I be taxed if I take up or sell my rights or if my rights are sold on my behalf?**

Certain information about taxation in the United Kingdom and the United States is contained in Part 15: “*Taxation*” of this Prospectus. This information is intended as a general guide for Qualifying Shareholders as to the current tax position in the United Kingdom and the United States and Qualifying Shareholders should consult their own tax advisers regarding the tax treatment of the Rights Issue in light of their own circumstances. If you are in any doubt as to your tax position or are subject to tax in a jurisdiction other than the United Kingdom and the United States, you should consult an appropriate professional adviser as soon as possible. Note, for example, that dividends received by a Qualifying Shareholder in respect of New Shares may be subject to tax in that Qualifying Shareholder’s own jurisdiction of tax residence, which may reduce the after-tax income received by that Qualifying Shareholder from his, her or its New Shares. Please note the Shareholder Helpline will not be able to assist you with taxation issues.

**4.3 I understand that there is a period when there is trading in the Nil Paid Rights. What does this mean?**

If you do not want to buy the New Shares being offered to you under the Rights Issue, you can instead sell or transfer your rights (called “**Nil Paid Rights**”) to those New Shares and receive the net proceeds of the sale or transfer in cash. This is referred to as dealing “nil paid”. This means that, during the Rights Issue offer period, a person can either purchase Ordinary Shares (which will not carry any entitlement to acquire New Shares under the Rights Issue) or can trade in the Nil Paid Rights during the nil paid dealing period (between 8.00 a.m. on 7 April 2021 and 11.00 a.m. on 21 April 2021), subject to demand and market conditions. Please note that your ability to sell your rights is dependent on demand for such rights and that the price of the Nil Paid Rights will fluctuate.

If you wish to sell or transfer all or some of your Nil Paid Rights and you hold your Existing Shares in certificated form, you will need to complete Form X (the form of renunciation) of the Provisional Allotment Letter and send it to the stockbroker, bank or other agent through or by whom the sale or transfer was effected, to be forwarded to the purchaser or transferee.

If you buy Nil Paid Rights, you are buying an entitlement to acquire the New Shares, subject to your paying for them in accordance with the terms of the Rights Issue. Any seller of Nil Paid Rights who holds his Ordinary Shares in certificated form will need to forward to you his Provisional Allotment Letter (with Form X completed) for you to complete and return, with your cheque, by 11.00 a.m. on 21 April 2021, in accordance with the instructions in the Provisional Allotment Letter.

Qualifying CREST Shareholders and, subject to dematerialisation of their Nil Paid Rights as set out in the Provisional Allotment Letter, Qualifying Non-CREST Shareholders who are CREST members or CREST sponsored members can transfer Nil Paid Rights, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST. Please consult your CREST sponsor or stockbroker, bank or other appropriate financial adviser for further details.

#### **4.4 What should I do if I live outside the United Kingdom?**

Your ability to take up rights to New Shares may be affected by the laws of the country in which you live, and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your rights. Shareholders with registered addresses, or who are resident or located, in any Excluded Territories are, subject to certain very limited exceptions, not able to acquire New Shares under the Rights Issue. Shareholders with registered addresses, or who are resident or located, in the United States who are QIBs or accredited investors may be able to acquire New Shares in the Rights Issue. Your attention is drawn to the information in paragraph 8 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

#### **4.5 How do I transfer my rights into the CREST system?**

If you are a Qualifying Non-CREST Shareholder, but are a CREST member and want your New Shares to be in uncertificated form, you should complete Form X (the form of renunciation) and the CREST Deposit Form (both on the Provisional Allotment Letter), and ensure they are delivered to the Receiving Agent to be received by 3.00 p.m. on 16 April 2021 at the latest. CREST sponsored members should arrange for their CREST sponsors to do this on their behalf.

If you have transferred your rights into the CREST system, you should refer to paragraph 5.2 of Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus for details on how to pay for the New Shares.

#### **4.6 What should I do if I think my holding of Ordinary Shares is incorrect?**

If you have bought or sold Existing Shares shortly before 1 April 2021, your transaction may not be entered on the register of members in time to appear on the register at the Record Date. If you are concerned about the figure in the Provisional Allotment Letter or otherwise concerned that your holding of shares is incorrect, please contact the Shareholder Helpline on 0370 707 1042 (from within the United Kingdom), or +44 370 707 1042 (from outside the United Kingdom) between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays). Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. For legal reasons, the Shareholder Helpline will only be able to provide information contained in this Prospectus and information relating to the Company’s register of members and will be unable to give advice on the merits of the Rights Issue or to provide financial, tax or investment advice.

#### **4.7 What if I hold shares, options and/or awards under any of the Company’s Share Schemes?**

If you participate in the Company’s UK SIP or ISIP, you will be contacted by the trustee of the UK SIP or nominee of the ISIP (as appropriate) with regard to the impact of the Rights Issue on the Ordinary Shares (and the matching awards in the case of the ISIP) held for you under the UK SIP and ISIP (as appropriate) and the actions (if any) that you may need to take.

If you hold options or awards under any of the Company’s other Share Schemes, you cannot acquire New Shares under the Rights Issue in respect of these options or awards since these are only rights to acquire Ordinary Shares at a future date. However, subject to any legal or tax constraints, the Company intends to adjust the number of Ordinary Shares subject to options and awards outstanding under the relevant Share Scheme, in accordance with the rules of the relevant Share Scheme, to take account of the issue of the New Shares and to reflect the expected effect of the Rights Issue on the value of your awards and/or options. You will be contacted separately and in due course with further information about the adjustment of any options and/or awards you hold.

4.8 **What if I hold beneficial title to Ordinary Shares held in the Computershare Share Plan Account (SPA)?**

If you hold beneficial title to Ordinary Shares held in the SPA, you will be contacted by Computershare with regard to the impact of the Rights Issue on the Ordinary Shares held for you in the SPA and the actions (if any) that you may need to take.

**PART 8**  
**TERMS AND CONDITIONS OF THE RIGHTS ISSUE**

**1. SUMMARY OF THE RIGHTS ISSUE**

The Company is proposing to raise gross proceeds of £474.9 million by way of a 12 for 25 Rights Issue at a price of 184 pence per New Share.

The Rights Issue Price of 184 pence per New Share represents a discount of approximately 46.8% to the Closing Price of an Existing Share of 345.8 pence on 16 March 2021 (being the last Dealing Day prior to the date of this Prospectus) and an approximately 37.3% discount to the theoretical ex-rights price of 293.3 pence per New Share calculated by reference to that Closing Price.

Of the expected £456.1 million of net proceeds from the Rights Issue, the Board currently intends to use the net proceeds to (i) cover the Group's liquidity headroom under the reasonable worst case scenario; (ii) facilitate extensions of the Group's bank facilities and secure covenant waivers; and (iii) reduce leverage and increase capacity for investment as the Coronavirus pandemic recedes.

The Underwriters have agreed to underwrite fully, severally and in their relevant proportions, the Rights Issue in accordance with the terms and subject to the conditions in the Underwriting Agreement. The Underwriters' obligations under the Underwriting Agreement are subject to certain conditions, including, among others:

- Admission having occurred not later than 8.00 a.m. on 7 April 2021 or such later time and/or date (not later than 13 April 2021) as the Company and the Joint Global Coordinators may agree; and
- the warranties and representations on the part of the Company in the Underwriting Agreement being true and accurate in every respect and not misleading on and as of (i) the date of the Underwriting Agreement, (ii) the date of any supplementary prospectus published prior to Admission, and (iii) immediately prior to Admission, in each case, as though they had been given and made on such date by reference to the facts and circumstances then subsisting.

The Underwriting Agreement is not subject to any rights of termination after Admission (including in respect of any statutory withdrawal rights). The Underwriters may arrange sub-underwriting for some, all or none of the New Shares which they would otherwise be required to acquire.

**2. TERMS AND CONDITIONS OF THE RIGHTS ISSUE**

Subject to the terms and conditions set out in this Prospectus (and, in the case of Qualifying Non-CREST Shareholders, the Provisional Allotment Letter), the New Shares will be offered by way of rights to Qualifying Shareholders (other than, subject to certain exceptions, Qualifying Shareholders with registered addresses in the Excluded Territories) on the following basis:

**12 New Shares at 184 pence for every 25 Existing Shares** held and registered in their name at the close of business on the Record Date.

Qualifying Shareholders who do not, or who are not permitted to, take up their entitlement to New Shares (for example because they are Qualifying Shareholders with a registered address in the Excluded Territories) will have their proportionate shareholdings in the Company diluted by approximately 32.4% following the Rights Issue. Those Qualifying Shareholders who are permitted to, and do, take up all of their rights to the New Shares provisionally allotted to them will, subject to the rounding down of fractions, have the same proportionate voting and distribution rights as held by them at the Record Date. In each case, it is assumed that no Ordinary Shares are issued to satisfy the vesting of awards or the exercise of options under the Employee Share Plans between the date of this Prospectus and Admission becoming effective.

The Nil Paid Rights are entitlements to acquire the New Shares subject to payment of the Rights Issue Price. The Fully Paid Rights are entitlements to receive the New Shares for which payment has already been made.

Holdings of Existing Shares in certificated and uncertificated form will be treated as separate holdings to calculate entitlements under the Rights Issue, as will holdings under different designations and in different accounts.

Fractions of New Shares will not be provisionally allotted to Qualifying Shareholders and fractional entitlements will be rounded down to the nearest whole number of Ordinary Shares and aggregated and issued into the market for the benefit of the Company.

The attention of Qualifying Shareholders and any person (including, without limitation, custodians, nominees and trustees) who has a contractual or other legal obligation to forward this Prospectus or, in the case of Qualifying Non-CREST Shareholders, a Provisional Allotment Letter into a jurisdiction other than the United Kingdom is drawn to paragraphs 8 and 9 of this Part 8. In particular, subject to the provisions of paragraph 8 of this Part 8, Qualifying Shareholders with registered addresses in the Excluded Territories will not be sent any Provisional Allotment Letters and/or will not have their CREST stock accounts credited with Nil Paid Rights.

Subject to the Resolutions being passed with the requisite majorities at the General Meeting, the New Shares will be issued pursuant to the authority granted under the Resolutions. The New Shares will, when issued and fully paid, rank *pari passu* in all respects with the Existing Shares, including the rights to receive all future dividends or other distributions made, paid or declared by reference to a record date after the date of their issue. The rights attaching to the New Shares are governed by the Articles of Association, a summary of which is set out in paragraph 4 of Part 16 “*Additional Information*” of this Prospectus.

Application will be made to the FCA for the New Shares (nil and fully paid) to be admitted to the premium listing segment of the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities. It is expected that Admission will become effective and that dealings in the New Shares, nil paid, will commence on the London Stock Exchange at 8.00 a.m. on 7 April 2021.

None of the New Shares are being made available to the public other than pursuant to the Rights Issue.

The Existing Shares are already admitted to CREST. The Existing Shares are, and, when issued, the New Shares will be, in registered form and capable of being held in certificated form or uncertificated form via CREST.

Applications will be made for the Nil Paid Rights, the Fully Paid Rights and the New Shares to be admitted to CREST. Euroclear requires the Company to confirm to it that certain conditions (imposed by the CREST Manual) are satisfied before Euroclear will admit the New Shares to CREST. It is expected that these conditions will be satisfied on Admission of the New Shares. As soon as practicable after Admission of the New Shares, the Company will confirm this to Euroclear.

Subject to any relevant conditions being satisfied, it is expected that:

- (a) Provisional Allotment Letters in respect of the Nil Paid Rights will be dispatched to Qualifying Non-CREST Shareholders (other than, subject to certain exceptions, such Qualifying Non-CREST Shareholders with registered addresses in any of the Excluded Territories) following the General Meeting on 6 April 2021;
- (b) the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of Qualifying CREST Shareholders (other than, subject to certain exceptions, such Qualifying CREST Shareholders with registered addresses in any of the Excluded Territories) with such Shareholders’ entitlement to Nil Paid Rights, as soon as practicable after 8.00 a.m. on 7 April 2021;
- (c) the Nil Paid Rights and the Fully Paid Rights will be enabled for settlement in CREST by Euroclear at 8:00 a.m. on 7 April 2021, as soon as practicable after the Company has confirmed to Euroclear that all the conditions for admission of such rights to CREST have been satisfied;



- (d) the New Shares will be credited to the appropriate stock accounts of relevant Qualifying CREST Shareholders (or their renounees) who validly take up their rights as soon as practicable after 8.00 a.m. on 22 April 2021; and
- (e) share certificates for the New Shares will be posted to Qualifying Non-CREST Shareholders (or their renounees) who validly take up their rights by no later than 29 April 2021 (at their own risk).

Shareholders taking up their rights by completing a Provisional Allotment Letter or by sending a Many-To-Many instruction (“**MTM Instruction**”) to Euroclear will be deemed to have given the representations and warranties set out in paragraph 5.2 of this Part 8, unless such requirement is waived by the Company.

The Underwriters have agreed to fully underwrite the Rights Issue in accordance with the terms and subject to the conditions in the Underwriting Agreement. The Underwriting Agreement is conditional upon certain conditions being satisfied and certain undertakings not being breached, and it may be terminated by the Underwriters prior to Admission upon the occurrence of certain specified events (in which case the Rights Issue will not proceed). The Underwriting Agreement is not subject to any rights of termination after Admission (including in respect of any statutory withdrawal rights). The Underwriters may arrange sub-underwriting for some, all or none of the New Shares for which the Underwriters might otherwise be required to acquire pursuant to the terms of the Underwriting Agreement. A summary of certain terms and conditions of the Underwriting Agreement is contained in paragraph 13.1 of Part 16 “*Additional Information*” of this Prospectus.

All documents and cheques posted to, by, from, or on behalf of Qualifying Shareholders and/or their transferees or renounees (or their agents, as appropriate) will be posted at their own risk.

The attention of Overseas Shareholders is drawn to paragraph 8 of this Part 8.

### 3. ACTION TO BE TAKEN

**The action to be taken by Qualifying Shareholders in respect of the New Shares depends on whether, at the relevant time, the Nil Paid Rights or Fully Paid Rights in respect of which action is to be taken are in certificated form (that is, are represented by Provisional Allotment Letters) or are in uncertificated form (that is, are in CREST).**

If you are a Qualifying Non-CREST Shareholder and (subject to certain limited exceptions as set out in paragraph 8 of this Part 8) do not have a registered address, or are located or resident, in the Excluded Territories, please refer to paragraphs 4, 6 and 9 to 14 (inclusive) of this Part 8.

If you are a Qualifying CREST Shareholder and (subject to certain limited exceptions as set out in paragraph 8 of this Part 8) do not have a registered address, or are located or resident, in the Excluded Territories, please refer to paragraphs 5, 6 and 9 to 14 (inclusive) of this Part 8 and to the CREST Manual for further information on the CREST procedures referred to below.

CREST sponsored members should refer to their CREST Sponsors, as only their CREST sponsors will be able to take the necessary actions specified below to take up the entitlements or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST sponsored members.

If you are a Qualifying CREST Shareholder or a Qualifying Non-CREST Shareholder who has a registered address, or is located or resident, in any of the Excluded Territories, please refer to paragraph 8 of this Part 8.

If you have any questions relating to this Prospectus, or the completion and return of the Form of Proxy or the Provisional Allotment Letter, please telephone the Shareholder Helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays) on 0370 707 1042 from within the United Kingdom or +44 370 707 1042 if calling from outside the United Kingdom. Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline cannot provide advice on the merits of the Rights Issue nor give any financial, legal, tax or investment advice.

#### 4. ACTION TO BE TAKEN BY QUALIFYING NON-CREST SHAREHOLDERS IN RELATION TO NIL PAID RIGHTS REPRESENTED BY PROVISIONAL ALLOTMENT LETTERS

##### 4.1 General

Subject to the passing of the Resolutions, Provisional Allotment Letters are expected to be dispatched to Qualifying Non-CREST Shareholders (other than, subject to certain limited exceptions, Qualifying Shareholders with registered addresses, or who are resident or located, in any of the Excluded Territories) on 6 April 2021. Each Provisional Allotment Letter will set out:

- (a) the holding at the close of business on the Record Date of Existing Shares in certificated form on which a Qualifying Non-CREST Shareholder's entitlement to New Shares has been based;
- (b) the aggregate number of New Shares in certificated form provisionally allotted to such Qualifying Non-CREST Shareholder;
- (c) the amount payable by a Qualifying Non-CREST Shareholder at the Issue Price to take up his or her entitlement in full;
- (d) the procedures to be followed if a Qualifying Non-CREST Shareholder wishes to dispose of all or part of his entitlement or to convert all or part of his entitlement into uncertificated form;
- (e) the procedures to be followed if a Qualifying Non-CREST Shareholder who is eligible to use the Special Dealing Services wishes to sell all of his or her Nil Paid Rights or to effect a Cashless Take-up using the Special Dealing Service; and
- (f) instructions regarding acceptance and payment, consolidation, splitting and registration of renunciation.

On the basis that dealings will commence at 8.00 a.m. on 7 April 2021, the latest time and date for:

- (a) acceptance and payment in full will be 11.00 a.m. on 21 April 2021; and
- (b) receipt of instructions under the Special Dealing Services in respect of the sale of all Nil Paid Rights or a Cashless Take-up will be 11.00 a.m. on 14 April 2021.

If the Provisional Allotment Letters are not dispatched on 6 April 2021 or if the Rights Issue is delayed, the expected timetable, as set out in Part 3 "*Expected Timetable for the Rights Issue*" of this Prospectus, will be adjusted accordingly and the revised dates will be announced through a Regulatory Information Service, in which case all relevant references in this Prospectus should be read as being subject to such adjustment.

##### 4.2 Procedure for acceptance and payment

- (a) ***Qualifying Non-CREST Shareholders who wish to take up their entitlements in full***

Holders of Provisional Allotment Letters who wish to take up all of their Nil Paid Rights should complete and return the Provisional Allotment Letter in accordance with its instructions thereon. The Provisional Allotment Letter must be returned, together with the cheque or banker's draft in pounds sterling, made payable to CIS PLC re SSP RI and crossed Account Payee only, for the full amount payable on acceptance, in accordance with the instructions printed on the Provisional Allotment Letter, by post to the Receiving Agent at Computershare, Corporate Actions Projects, Bristol, BS99 6AH so as to be received as soon as possible and, in any event, not later than 11.00 a.m. on 21 April 2021. A reply-paid envelope will be enclosed for use within the United Kingdom only. If you post your Provisional Allotment Letter, it is recommended that you allow sufficient time for delivery (for instance, allowing four days for first class post within the United Kingdom). Please note that payments via CHAPS, BACS or electronic transfer will not be accepted.

Once your Provisional Allotment Letter, duly completed, and payment have been received by the Receiving Agent in accordance with the above, you will have accepted the offer to acquire the number of New Shares specified in your Provisional Allotment Letter. The Receiving Agent will hold monies received from you on behalf of HSBC, who is acting as principal, but subject to the requirement that the monies can only be applied in acquiring redeemable preference shares in SSP Finance (Jersey) Limited as provided in paragraph 7 of this Part 8 “*Terms and Conditions of the Rights Issue*”.

(b) ***Qualifying Non-CREST Shareholders who wish to take up some (but not all) of their entitlements***

Holders of Provisional Allotment Letters who wish to take up some but not all of their Nil Paid Rights and wish to sell some or all of those rights which they do not want to take up (other than by effecting a Cashless Take-up using the Special Dealing Services described in paragraph 4.5 below) should first apply for split Provisional Allotment Letters by completing Form X on the Provisional Allotment Letter and returning it, together with a covering letter stating the number of split Provisional Allotment Letters required and the number of Nil Paid Rights or Fully Paid Rights (if appropriate) to be comprised in each split Provisional Allotment Letter, by post to the Receiving Agent by 3.00 p.m. on 19 April 2021, the last date and time for splitting Provisional Allotment Letters. The Provisional Allotment Letter will then be cancelled and exchanged for the split Provisional Allotment Letters required. Such holders of Provisional Allotment Letters should then deliver the split Provisional Allotment Letter representing the rights they wish to take up together with a cheque or banker’s draft in pounds sterling for this number of rights, payable to CIS PLC re SSP RI and crossed Account Payee only so as to be received by not later than 11.00 a.m. on 21 April 2021, the last date and time for acceptance. The Receiving Agent will hold such monies on behalf of HSBC, who is acting as principal, but subject to the requirement that the monies can only be applied in acquiring redeemable preference shares in SSP Finance (Jersey) Limited as provided in paragraph 7 of this Part 8. The further split Provisional Allotment Letters (representing the New Shares that the Shareholder does not wish to take up) will be required in order to sell those rights not being taken up.

Alternatively, Qualifying Non-CREST Shareholders who wish to take up some of their rights, without selling or transferring the remainder, should complete Form X on the original Provisional Allotment Letter and return it, together with a covering letter confirming the number of rights to be taken up and a cheque or banker’s draft in pounds sterling to pay for this number of Shares, by post to the Receiving Agent at Computershare, Corporate Actions Projects, Bristol, BS99 6AH. In this case, the Provisional Allotment Letter and payment must be received by 11.00 a.m. on 21 April 2021, the last date and time for acceptance. The Receiving Agent will hold such monies on behalf of HSBC, who is acting as principal, but subject to the requirement that the monies can only be applied in acquiring redeemable preference shares in SSP Finance (Jersey) Limited as provided in paragraph 7 of this Part 8 “*Terms and Conditions of the Rights Issue*” of this Prospectus.

(c) ***Qualifying Non-CREST Shareholders who do not wish to take up their entitlements at all***

Holders of Provisional Allotment Letters who do not wish to take up their rights at all do not need to do anything. If Qualifying Non-CREST Shareholders do not return the Provisional Allotment Letter by 11.00 a.m. on 21 April 2021, the Company has made arrangements under which the Underwriters will try to find investors to take up such rights on their behalf. If they do find investors and are able to achieve a premium over the Rights Issue Price and the related expenses of procuring those investors (including any applicable commission and amounts in respect of value added tax which are not recoverable), Qualifying Non-CREST Shareholders so entitled will be sent a cheque for the amount of that aggregate premium over the Rights Issue Price less related expenses (including any applicable commission and amounts in respect of value added tax which are not recoverable), so long as the amount in question is at least £5.00.

(d) ***Discretion as to validity of acceptances***

If payment is not received in full by 11.00 a.m. on 21 April 2021, the provisional allotment will be deemed to have been declined and will lapse. However, the Company and the Underwriters

may, but shall not be obliged to, treat as valid acceptances in respect of which remittances for the full amount are received prior to 11.00 a.m. on 21 April 2021 from an authorised person (as defined in Section 31(2) of FSMA) specifying the number of New Shares to be acquired and an undertaking by that person to lodge the relevant Provisional Allotment Letter, duly completed, by a time and date which are satisfactory to the Company and the Underwriters, in their sole discretion.

The Company may also (in its absolute discretion) treat a Provisional Allotment Letter as valid and binding on the person(s) by whom or on whose behalf it is lodged even if it is not completed in accordance with the relevant instructions or is not accompanied by a valid power of attorney where required.

The Company reserves the right to treat as invalid any acceptance or purported acceptance of the New Shares that appears to the Company to have been executed in, dispatched from, or that provides an address for delivery of definitive share certificates for New Shares in, an Excluded Territory.

A Qualifying Non-CREST Shareholder who makes a valid acceptance and payment in accordance with this paragraph 4.2 of this Part 8 is deemed to request that the New Shares to which they will become entitled be issued to them on the terms set out in this Prospectus and the Provisional Allotment Letter and subject to the Articles.

(e) ***Payments***

All payments made by Qualifying Non-CREST Shareholders must be made in pounds sterling by cheque or banker's draft made payable to CIS PLC re SSP RI and crossed Account Payee only. Third party cheques may not be accepted except building society cheques or banker's drafts where the building society or bank has inserted the full name of the account holder and has added the building society or bank branch stamp. Cheques or banker's drafts must be drawn on an account at a branch (which must be in the United Kingdom, the Channel Islands or the Isle of Man) of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies. Such cheques and banker's drafts must bear the appropriate sorting code in the top right-hand corner. Post-dated cheques will not be accepted. Payments via CHAPS, BACS or electronic transfer will not be accepted.

Cheques and banker's drafts will be presented for payment on receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity. No interest will be paid on payments made before they are due and any interest on such payments ultimately will accrue for the benefit of the Company. It is a term of the Rights Issue that cheques shall be honoured on first presentation, and the Company may elect to treat as invalid any acceptances in respect of which cheques are not so honoured. Return of a Provisional Allotment Letter by a Qualifying Non-CREST Shareholder will constitute a warranty that the cheque will be honoured on first presentation. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender. If New Shares have already been allotted to Qualifying Shareholders prior to any payment not being so honoured or such Qualifying Shareholders' acceptances being treated as invalid, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such shares on behalf of those Qualifying Shareholders and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and of all amounts payable by such Qualifying Shareholders pursuant to the provisions of this Part 8 in respect of the acquisition of such shares) on behalf of such Qualifying Shareholders. None of the Company, the Underwriters or any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by Qualifying Shareholders as a result.

### 4.3 Money Laundering Regulations

To ensure compliance with the Money Laundering Regulations, the Receiving Agent may require, at its absolute discretion, verification of the identity of the person by whom or on whose behalf the Provisional Allotment Letter is lodged with payment (which requirements are referred to below as the “**verification of identity requirements**”). If an application is made by a UK regulated broker or intermediary acting as agent and which is itself subject to the Money Laundering Regulations, any verification of identity requirements is the responsibility of such broker or intermediary and not of the Receiving Agent. In such case, the lodging agent’s stamp should be inserted on the Provisional Allotment Letter. The person lodging the Provisional Allotment Letter with payment (the “**applicant**”), including any person who appears to the Receiving Agent to be acting on behalf of some other person, shall thereby be deemed to agree to provide the Receiving Agent with such information and other evidence as the Receiving Agent may require to satisfy the verification of identity requirements and agree for the Receiving Agent to make a search using a credit reference agency for the purpose of confirming such identity; where deemed necessary a record of the search will be retained. Return of a Provisional Allotment Letter by a Qualifying Non-CREST Shareholder will constitute a warranty that the Money Laundering Regulations will not be breached by the acceptance of the remittance and an undertaking by the applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purpose of the Money Laundering Regulations.

If the Receiving Agent determines that the verification of identity requirements applies to any applicant or application, the relevant New Shares (notwithstanding any other term of the Rights Issue) will not be issued to the relevant applicant unless and until the verification of identity requirements have been satisfied in respect of that applicant or application. The Receiving Agent is entitled, in its absolute discretion, to determine whether the verification of identity requirements apply to any applicant or application and whether such requirements have been satisfied, and none of the Receiving Agent, the Company or the Underwriters will be liable to any person for any loss or damage suffered or incurred (or alleged), directly or indirectly, as a result of the exercise of such discretion.

If the verification of identity requirements applies, failure to provide the necessary evidence of identity within a reasonable time may result in delays and potential rejection of an application. If, within a reasonable period of time following a request for verification of identity, the Receiving Agent has not received evidence satisfactory to it as aforesaid, the Company may, in its absolute discretion, treat the relevant application as invalid, in which event the application monies will be returned (at the applicant’s risk) without interest to the account of the bank or building society on which the relevant cheque or banker’s draft was drawn. If the acceptance is not treated as invalid and the verification of identity requirements are not satisfied within such period, being not less than seven days after a request for evidence of identity is dispatched to the applicant, as the Company may in its absolute discretion allow, the Company will be entitled to make arrangements (in its absolute discretion as to manner, timing and terms) to sell the relevant shares (and for that purpose the Company will be expressly authorised to act as agent of the applicant). Any proceeds of sale (net of expenses) of the relevant shares which shall be issued to and registered in the name of the purchaser(s) or an amount equivalent to the original payment, whichever is the lower, will be held by the Company on trust for the applicant, subject to the requirements of the Money Laundering Regulations.

The verification of identity requirements will not usually apply if:

- (a) the applicant is an organisation required to comply with the EU Money Laundering Directive (2005/60/EC) of the European Parliament and of the EC Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing;
- (b) the applicant is a regulated UK broker or intermediary acting as agent and is itself subject to the Money Laundering Regulations;
- (c) the applicant (not being an applicant who delivers his/her application in person) makes payment through an account in the name of such applicant with a credit institution which is subject to the Money Laundering Regulations or with a credit institution situated in a non-EEA State which imposes requirements equivalent to those laid down in that directive; or

- (d) the aggregate price for taking up the relevant New Shares is less than €15,000 (approximately £13,000).

When the verification of identity requirements apply, please note the following as this will assist in satisfying the requirements. Satisfaction of these requirements may be facilitated in the following ways:

- (e) payments must be made by cheque or banker's draft in pounds sterling drawn on a branch of a bank or building society in the United Kingdom and bear a United Kingdom bank sort code in the top right-hand corner. Cheques, which must be drawn on the personal account of the individual investor where they have sole or joint title to the funds, should be made payable to CIS PLC re SSP RI and crossed Account Payee only. Third party cheques may not be accepted except for building society cheques or banker's drafts where the building society or bank has inserted the full name of the account holder and has added the building society or bank branch stamp. The account name should be the same as that shown on the Provisional Allotment Letter; or
- (f) if the Provisional Allotment Letter is lodged with payment by an agent which is an organisation of the kind referred to in paragraph (a) above or which is subject to anti-money laundering regulations in a country which is a member of the Financial Action Task Force (the non-EU members of which are Argentina, Australia, Brazil, Canada, China, Cooperation Council for the Arab States of the Gulf (but not its individual member countries), Hong Kong, Iceland, India, Israel, Japan, Malaysia, Mexico, New Zealand, Norway, the Republic of Korea, the Russian Federation, Saudi Arabia, Singapore, South Africa, Switzerland, Turkey, the United Kingdom and the United States), the agent should provide written confirmation that it has that status with the Provisional Allotment Letter(s) and that it has obtained and recorded evidence of the identity of the person for whom it acts and that it will on demand make such evidence available to the Receiving Agent and/or any relevant regulatory or investigatory authority.

In order to confirm the acceptability of any written assurance referred to in paragraph (f) above, or in any other case, the applicant should contact the Shareholder Helpline between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays). The telephone number of the Shareholder Helpline is 0370 707 1042 or +44 370 707 1042 if calling from overseas. Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline cannot provide advice on the merits of the Rights Issue nor give any financial, legal, tax or investment advice.

#### 4.4 Dealings in Nil Paid Rights

Assuming that the Rights Issue becomes unconditional, dealings on the London Stock Exchange in the Nil Paid Rights are expected to commence at 8.00 a.m. on 7 April 2021. A transfer of Nil Paid Rights can be made (in the case of Qualifying Non-CREST Shareholders) by renunciation of the relevant Provisional Allotment Letter in accordance with the instructions printed on it or, in the case of any person in whose favour the rights have been renounced, by delivery of such letter to the transferee, up to the latest time for acceptance and payment in full stated in the Provisional Allotment Letter, which is expected to be 11.00 a.m. on 21 April 2021.

In addition, Qualifying Non-CREST Shareholders who are individuals with a registered address in the United Kingdom or in any permitted jurisdiction can elect to sell all of their Nil Paid Rights or effect a Cashless Take-up, in each case using the Special Dealing Service, details of which are set out in paragraph 4.5 below.

#### 4.5 Special Dealing Services

- (a) **Qualifying Non-CREST Shareholders who wish to sell all of their entitlement using the Special Dealing Service**

Qualifying Non-CREST Shareholders who are individuals with a registered address in the United Kingdom or any permitted jurisdiction and who wish to sell all of the Nil Paid Rights to

which they are entitled may elect to do so using the Special Dealing Service. Such Qualifying Non-CREST Shareholders should complete and return the Provisional Allotment Letter in accordance with the instructions printed thereon, by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, by not later than 11.00 a.m. on 14 April 2021, the latest time and date for requesting the sale of Nil Paid Rights through the Special Dealing Service.

A reply-paid envelope will be enclosed with the Provisional Allotment Letter for this purpose. If you post your Provisional Allotment Letter within the United Kingdom by first-class post, it is recommended that you allow at least four days for delivery. Please note that Computershare Investor Services PLC will charge a commission of 0.5% of the gross proceeds of sale of all of the Nil Paid Rights to which the Qualifying Non-CREST Shareholder is entitled, subject to a minimum of £15.00, for effecting such sale through the Special Dealing Service.

Under the Special Dealing Service, Computershare Investor Services PLC will collate all the instructions from Qualifying Non-CREST Shareholders wishing to use the service to sell all their Nil Paid Rights up to 11.00 a.m. on 14 April 2021 and instruct a broker to sell all such Nil Paid Rights on 15 April 2021. Please see the Terms and Conditions of the service that will be sent with the Provisional Allotment Letter, for the full Terms of the service.

Computershare Investor Services PLC will aggregate instructions from all Qualifying Non-CREST Shareholders who have elected to sell all of their Nil Paid Rights under the Special Dealing Service that are received (or are treated as having been received) no later than 11.00 a.m. on 14 April 2021. In this case, Qualifying Non-CREST Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights aggregated for sale purposes in accordance with the above. This may result in Qualifying Non-CREST Shareholders who choose to sell all of their Nil Paid Rights through the Special Dealing Service receiving a higher or lower price than if their Nil Paid Rights were sold separately.

Notwithstanding the above, the Nil Paid Rights in respect of which an instruction is received may be sold in several transactions and on separate days. In this case, Qualifying Non-CREST Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights sold in that period. This may result in Qualifying Non-CREST Shareholders who choose to sell all of their Nil Paid Rights through the Special Dealing Service receiving a higher or lower price for their Nil Paid Rights than if all of their Nil Paid Rights had been sold in a single transaction or on a single day and such Qualifying Non-CREST Shareholders may receive the proceeds of sale later than if their Nil Paid Rights had been sold by another broker on an individual basis.

A Qualifying Non-CREST Shareholder who is considering giving an instruction to sell all of their Nil Paid Rights under the Special Dealing Service should note that there is no guarantee that the sale of Nil Paid Rights will be effected under the Special Dealing Service in relation to their Nil Paid Rights.

Whether such Qualifying Non-CREST Shareholder's Nil Paid Rights will be sold under the Special Dealing Service will depend on whether it is expected that the proceeds from the sale of the Nil Paid Rights of the majority of the Qualifying Non-CREST Shareholders who elect to sell all of their Nil Paid Rights and whose instructions are aggregated for sales purposes will exceed the commissions referred to above. If a Qualifying Non-CREST Shareholder's Nil Paid Rights are sold but the proceeds obtained for the sale of such Nil Paid Rights are less than the commissions referred to above, such Qualifying Non-CREST Shareholder will not receive any proceeds.

**(b) Qualifying Non-CREST Shareholders who wish to effect a Cashless Take-up using the Special Dealing Service**

Qualifying Non-CREST Shareholders who are individuals with a registered address in the United Kingdom or in any permitted jurisdiction and who wish to effect a Cashless Take-up may elect to do so using the Special Dealing Service. Such Qualifying Non-CREST Shareholders should complete and return the Provisional Allotment Letter in accordance with

the instructions printed thereon, by post to Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, by not later than 11.00 a.m. on 14 April 2021, the latest time and date for requesting a Cashless Take-up through the Special Dealing Service.

A reply-paid envelope will be enclosed with the Provisional Allotment Letter for this purpose. If you post your Provisional Allotment Letter within the United Kingdom by first-class post, it is recommended that you allow at least four days for delivery. Please note that Computershare Investor Services PLC will charge a commission of 0.5% of the gross proceeds of sale of such number of Nil Paid Rights as is required to effect a Cashless Take-up for which a Qualifying Non-CREST Shareholder is entitled, subject to a minimum of £15.00.

Under the Special Dealing Service, Computershare Investor Services PLC will normally instruct a broker to sell such number of Nil Paid Rights as is required to effect a Cashless Take-up for Qualifying Non-CREST Shareholder on the Business Day following the latest date for Qualifying Non-CREST Shareholders to give an instruction for Cashless Take-Up, 15 April 2021.

Computershare Investor Services PLC will aggregate instructions from all Qualifying Non-CREST Shareholders who elect a Cashless Take-up under the Special Dealing Service that are received (or are treated as having been received) no later than 11.00 a.m. on 14 April 2021. In this case, Qualifying Non-CREST Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights aggregated for sale purposes in accordance with the above. This may result in Qualifying Non-CREST Shareholders who elect a Cashless Take-up under the Special Dealing Service receiving a higher or lower price than if their Nil Paid Rights were sold separately.

Notwithstanding the above, such number of Nil Paid Rights which need to be sold to effect a Cashless Take-up for a Qualifying Non-CREST Shareholder under the Special Dealing Service may be sold in several transactions and on separate days. In this case, Qualifying Non-CREST Shareholders would receive the average price obtained for the sale of all of the Nil Paid Rights sold in that period.

This may also result in Qualifying Non-CREST Shareholders who choose to effect a Cashless Take-up under the Special Dealing Service receiving a higher or lower price for their Nil Paid Rights than if such Nil Paid Rights had been sold in a single transaction or on a single day.

A Qualifying Non-CREST Shareholder who is considering giving an instruction for Cashless Take-up under the Special Dealing Service should note that there is no guarantee that Cashless Take-up will be effected under the Special Dealing Service in relation to his or her Nil Paid Rights. Whether such Qualifying Non-CREST Shareholder's Nil Paid Rights will be sold under the Special Dealing Service will depend on whether it is expected that the proceeds from the sale of the Nil Paid Rights of the majority of the Qualifying Non-CREST Shareholders (the "**Majority Shareholders**") who elect for a Cashless Take-up under the Special Dealing Service and whose instructions are aggregated for sales purposes will be sufficient, after deducting the commissions referred to above, to take up one New Share for each of the Majority Shareholders. If a Qualifying Non-CREST Shareholder's Nil Paid Rights are sold, but the proceeds obtained for the sale of the Nil Paid Rights are not sufficient, after the deduction of the commissions referred to above, to acquire any New Shares at the Issue Price, such Qualifying Non-CREST Shareholder will not receive any New Shares.

(c) **General**

By giving an instruction under the Special Dealing Service, a Qualifying Non-CREST Shareholder will be deemed to have represented, warranted and undertaken that he or she will not thereafter seek to take any action in respect of his or her Provisional Allotment Letter. By giving instruction under the Special Dealing Service, he or she will be deemed to have renounced his or her Nil Paid Rights, as applicable to his or her instruction.

The Special Dealing Service Terms and Conditions will be posted to Qualifying Non-CREST Shareholders together with the Provisional Allotment Letter. A Qualifying Non-CREST



Shareholder who is eligible for and elects to use the Special Dealing Service agrees to the terms and conditions of the Rights Issue set out in this Prospectus and the Special Dealing Service Terms and Conditions (including how the price for the sale of their Nil Paid Rights is calculated and the commissions that will be deducted from the proceeds of their sale of such Nil Paid Rights). Qualifying Non-CREST Shareholders using the Special Dealing Service should note that they will be clients of Computershare Investor Services PLC and not of the Company when using such service. Computershare Investor Services PLC's liability to such a Qualifying Non-CREST Shareholder and its responsibility for providing the protections afforded by the UK regulatory regime to clients for whom such services are provided is as set out in the Special Dealing Service Terms and Conditions and neither Computershare Investor Services PLC nor the Company shall have any liability or responsibility to a Qualifying Non-CREST Shareholder using the Special Dealing Service, except as set out in those Special Dealing Service Terms and Conditions. None of the Company, Computershare Investor Services PLC or their agents shall be responsible for any loss or damage (whether actual or alleged) arising from the terms or timing of any sale, any settlement issues arising from any sale, any exercise of discretion in relation to any sale, or any failure to procure any sale, of Nil Paid Rights pursuant to the Special Dealing Service.

The Company, Computershare Investor Services PLC and/or their agents shall each have sole discretion to determine the eligibility of Qualifying Non-CREST Shareholders and may each in their sole discretion interpret instructions (including handwritten markings) on the Provisional Allotment Letter, and none of the Company, Computershare Investor Services PLC or their agents shall be responsible for any loss or damage (whether actual or alleged) arising from any such exercise of discretion. All remittances will be sent by post, at the risk of the Qualifying Non-CREST Shareholder entitled thereto, to the registered address of the relevant Qualifying Non-CREST Shareholder (or, in the case of joint holders, to the address of the joint holder whose name stands first in the register of Shareholders). No interest will be payable on any proceeds received from the sale of Nil Paid Rights under the Special Dealing Service.

The Company, Computershare Investor Services PLC and/or their agents cannot offer financial, legal, tax or investment advice on the Special Dealing Service. The Special Dealing Service is an "execution only" service and not a recommendation to buy or sell the Nil Paid Rights. The Special Dealing Service Terms and Conditions apply to the Special Dealing Service. The value of Shares and any income from them can fluctuate and, when sold, investors may receive less than the original amount invested. Past performance is not a guide to future returns. The Special Dealing Service is provided by Computershare Investor Services PLC, which is authorised by the FCA.

#### **4.6 Dealings in Fully Paid Rights**

After acceptance by a Qualifying Non-CREST Shareholder of the provisional allotment and payment in full in accordance with the provisions set out in this Prospectus and the Provisional Allotment Letter, the resultant Fully Paid Rights may be transferred by renunciation of the relevant fully paid Provisional Allotment Letter and delivering it, by post, to the Receiving Agent so as to be received not later than 11.00 a.m. on 21 April 2021. To do this, a Qualifying Non-CREST Shareholder will need to have his fully paid Provisional Allotment Letter returned to him after the acceptance has been effected by the Receiving Agent. However, fully paid Provisional Allotment Letters will not be returned to Qualifying Non-CREST Shareholders unless their return is requested by ticking the appropriate box on the Provisional Allotment Letter. The New Shares are expected to be held in registered form and transferable in the usual way from 22 April 2021.

#### **4.7 Renunciation and splitting of Provisional Allotment Letters**

The Provisional Allotment Letters are fully renounceable (save as required by the laws of certain overseas jurisdictions) and may be split up to 3.00 p.m. on 19 April 2021 nil paid and fully paid.

Qualifying Non-CREST Shareholders who wish to transfer all of their Nil Paid Rights or, after acceptance of the provisional allotment and payment in full, Fully Paid Rights represented by a Provisional Allotment Letter may (save as required by the laws of certain overseas jurisdictions) renounce such allotment by completing and signing Form X of the Provisional Allotment Letter (if it is

not already marked “Original Duly Renounced”) and passing the entire Provisional Allotment Letter to their stockbroker or bank or other appropriate financial adviser or to the transferee. Once a Provisional Allotment Letter has been renounced, it will become a negotiable instrument in bearer form and the Nil Paid Rights or Fully Paid Rights (as appropriate) comprised in such letter may be transferred by delivery of such letter to the transferee. The latest time and date for registration of renunciation of Provisional Allotment Letters is 11.00 a.m. on 21 April 2021 and after such date the New Shares will be in registered form, transferable by written instrument of transfer in the usual common form or, if they have been issued in or converted into uncertificated form, in electronic form under the CREST system. Qualifying Non-CREST Shareholders should note that fully paid Provisional Allotment Letters will not be returned to Qualifying Non-CREST Shareholders unless their return is requested.

If a holder of a Provisional Allotment Letter wishes to have only some of the New Shares registered in his name and to transfer the remainder, or wishes to transfer all the Nil Paid Rights, or (if appropriate) Fully Paid Rights represented by that Provisional Allotment Letter but to different persons, he may have the Provisional Allotment Letter split, for which purpose he must sign and date Form X of the Provisional Allotment Letter. The Provisional Allotment Letter must then be delivered by post to the Receiving Agent at Computershare, Corporate Actions Projects, Bristol, BS99 6AH by not later than 3.00 p.m. on 16 April 2021 to be cancelled and exchanged for the split Provisional Allotment Letters required. The number of split Provisional Allotment Letters required and the number of Nil Paid Rights or (as appropriate) Fully Paid Rights to be represented by each split Provisional Allotment Letter should be stated in an accompanying letter. Form X of split Provisional Allotment Letters will be marked “Original Duly Renounced” before issue. The Provisional Allotment Letter will then be cancelled and exchanged for split Provisional Allotment Letters. The split Provisional Allotment Letters representing the New Shares the holder wishes to accept should be delivered together with the cheque for the appropriate amount made payable to CIS PLC re SSP RI and crossed Account Payee only by 11.00 a.m. on 21 April 2021, being the last time and date for acceptance. The Receiving Agent will hold such monies on behalf of HSBC, who is acting as principal, but subject to the requirement that the monies can only be applied in acquiring redeemable preference shares in SSP Finance (Jersey) Limited as provided in paragraph 7 of this Part 8. The split Provisional Allotment Letter(s) (representing the New Shares the Shareholder does not wish to take up) will be required in order to sell those rights not being taken up.

Alternatively, Qualifying Non-CREST Shareholders who wish to take up some of their rights, without selling or transferring the remainder, should complete Form X of the original Provisional Allotment Letter and return it by post to the Receiving Agent at Computershare, Corporate Actions Projects, Bristol, BS99 6AH together with a covering letter confirming the number of New Shares to be taken up and a cheque for the appropriate amount made payable to CIS PLC re SSP RI and crossed Account Payee only and with the Allotment Number, which will appear in the Provisional Allotment Letter, written on the reverse of the cheque or banker’s draft to pay for this number of shares. In this case, the Provisional Allotment Letter and cheque or banker’s draft must be received by the Receiving Agent by 11.00 a.m. on 21 April 2021, being the last time and date for acceptance. The Receiving Agent will hold such monies on behalf of HSBC, who is acting as principal, but subject to the requirements that the monies can only be applied in acquiring redeemable preference shares in SSP Finance (Jersey) Limited as provided in paragraph 7 of this Part 8.

The Company reserves the right to refuse to register any renunciation in favour of any person in respect of whom the Board believes such renunciation may violate applicable legal or regulatory requirements including (without limitation) any renunciation in the name of any person with an address outside the United Kingdom.

#### **4.8 Registration in names of Qualifying Shareholders**

A Qualifying Non-CREST Shareholder who wishes to have all the New Shares to which he is entitled registered in his name must accept and make payment for such allotment in accordance with the provisions set out in this Prospectus and the Provisional Allotment Letter but need take no further action. A share certificate in respect of the New Shares is expected to be dispatched to such Qualifying Non-CREST Shareholders by post no later than 29 April 2021.

#### 4.9 **Registration in names of persons other than Qualifying Shareholders originally entitled**

To register the New Shares in certificated form in the name of someone other than the Qualifying Shareholder(s) originally entitled, the renounee or his agent(s) must complete Form Y of the Provisional Allotment Letter (unless the renounee is a CREST Member who wishes to hold such New Shares in uncertificated form, in which case Form X and the CREST Deposit Form must be completed (see paragraph 5.2 of this Part 8)) and send the entire Provisional Allotment Letter, by post to the Receiving Agent at Computershare, Corporate Actions Projects, Bristol, BS99 6AH so as to be received by not later than 11.00 a.m. on 21 April 2021. Registration cannot be effected unless and until the New Shares represented by a Provisional Allotment Letter are fully paid for.

The New Shares represented by two or more Provisional Allotment Letters (duly renounced where applicable) may be registered in the name of one holder (or joint holders). To consolidate rights attached to two or more Provisional Allotment Letters, complete Form Y of the Provisional Allotment Letter and attach a letter detailing each Provisional Allotment Letter number, the number of New Shares represented by each Provisional Allotment Letter, the total number of Provisional Allotment Letters to be consolidated and the total number of New Shares represented by all the Provisional Allotment Letters to be consolidated. All the Provisional Allotment Letters to be consolidated must be lodged in one batch together.

#### 4.10 **Deposit of Nil Paid Rights or Fully Paid Rights into CREST**

The Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter may be converted into uncertificated form, that is, deposited into CREST (whether such conversion arises as a result of a renunciation of those rights or otherwise). Similarly, Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. As provided below in this paragraph 4.10 of this Part 8 or in the Provisional Allotment Letter, normal CREST procedures and timings apply in relation to any such conversion. Shareholders are recommended to refer to the CREST Manual for details of such procedures.

The procedure for depositing the Nil Paid Rights or Fully Paid Rights represented by a Provisional Allotment Letter into CREST, whether such rights are to be converted into uncertificated form in the name(s) of the person(s) whose name(s) and address(es) appear in the Provisional Allotment Letter or in the name of a person or persons to whom the Provisional Allotment Letter has been renounced, is as follows: Form X and the CREST Deposit Form will need to be completed and the Provisional Allotment Letter deposited with the CREST Courier and Sorting Service (the "CCSS"). In addition, the normal CREST Stock Deposit procedures will need to be carried out, except that: (a) it will not be necessary to complete and lodge a separate CREST Transfer Form (prescribed under the Stock Transfer Act 1963) with the CCSS, and (b) only the whole of the Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter may be deposited into CREST. If a Shareholder wishes to deposit some only of the Nil Paid Rights or Fully Paid Rights represented by the Provisional Allotment Letter into CREST, he must first apply for split Provisional Allotment Letters. If the rights represented by more than one Provisional Allotment Letter are to be deposited, the CREST Deposit Form on each Provisional Allotment Letter must be completed and deposited. The Consolidated Listing Form (as defined in the CREST Regulations) must not be used.

A holder of the Nil Paid Rights (or, as appropriate, the Fully Paid Rights) represented by a Provisional Allotment Letter who is proposing to convert those rights into uncertificated form (whether following a renunciation of such rights or otherwise) is recommended to ensure that the conversion procedures are implemented in sufficient time to enable the person holding or acquiring the Nil Paid Rights (or, as appropriate, the Fully Paid Rights) in CREST following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 21 April 2021. **In particular, having regard to processing times in CREST and on the part of the Receiving Agent, the latest recommended time for depositing a renounced Provisional Allotment Letter (with Form X and the CREST Deposit Form of the Provisional Allotment Letter duly completed), with the CCSS (to enable the person acquiring the Nil Paid Rights (or, if appropriate, the Fully Paid Rights) in CREST as a result of the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 21 April 2021) is 3.00 p.m. on 16 April 2021.**

When Form X and the CREST Deposit Form have been completed, the title to the Nil Paid Rights or the Fully Paid Rights represented by the Provisional Allotment Letter will cease forthwith to be

renounceable or transferable by delivery and for the avoidance of doubt, any entries in Form Y of the Provisional Allotment Letter will not be recognised or acted upon by the Receiving Agent. All renunciations or transfers of the Nil Paid Rights or Fully Paid Rights must be effected through the means of the CREST system once such rights have been deposited into CREST.

CREST Sponsored Members should contact their CREST Sponsors as only their CREST Sponsors will be able to take the necessary actions to take up the entitlements or otherwise to deal with the Nil Paid Rights or Fully Paid Rights of CREST Sponsored Members.

#### **4.11 Issue of share certificates in respect of New Shares**

Definitive share certificates in respect of the New Shares to be held in certificated form are expected to be dispatched by post by 29 April 2021 (at the risk of the person(s) entitled to them) to accepting Qualifying Non-CREST Shareholders or to the person(s) entitled to them at their registered address (unless lodging agent details have been completed in the Provisional Allotment Letter). After dispatch of definitive share certificates, Provisional Allotment Letters will cease to be valid for any purpose whatsoever. Pending dispatch of definitive share certificates, instruments of transfer of the New Shares will be certified by the Registrar against the register, and/or, in the case of renounced Provisional Allotment Letters, against the registration receipt, Form Y, bearing the stamp of the Registrar.

### **5. ACTION TO BE TAKEN BY QUALIFYING CREST SHAREHOLDERS IN RELATION TO NIL PAID RIGHTS OR FULLY PAID RIGHTS IN CREST**

#### **5.1 General**

Subject as provided in paragraph 8 of this Part 8 in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder is expected to receive a credit to his CREST stock account of his entitlement to Nil Paid Rights as soon as practicable after 8.00 a.m. on 7 April 2021. The CREST stock account to be credited will be an account under the participant ID and member account ID that apply to the Existing Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Nil Paid Rights are provisionally allotted.

The maximum number of New Shares that a Qualifying CREST Shareholder may take up is that which has been provisionally allotted to that Qualifying CREST Shareholder and for which he receives a credit of entitlement into his stock account in CREST. The minimum number of New Shares a Qualifying CREST Shareholder may take up is one.

The Nil Paid Rights and Fully Paid Rights each constitute a separate security for the purposes of CREST and can accordingly be transferred, in whole or in part, by means of CREST in the same manner as any other security that is admitted to CREST.

If for any reason it is impracticable to credit the stock accounts of Qualifying CREST Shareholders or to enable the Nil Paid Rights, Provisional Allotment Letters shall, unless the Company decides otherwise, be sent out in substitution for the Nil Paid Rights which have not been so credited or enabled and the expected timetable as set out in this Prospectus may be adjusted as appropriate. References to dates and times in this Prospectus should be read as being subject to any such adjustment. The Company will make an appropriate announcement to a Regulatory Information Service giving details of the revised dates, but Qualifying CREST Shareholders may not receive any further written communication.

CREST Members who wish to take up all or part of their entitlements in respect of, or otherwise to transfer all or part of, their Nil Paid Rights or Fully Paid Rights held by them in CREST (including CREST members who wish to effect a Cashless Take-up of Nil Paid Rights) should refer to the CREST Manual for further information on the CREST procedures referred to below. CREST Sponsored Members should consult their CREST Sponsor if they wish to take up their entitlements as only their CREST Sponsor will be able to take the necessary action to take up their entitlement or otherwise to deal with their Nil Paid Rights or Fully Paid Rights (including effecting a Cashless Take-up of Nil Paid Rights).

## 5.2 Procedure for acceptance and payment

### (a) *MTM Instruction*

CREST Members who wish to take up all or part of their entitlement in respect of Nil Paid Rights in CREST must send (or, in the case of CREST Sponsored Members, procure that their CREST Sponsor sends) an MTM Instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the participant ID and member account ID specified below, with the number of Nil Paid Rights to be taken up;
- (ii) the creation of a settlement bank payment obligation (as this term is defined in the CREST Manual), in accordance with the RTGS payment mechanism (as this term is defined in the CREST Manual), in favour of the RTGS settlement bank (as the term is defined in the CREST Manual) of the Receiving Agent in pounds sterling in respect of the full amount payable on acceptance in respect of the Nil Paid Rights referred to in paragraph (i) above; and
- (iii) the crediting of a stock account of the accepting CREST Member (being an account under the same participant ID and member account ID as the account from which the Nil Paid Rights are to be debited on settlement of the MTM Instruction) of the corresponding number of Fully Paid Rights to which the CREST Member is entitled on taking up his Nil Paid Rights referred to in paragraph (i) above.

### (b) *Contents of MTM Instructions*

The MTM Instruction must be properly authenticated in accordance with Euroclear's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Nil Paid Rights to which the acceptance relates;
- (ii) the participant ID of the accepting CREST Member;
- (iii) the member account ID of the accepting CREST Member from which the Nil Paid Rights are to be debited;
- (iv) the participant ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is 8RA07;
- (v) the member account ID of the Receiving Agent, in its capacity as a CREST receiving agent. This is SSPINT01;
- (vi) the number of Fully Paid Rights that the CREST Member is expecting to receive on settlement of the MTM Instruction. This must be the same as the number of Nil Paid Rights to which the acceptance relates;
- (vii) the amount payable by means of the CREST assured payment arrangements on settlement of the MTM Instruction. This must be the full amount payable on acceptance in respect of the number of Nil Paid Rights to which the acceptance relates;
- (viii) the intended settlement date (which must be on or before 11.00 a.m. on 21 April 2021);
- (ix) the Nil Paid Rights ISIN which is GB00BNKBD935;
- (x) the Fully Paid Rights ISIN which is GB00BNKBDB53;

- (xi) the corporate action number (as this term is defined in the CREST Manual) for the Rights Issue. This will be available by viewing the relevant corporate action details in CREST;
- (xii) a contact name and telephone number (in the free format shared note field); and
- (xiii) a priority of at least 80.

(c) ***Valid acceptance***

An MTM Instruction complying with each of the requirements as to authentication and contents set out in paragraph (b) above will constitute a valid acceptance where either:

- (i) the MTM Instruction settles by not later than 11.00 a.m. on 21 April 2021; or
- (ii) at the discretion of the Company (A) the MTM Instruction is received by Euroclear by not later than 11.00 a.m. on 21 April 2021, (B) the number of Nil Paid Rights inserted in the MTM Instruction is credited to the CREST stock account of the accepting CREST Member specified in the MTM Instruction at 11.00 a.m. on 21 April 2021; and (C) the relevant MTM Instruction settles by 2.00 p.m. on 21 April 2021 (or such later date as the Company has determined).

An MTM Instruction will be treated as having been received by Euroclear for these purposes at the time at which the instruction is processed by the Network Provider's Communications Host (as this term is defined in the CREST Manual) at Euroclear of the network provider used by the CREST Member (or by the CREST Sponsored Member's CREST Sponsor). This will be conclusively determined by the input time stamp applied to the MTM Instruction by the Network Provider's Communications Host.

(d) ***Representations, warranties and undertakings of CREST Members***

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with this paragraph 5.2 of this Part 8 represents, warrants and undertakes to the Company that he/she has taken (or procured to be taken), and will take (or will procure to be taken), whatever action is required to be taken by him/her or by his/her CREST Sponsor (as appropriate) to ensure that the MTM Instruction concerned is capable of settlement at 11.00 a.m. on 21 April 2021 and remains capable of settlement at all times after that until 2.00 p.m. on 21 April 2021 (or until such later time and date as the Company may determine). In particular, the CREST Member or CREST Sponsored Member represents, warrants and undertakes that at 11.00 a.m. on 21 April 2021 and at all times thereafter until 2.00 p.m. on 21 April 2021 (or until such later time and date as the Company may determine) there will be sufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account to be debited with the amount payable on acceptance to permit the MTM Instruction to settle. CREST Sponsored Members should contact their CREST Sponsor if they are in any doubt. In addition, such CREST Sponsored Member taking up entitlements makes the representations and gives the warranties set out in paragraph 9 of this Part 8.

If there is insufficient Headroom within the Cap (as those terms are defined in the CREST Manual) in respect of the cash memorandum account of a CREST Member or CREST Sponsored Member for such amount to be debited or the CREST Member's or CREST Sponsored Member's acceptance is otherwise treated as invalid and New Shares have already been allotted to such CREST Member or CREST Sponsored Member, the Company may (in its absolute discretion as to manner, timing and terms) make arrangements for the sale of such New Shares on behalf of that CREST Member or CREST Sponsored Member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that they have suffered as a result of the acceptance being treated as invalid and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such New Shares, and of all amounts payable by the CREST Member or CREST Sponsored Member pursuant to the provisions of this Part 8 in respect of the acquisition of such shares) on behalf of such CREST Member or CREST Sponsored Member. None of the Company, the Underwriters nor any other person shall be responsible for, or have any liability for, any loss, expenses or damage suffered by such CREST Member or CREST Sponsored Member as a result.

(e) ***CREST procedures and timings***

CREST Members and CREST Sponsors (on behalf of CREST Sponsored Members) should note that Euroclear does not make available special procedures in CREST for any particular corporate action.

Normal system timings and limitations will therefore apply in relation to the input of an MTM Instruction and its settlement in connection with the Rights Issue. It is the responsibility of the CREST Member concerned to take (or, if the CREST Member is a CREST Sponsored Member, to procure that his CREST Sponsor takes) the action necessary to ensure that a valid acceptance is received as stated above by 11.00 a.m. on 21 April 2021. In this connection, CREST Members and (where applicable) CREST Sponsors are referred in particular to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(f) ***CREST Member's undertaking to pay***

A CREST Member or CREST Sponsored Member who makes a valid acceptance in accordance with the procedures set out in this paragraph 5.2 of this Part 8 (i) undertakes to pay to the Receiving Agent, or procure the payment to the Receiving Agent of the amount payable in pounds sterling on acceptance in accordance with the above procedures or in such other manner as the Receiving Agent may require (it being acknowledged that, where payment is made by means of the RTGS payment mechanism (as defined in the CREST Manual) the creation of a RTGS settlement bank payment obligation in pounds sterling in favour of the Receiving Agent's RTGS settlement bank (as defined in the CREST Manual), in accordance with the RTGS payment mechanism shall, to the extent of the obligation so created, discharge in full the obligation of the CREST Member (or CREST Sponsored Member) to pay the amount payable on acceptance), and (ii) requests that the Fully Paid Rights and/or New Shares, to which they will become entitled, be issued to them on the terms set out in this Prospectus and subject to the Articles. Such payment will be held by the Receiving Agent on behalf of HSBC who is acting as principle, but subject to the requirement that the monies can only be applied in acquiring redeemable preference shares in SSP Finance (Jersey) Limited as provided in paragraph 7 of this Part 8.

If the payment obligations of the relevant CREST Member in relation to such New Shares are not discharged in full and such New Shares have already been allotted to the CREST Member or CREST Sponsored Member, the Company may (in its absolute discretion as to the manner, timing and terms) make arrangements for the sale of such shares on behalf of that CREST Member or CREST Sponsored Member and hold the proceeds of sale (net of the Company's reasonable estimate of any loss that it has suffered as a result of the same and of the expenses of sale including, without limitation, any stamp duty or SDRT payable on the transfer of such shares, and all amounts payable by the CREST Member or CREST Sponsored Member pursuant to the provisions of this Part 8 in respect of the acquisition of such shares) or an amount equal to the original payment of the CREST Member or CREST Sponsored Member (whichever is lower) on trust for such CREST Member or CREST Sponsored Member. In these circumstances, neither the Underwriters nor the Company shall be responsible for, or have any liability for, any loss, expenses or damage arising as a result.

(g) ***Discretion as to rejection and validity of acceptances***

The Company may agree (having consulted with the Underwriters and taken into account their reasonable comments) to:

- (i) reject any acceptance constituted by an MTM Instruction, which is otherwise valid, in the event of breach of any of the representations, warranties and undertakings set out or referred to in this paragraph 5.2 of this Part 8. Where an acceptance is made as described in this paragraph 5.2 of this Part 8 which is otherwise valid, and the MTM Instruction concerned fails to settle by 2.00 p.m. on 21 April 2021 (or by such later time and date as the Company may determine), the Company shall be entitled to assume, for the purposes of its right to reject an acceptance as described in this paragraph 5.2 of this Part 8, that there has been a breach of the representations, warranties and undertakings set out or referred to in this paragraph 5.2 of this Part 8

unless the Company and the Underwriters are aware of any reason outside the control of the CREST Member or CREST Sponsor (as appropriate) concerned for the MTM instruction to settle;

- (ii) treat as valid (and binding on the CREST Member or CREST Sponsored Member concerned) an acceptance which does not comply in all respects with the requirements as to validity set out or referred to in this paragraph 5.2 of this Part 8;
- (iii) accept an alternative properly authenticated dematerialised instruction from a CREST Member or (where applicable) a CREST Sponsor as constituting a valid acceptance in substitution for, or in addition to, an MTM Instruction and subject to such further terms and conditions as the Company may determine;
- (iv) treat a properly authenticated dematerialised instruction (the “**first instruction**”) as not constituting a valid acceptance if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction, either the Company or the Receiving Agent has received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and/or
- (v) accept an alternative instruction or notification from a CREST Member or (where applicable) a CREST Sponsor, or extend the time for acceptance and/or settlement of an MTM Instruction or any alternative instruction or notification if, for reasons or due to circumstances outside the control of any CREST Member or CREST Sponsored Member or (where applicable) CREST Sponsor, the CREST Member or CREST Sponsored Member is unable validly to take up all or part of his/her Nil Paid Rights by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or of any part of CREST) or on the part of facilities and/or systems operated by the Receiving Agent in connection with CREST.

### 5.3 Money Laundering Regulations

If a person holds his Nil Paid Rights in CREST and applies to take up all or part of his entitlement as agent for one or more persons and he is not a United Kingdom or EU-regulated person or institution (a bank, a broker or another United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is required to take reasonable measures to establish the identity of the person or persons on whose behalf such person is making the application. Such person must therefore contact the Receiving Agent before sending any MTM Instruction or other instruction so that appropriate measures may be taken.

Submission of an MTM Instruction which constitutes, or which may on its settlement constitute, a valid acceptance as described above is an undertaking by the applicant to provide promptly to the Receiving Agent any information the Receiving Agent may specify as being required for the purposes of the Money Laundering Regulations or FSMA. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent, having consulted with the Company, may take, or omit to take, such action as it may determine to prevent or delay settlement of the MTM Instruction. If satisfactory evidence of identity has not been provided within a reasonable time, then the Receiving Agent will not permit the MTM Instruction concerned to proceed to settlement, but without prejudice to the right of the Company to take proceedings to recover any loss suffered as a result of failure by the applicant to provide satisfactory evidence.

### 5.4 Dealings in Nil Paid Rights

Assuming the Rights Issue becomes unconditional, dealings in the Nil Paid Rights on the London Stock Exchange are expected to commence at 8.00 a.m. on 7 April 2021. Dealings in Nil Paid Rights can be made by means of CREST in the same manner as any other security that is admitted to CREST. The Nil Paid Rights are expected to be disabled in CREST after the close of CREST business on 21 April 2021.



## 5.5 Dealings in Fully Paid Rights

After acceptance of the provisional allotment and payment in full in accordance with the provisions set out in this Prospectus, the Fully Paid Rights may be transferred (in whole or in part) by means of CREST in the same manner as any other security that is admitted to CREST. The latest time for settlement of any transfer of Fully Paid Rights in CREST is expected to be 11.00 a.m. on 21 April 2021. The Fully Paid Rights are expected to be disabled in CREST after the close of CREST business on 21 April 2021.

After 22 April 2021, the New Shares will be in registered form and transferable in the usual way (see paragraph 5.7 of this Part 8).

## 5.6 Withdrawal of Nil Paid Rights or Fully Paid Rights from CREST

Nil Paid Rights or Fully Paid Rights held in CREST may be converted into certificated form, that is, withdrawn from CREST. Normal CREST procedures (including timings) apply in relation to any such conversion.

The recommended latest time for receipt by Euroclear of a properly authenticated dematerialised instruction requesting withdrawal of Nil Paid Rights or, as appropriate, Fully Paid Rights, from CREST is 4.30 p.m. on 15 April 2021, so as to enable the person acquiring or (as appropriate) holding the Nil Paid Rights or, as appropriate, Fully Paid Rights, following the conversion to take all necessary steps in connection with taking up the entitlement prior to 11.00 a.m. on 21 April 2021. It is recommended that reference is made to the CREST Manual for details of such procedures.

## 5.7 Issue of New Shares in CREST

Fully Paid Rights in CREST are expected to be disabled in CREST after the close of CREST business on 21 April 2021 (the latest date for settlement of transfers of Fully Paid Rights in CREST). New Shares will be issued in uncertificated form to those persons registered as holding Fully Paid Rights in CREST at the close of business on the date on which the Fully Paid Rights are disabled. The Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of those persons (under the same participant ID and member account ID that applied to the Fully Paid Rights held by those persons) with their entitlements to New Shares with effect from 8.00 a.m. on the next Business Day (expected to be 22 April 2021).

## 5.8 Right to allot/issue in certificated form

Despite any other provision of this Prospectus, the Company reserves the right to allot and to issue any Nil Paid Rights, Fully Paid Rights or New Shares in certificated form. In normal circumstances, this right is only likely to be exercised in the event of an interruption, failure or breakdown of CREST (or of any part of CREST) or of a part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

## 6. PROCEDURE IN RESPECT OF NEW SHARES NOT TAKEN UP AND WITHDRAWAL RIGHTS

### 6.1 Procedure in respect of New Shares not taken up

If an entitlement to New Shares is not validly taken up in accordance with the procedure laid down for acceptance and payment, then that provisional allotment shall be deemed to have been declined and will lapse. If an entitlement to New Shares is not validly taken up by 11.00 a.m. on 21 April 2021 in accordance with the procedure laid down for acceptances and payment, then the Underwriters will use reasonable endeavours to procure on behalf of the persons entitled to the relevant lapsed provisional allotments, by not later than 5.00 p.m. on 23 April 2021, acquirers for all (or as many as possible) of those New Shares not taken up if an amount which is not less than the total of the Rights Issue Price and the expenses of procuring such acquirers (including any related commissions and amounts in respect of VAT which are not recoverable) can be obtained.

Notwithstanding the above, the Underwriters may cease to endeavour to procure any such acquirers if, in their opinion, it is unlikely that any such acquirers can be so procured at such a price by such time. If

and to the extent that acquirers cannot be procured on the basis outlined above, or if procurement of acquirers would give rise to a breach of law, the relevant New Shares will be acquired by the Underwriters as principals pursuant to the Underwriting Agreement or their sub-underwriters (if any), in each case, at the Rights Issue Price on the terms and subject to the conditions of the Underwriting Agreement.

New Shares for which acquirers are procured on this basis will be re-allotted to such acquirers and the aggregate of any premiums (being the amount paid by such acquirers after deducting the Rights Issue Price and the expenses of procuring such acquirers, including any applicable brokerage and commissions and amounts in respect of VAT which are not recoverable), if any, will be paid (without interest) to those persons entitled (as referred to above) pro rata to the relevant lapsed provisional allotments on the basis set out below, save that (i) no payment will be made of amounts of less than £5.00, which amounts will be aggregated and will ultimately accrue to the benefit of the Company and (ii) amounts in respect of fractions will not be distributed but will be retained for the benefit of the Company:

- (a) where the Nil Paid Rights were, at the time they lapsed, represented by a Provisional Allotment Letter, to the person whose name and address appeared in the Provisional Allotment Letter;
- (b) where the Nil Paid Rights were, at the time they lapsed, in uncertificated form, to the person registered as the holder of those Nil Paid Rights at the time of their disablement in CREST; and
- (c) to the extent not provided above, where an Overseas Shareholder received neither a Provisional Allotment Letter nor a credit to his/her CREST account, to that Overseas Shareholder.

Any transactions undertaken pursuant to this paragraph 6.1 of this Part 8 shall be deemed to have been undertaken at the request of the persons entitled to the lapsed provisional allotments and none of the Company, the Underwriters or any other person procuring acquirers shall be responsible for any loss or damage (whether actual or alleged) arising from the terms of or timing of any such acquisition, any decision not to endeavour to procure acquirers or the failure to procure acquirers on the basis described above.

Cheques for the amounts due will be sent in pounds sterling, by post, at the risk of the person(s) entitled, to their registered addresses (in the case of joint holders, to the registered address of the first named), provided that where any entitlement concerned was held in CREST, the amount due will, unless the Company (in its absolute discretion) otherwise determines, be satisfied by the Company procuring the creation of an assured payment obligation in favour of the relevant CREST Member's (or CREST Sponsored Member's) RTGS settlement bank in respect of the cash amount concerned in accordance with the RTGS payment mechanism.

Shareholders will not be entitled to apply for New Shares in excess of their entitlement.

## 6.2 **Withdrawal rights**

Qualifying Shareholders wishing to exercise statutory withdrawal rights after the issue by the Company of a document supplementing this Prospectus must do so by sending a written notice of withdrawal which must include the account number, the full name and address of the person wishing to exercise such right of withdrawal and, if such person is a CREST Member, the participant ID and the member account ID of such CREST Member, in writing to the Receiving Agent at Computershare, Corporate Actions Projects, Bristol, BS99 6AH, so as to be received no later than two Business Days after the date on which the supplementary document is published.

Notice of withdrawal given by any other means or which is deposited with or received by the Receiving Agent after expiry of such period will not constitute a valid withdrawal. Furthermore, the exercise of withdrawal rights will not be permitted after payment in full by the relevant person in respect of their New Shares taken up and the allotment of those New Shares to such person becoming unconditional, save as required by statute. In such circumstances, Shareholders are advised to consult their professional advisers. Provisional allotments of entitlements to New Shares which are the subject of a valid withdrawal notice will be deemed to be declined. Such entitlements to New Shares will be subject to the provisions of paragraph 6.1 of this Part 8 as if the entitlement had not been validly taken up.

Following the valid exercise of statutory withdrawal rights, application monies will be returned by post to relevant Qualifying Shareholders at their own risk and without interest to the address set out in the Provisional Allotment Letter and/or the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, as applicable within 14 days of such exercise of statutory withdrawal rights. Interest earned on such monies will be retained for the benefit of the Company. The provisions of this paragraph 6.2 of this Part 8 are without prejudice to the statutory rights of Qualifying Shareholders. In such event, Qualifying Shareholders are advised to seek independent legal advice.

For further details, Shareholders should contact the Shareholder Helpline which is available between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (excluding English and Welsh public holidays) on 0370 707 1042 (from inside the United Kingdom) or +44 370 707 1042 (from outside the United Kingdom). Calls to the Shareholder Helpline from outside the United Kingdom will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline cannot provide advice on the merits of the Rights Issue nor give any financial, legal, tax or investment advice.

## **7. RIGHTS ISSUE STRUCTURE**

The Rights Issue has been structured in a way that is expected to have the effect of creating distributable reserves approximately equal to the net proceeds of the Rights Issue less the aggregate nominal value of the New Shares issued by the Company.

The Company and HSBC have agreed to subscribe for Ordinary Shares in a newly incorporated Jersey company called SSP Finance (Jersey) Limited. HSBC, as principal, will apply the proceeds of the Rights Issue (received from (i) Qualifying Shareholders or renounees taking up New Shares under the Rights Issue, and (ii) acquirers of New Shares not taken up by Qualifying Shareholders and renounees under the Rights Issue (less any premium over the Rights Issue Price)) to subscribe for redeemable preference shares in SSP Finance (Jersey) Limited (subject to the operation of a set-off mechanic by virtue of which the relevant commissions and expenses payable in connection with the Rights Issue will be set-off against the amounts payable by HSBC).

The Company will allot and issue the New Shares to those persons entitled thereto in consideration for HSBC transferring its holdings of redeemable preference shares and Ordinary Shares in SSP Finance (Jersey) Limited to the Company. Accordingly, instead of receiving cash as consideration for the issue of the New Shares, at the conclusion of the Rights Issue the Company will own the entire issued ordinary and preference share capital of SSP Finance (Jersey) Limited, whose only asset will be its cash balances, which will represent an amount equivalent to the net proceeds of the Rights Issue plus the aggregate nominal amount received by SSP Finance (Jersey) Limited for the Ordinary Shares and preference shares issued to the Company and HSBC.

The Company will be able to utilise this amount following redemption of the redeemable preference shares it holds in SSP Finance (Jersey) Limited and, if required, during any interim period prior to redemption, by procuring that SSP Finance (Jersey) Limited lends the amount to the Company (or one of the Company's subsidiaries). Using this structure for the Rights Issue also has the potential to create distributable reserves for the Company in that the Company is not required to credit its share premium account with the excess of the Rights Issue price over the nominal value of the New Shares issued and will instead be able to credit a merger reserve (on the basis that the proceeds of the Rights Issue are not being used to fund an acquisition). Creating such distributable reserves will facilitate any potential distribution or distributions to Shareholders made by the Company in the future.

Accordingly, by taking up New Shares under the Rights Issue and submitting a valid payment in respect thereof, a Qualifying Shareholder or other person taking up Nil Paid Rights and/or Fully Paid Rights under the Rights Issue instructs the Receiving Agent to hold such payment on behalf of HSBC and (a) to the extent of a successful application under the Rights Issue (which has not been subsequently validly withdrawn), to apply such payment on behalf of HSBC solely for HSBC to subscribe (as principal) for redeemable preference shares in SSP Finance (Jersey) Limited, and (b) to the extent of an unsuccessful or validly withdrawn application under the Rights Issue, to return the relevant payment without interest to the applicant.

The Company may elect to implement the Rights Issue without using the structure described above if it deems it to be in the Company's interest to do so.

Further details of this structure are set out in paragraph 14 of Part 16 (*Additional Information*) of this Prospectus.

## **8. OVERSEAS SHAREHOLDERS**

8.1 This Prospectus has been approved by the FCA, being the competent authority in the United Kingdom. Accordingly, the making of the Rights Issue to persons resident in, or who are citizens of, or who have a registered address in, countries other than the United Kingdom may be affected by the law or regulatory requirements of the relevant jurisdiction.

It is the responsibility of any person (including, without limitation, custodians, nominees and trustees) outside the United Kingdom wishing to take up rights under the Rights Issue to satisfy himself as to the full observance of the laws of any relevant territory in connection therewith, including the obtaining of any governmental or other consents which may be required, the compliance with other necessary formalities and the payment of any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 8 of this Part 8 are intended as a general guide only and any Overseas Shareholder who is in doubt as to his/her position should consult his/her professional adviser without delay.

The distribution of this Prospectus or any other documents issued by the Company in connection with the Rights Issue and the making of the Rights Issue to persons who have registered addresses in, or who are located resident, or who are generally resident in, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom, or to persons who are agents or nominees of or are custodians, trustees or guardians for persons located or resident in countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirements or other formalities to enable them to take up the Nil Paid Rights and/or offer of Fully Paid Rights. In particular, subject to certain very limited exceptions, this Prospectus or any other documents issued by the Company in connection with the Rights Issue should not be distributed, forwarded or transmitted into the United States or any other Excluded Territory.

This paragraph 8 of this Part 8 sets out the restrictions applicable to Qualifying Shareholders who have registered addresses outside the United Kingdom, who are citizens or residents of countries other than the United Kingdom, or who are persons (including, without limitation, custodians, nominees and trustees) who have a contractual or legal obligation to forward this Prospectus to a jurisdiction outside the United Kingdom or who hold Ordinary Shares for the account or benefit of any such person.

Having considered the circumstances, the Board has formed the view that it is necessary or expedient to restrict the ability of persons in Excluded Territories to take up rights to New Shares or otherwise acquire New Shares under the Rights Issue due to the time and cost involved in the registration of this Prospectus and/or compliance with the relevant local legal or regulatory requirements in those jurisdictions.

New Shares (nil paid) will be provisionally allotted to all Qualifying Shareholders, including Overseas Shareholders. However, Provisional Allotment Letters have not been, and will not be, sent to, and Nil Paid Rights will not be credited to CREST accounts of, Overseas Shareholders with registered addresses in the Excluded Territories except where the Company and the Underwriters are satisfied that such action would not result in a contravention of any registration or other legal requirement in any such jurisdiction.

Receipt of this Prospectus and/or a Provisional Allotment Letter or the crediting of Nil Paid Rights to a stock account in CREST does not and will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or a Provisional Allotment Letter must be treated as sent for information only and should not be copied or redistributed. No person who has received or receives a copy of this Prospectus and/or a Provisional Allotment Letter and/or who receives a credit of Nil Paid Rights to a stock account in CREST in any territory other than the United

Kingdom may (a) treat the same as constituting an invitation or offer to him/her, nor (b) should he/she in any event use the Provisional Allotment Letter or deal with Nil Paid Rights or Fully Paid Rights in CREST, in the relevant territory, unless (in the case of (a) or (b) above) such an invitation or offer could lawfully be made to him/ her or the Provisional Allotment Letter or Nil Paid Rights or Fully Paid Rights in CREST could lawfully be used or dealt with without contravention of any registration or other legal or regulatory requirements.

Accordingly, persons who have received a copy of this Prospectus or a Provisional Allotment Letter or whose stock account in CREST is credited with Nil Paid Rights or Fully Paid Rights should not, in connection with the Rights Issue, distribute or send the same in or into, or transfer Nil Paid Rights or Fully Paid Rights to any person in or into, any Excluded Territory. If a Provisional Allotment Letter or a credit of Nil Paid Rights or Fully Paid Rights in CREST is received by any person in any such territory, or by his/her agent or nominee, he/she must not seek to take up the rights referred to in the Provisional Allotment Letter or in this Prospectus or renounce the Provisional Allotment Letter or transfer the Nil Paid Rights or Fully Paid Rights in CREST unless the Company determines that such actions would not violate applicable legal or regulatory requirements. Any person who does forward this Prospectus or a Provisional Allotment Letter in or into any such territories (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this paragraph 8 of this Part 8.

Any person (including, without limitation, agents, nominees and trustees) outside the United Kingdom wishing to take up his/her rights under the Rights Issue must satisfy himself as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other requisite formalities and paying any issue, transfer or other taxes due in such territories. The comments set out in this paragraph 8 of this Part 8 are intended as a general guide only and any Shareholder who is in any doubt as to his/her position should consult his/her professional advisers without delay.

The Company (after consultation with the Underwriters) may treat as invalid any exercise or purported exercise of Nil Paid Rights or any acceptance or purported acceptance of the offer of Fully Paid Rights or New Shares which appears to the Company or its agents to have been executed, effected or dispatched in a manner which may involve a breach of the laws or regulations of any jurisdiction or if, in the case of a Provisional Allotment Letter, it provides for an address for delivery of the share certificates in or, in the case of a credit of New Shares in CREST, a CREST Member or CREST Sponsored Member whose registered address is in any of the Excluded Territories or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit or if the Board believes or its agents believe that the same may violate applicable legal or regulatory requirements.

Despite any other provision of this Prospectus or the Provisional Allotment Letter, the Company reserves the right (after consultation with the Underwriters) to permit any Qualifying Shareholder to take up his/her rights if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations giving rise to the restrictions in question. If the Company is so satisfied, the Company will arrange for the relevant Qualifying Shareholder to be sent a Provisional Allotment Letter if he/she is a Qualifying Non-CREST Shareholder or, if he/she is a Qualifying CREST Shareholder, arrange for Nil Paid Rights to be credited to the relevant CREST stock account.

Those Qualifying Shareholders who wish, and are permitted, to take up their entitlement should note that payments must be made as described in paragraphs 4.2 and 5.2 of this Part 8.

The provisions of paragraph 6 of this Part 8 will apply to all Qualifying Shareholders with registered addresses in the Excluded Territories who do not or are unable to take up the New Shares provisionally allotted to them. Accordingly, such Qualifying Shareholders will be treated as not having taken up their rights to New Shares and the Underwriters will endeavour to procure, on behalf of such Qualifying Shareholders, acquirers for the New Shares.

## 8.2 **European Economic Area**

In relation to each Relevant Member State, an offer to the public of the New Shares, the Nil Paid Rights or the Fully Paid Rights may not be made in that Relevant Member State pursuant to the Rights Issue

prior to the publication of a prospectus in relation to the New Shares, the Nil Paid Rights and the Fully Paid Rights which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in the first Relevant Member State, all in accordance with the Prospectus Directive, except that an offer to the public in that Relevant Member State of such Nil Paid Rights, Fully Paid Rights or New Shares may be made at any time:

- (a) to any legal entity which is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive; or
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the New Shares, the Nil Paid Rights or the Fully Paid Rights shall result in a requirement for the Company or the Underwriters to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive and each person who initially acquires any New Shares, Nil Paid Rights or Fully Paid Rights or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Company and the Underwriters that it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive.

For the purposes of this provision, the expression an “offer to the public” in relation to any New Shares, Nil Paid Rights or Fully Paid Rights in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Rights Issue and any New Shares, Nil Paid Rights or Fully Paid Rights to be offered so as to enable a prospective investor to decide to purchase any New Shares, Nil Paid Rights or Fully Paid Rights, as the same may be varied for that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

In the case of any New Shares, Nil Paid Rights or Fully Paid Rights being offered to a financial intermediary as that term is used in Article 3(2) of the Prospectus Directive, such financial intermediary will also be deemed to have represented, warranted and agreed that it is a “qualified investor” within the meaning of Article 2(1)(e) of the Prospectus Directive and (a) the New Shares, the Nil Paid Rights or the Fully Paid Rights acquired by it have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, or in circumstances in which the prior consent of the Underwriters has been obtained to each such proposed offer or resale; or (b) where New Shares, or Nil Paid Rights or Fully Paid Rights have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those New Shares, Nil Paid Rights or Fully Paid Rights to it is not treated under the Prospectus Directive as having been made to such persons. The Company and the Underwriters and each of their respective affiliates and others will rely upon the truth and accuracy of the foregoing representation, warranty and agreement.

### 8.3 **United States**

The Nil Paid Rights, the Fully Paid Rights, the New Shares and the Provisional Allotment Letters have not been and will not be registered under the Securities Act or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Prospective investors are hereby notified that sellers of the Nil Paid Rights, the Fully Paid Rights or the New Shares may be relying on the exemption from registration provisions under section 5 of the Securities Act provided by Rule 144A thereunder.

Accordingly, the Company is not extending the offer under the Rights Issue into the United States unless an exemption from the registration requirements of the Securities Act is available and, subject to

certain very limited exceptions, none of this Prospectus and the Provisional Allotment Letter constitutes, or will constitute, or forms any offer or an invitation to apply for or an offer or an invitation to acquire any Nil Paid Rights, Fully Paid Rights or New Shares in the United States. Subject to certain very limited exceptions, neither this Prospectus nor a Provisional Allotment Letter will be sent to any Shareholder with a registered address in the United States. Subject to certain very limited exceptions, Provisional Allotment Letters or renunciations thereof sent from or postmarked in the United States will be deemed to be invalid and all persons acquiring New Shares and wishing to hold such New Shares in registered form must provide an address for registration of the New Shares issued upon exercise thereof outside the United States.

Subject to certain very limited exceptions, any person who acquires Nil Paid Rights, Fully Paid Rights or New Shares will be required to declare, warrant and agree that it has received a copy of this Prospectus and such other information as it deems necessary to make an investment decision and that:

- (a) it is (a) a QIB within the meaning of Rule 144A; (b) acquiring the Nil Paid Rights, the Fully Paid Rights or the New Shares for its own account or for the account of one or more QIBs with respect to whom it has the authority to make, and does make, the representations and warranties set forth herein; (c) acquiring the Nil Paid Rights, the Fully Paid Right or the New Shares for investment purposes, and not with a view to further distribution of such Nil Paid Rights, Fully Paid Rights or New Shares; and (d) aware, and each beneficial owner of the Nil Paid Rights, the Fully Paid Rights or the New Shares has been advised, that the offer and sale of the Nil Paid Rights, the Fully Paid Rights or the New Shares to it is being made in reliance on Rule 144A or in reliance on another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act; and
- (b) it understands that the Nil Paid Rights, the Fully Paid Rights or the New Shares are being offered and sold in the United States only in a transaction not involving any public offering within the meaning of the Securities Act and that the Nil Paid Rights, the Fully Paid Rights or the New Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold, pledged or otherwise transferred except (a) to a person that it and any person acting on its behalf reasonably purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act; (b) in an Offshore Transaction in accordance with Rule 903 or Rule 904 of Regulation S; (c) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available); or (d) pursuant to an effective registration statement under the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States. It further (A) understands that the New Shares may not be deposited into any unrestricted depositary receipt facility in respect of the Nil Paid Rights, the Fully Paid Rights or the New Shares established or maintained by a depositary bank; (B) acknowledges that the Nil Paid Rights, the Fully Paid Rights or the New Shares (whether in physical certificated form or in uncertificated form held in CREST) are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and that no representation is made as to the availability of the exemption provided by Rule 144 for resales of the Nil Paid Rights, the Fully Paid Rights or the New Shares; and (C) understands that the Company may not recognise any offer, sale, resale, pledge or other transfer of the Nil Paid Rights, the Fully Paid Rights or the New Shares made other than in compliance with the above-stated restrictions.

The Company, the Underwriters and their affiliates will rely on the truth and accuracy of the foregoing acknowledgements, representations and agreements.

The Company and the Underwriters reserve the right to treat as invalid any Provisional Allotment Letter (or renunciation thereof) that appears to the Company and the Underwriters or their respective agents to have been executed in or dispatched from the United States, or that provides an address in the United States for the acceptance or renunciation of the Rights Issue, or which does not make the warranty set out in the Provisional Allotment Letter to the effect that the person accepting and/or renouncing the Provisional Allotment Letter does not have a registered address and is not otherwise located in the United States and is not acquiring the Nil Paid Rights, the Fully Paid Rights or the New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil

Paid Rights, Fully Paid Rights or New Shares in the United States or where the Board believes acceptance of such Provisional Allotment Letter may infringe applicable legal or regulatory requirements. The Company will not be bound to allot (on a non-provisional basis) or issue any Nil Paid Rights, Fully Paid Rights or New Shares to any person with an address in, or who is otherwise located in, the United States in whose favour a Provisional Allotment Letter or any Nil Paid Rights, Fully Paid Rights or New Shares may be transferred or renounced. In addition, the Company and the Underwriters reserve the right to reject any MTM Instruction sent by or on behalf of any CREST Member with a registered address in the United States in respect of the Nil Paid Rights.

In addition, until 40 days after the commencement of the Rights Issue, an offer, sale or transfer of the Nil Paid Rights, the Fully Paid Rights, the New Shares or the Provisional Allotment Letters within the United States by a dealer (whether or not participating in the Rights Issue) may violate the registration requirements of the Securities Act.

The provisions of paragraph 6.1 of this Part 8 will apply to any rights not taken up. Accordingly, subject to certain exceptions, Shareholders with a registered address in the United States will be treated as non-exercising holders and the Underwriters will endeavour to procure, on behalf of such non-exercising holders, acquirers for the New Shares.

#### 8.4 **Australia**

This Prospectus and the Rights Issue is only made available in Australia to persons to whom a “disclosure document” is not required to be given under Chapter 6D of the Corporations Act 2001 (Ch) of Australia (the “**Corporations Act**”). This Prospectus is not a prospectus, product disclosure statement or any other form of formal “disclosure document” for the purposes of the Corporations Act. This Prospectus is not required to, and does not, contain all the information which would be required in a disclosure document under the Corporations Act. Accordingly, the Nil Paid Rights, the Fully Paid Rights and the New Shares may not be offered, issued, sold or distributed in Australia by any person other than by way of or pursuant to an offer or invitation that does not need disclosure to investors under Part 6D.2 of the Corporations Act.

This Prospectus has not been and will not be lodged or registered with the Australian Securities and Investments Commission or the Australian Securities Exchange or any other regulatory body or agency in Australia.

The persons referred to in this Prospectus may not hold Australian financial services licences and may not be licensed to provide financial product advice in relation to the securities.

This Prospectus does not take into account the investment objectives, financial situation or needs of any particular person. Accordingly, before making any investment decision in relation to this Prospectus, you should assess whether the acquisition of any interest in the Company is appropriate in light of your own financial circumstances or seek professional advice.

Any Nil Paid Rights, Fully Paid Rights or New Shares issued upon acceptance of the Rights Issue may not be offered for sale or transferred to any person located in, or a resident of, Australia for a period of at least 12 months after the issue, except in circumstances where the person is a person to whom a disclosure document is not required to be given under Chapter 6D of the Corporations Act or in circumstances under which another exemption from the requirement to give a disclosure document is available. Accordingly, each investor acknowledges these restrictions and, by applying for the securities under this Prospectus, gives an undertaking not to sell or offer to sell these securities in Australia (except in the circumstances referred to above) for 12 months after their issue.

#### 8.5 **Canada**

The Nil Paid Rights, Fully Paid Rights and the New Shares will not be qualified for sale under the securities laws of any province or territory of Canada. None of the Nil Paid Rights, the Fully Paid Rights or the New Shares may be offered, sold or distributed, directly or indirectly, in Canada or to residents of Canada, other than in compliance with procedures and documentation approved by the Company for establishing eligibility and permitting participation.



Any Canadian Shareholder who wishes to receive Nil Paid Rights must first obtain and review a copy of the Canadian Offering Memorandum, which consists of this Prospectus and a Canadian-specific supplement attached at the front and must complete and return the *Canadian Investor Letter for Shareholders and for Discretionary Account Managers in Canada*, which forms part of the Canadian Offering Memorandum. Copies of the Canadian Offering Memorandum are available on request from the Company. Further, Canadian Shareholders may only receive Nil Paid Rights for the purpose of obtaining New Shares on the exercise thereof, and not for the purpose of making any resale or other disposition.

The Underwriters may sell New Shares, fully paid, in Canada in the Provinces of Ontario, Alberta, Ontario and Quebec, but only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the New Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus or the Canadian Offering Memorandum dated the same date as this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the Underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

## 8.6 **Hong Kong**

The Nil Paid Rights, Fully Paid Rights and New Shares may not be offered or sold in Hong Kong, by means of any document, other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) of Hong Kong (the "SFO") and any rules made under the SFO; or (ii) in other circumstances which do not constitute an offer to the public within the meaning of the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong) of Hong Kong (the "C(WUMPO)") or an invitation to induce an offer by the public to subscribe for or purchase any shares and which do not result in this Prospectus or the Provisional Allotment Letter being a "prospectus" as defined in the C(WUMPO). No advertisement, invitation or document relating to the Nil Paid Rights, Fully Paid Rights, New Shares, the Provisional Allotment Letters or this Prospectus may be issued or may be in the possession of any person for the purpose of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the C(WUMPO) and the SFO) other than with respect to the Nil Paid Rights, Fully Paid Rights and New Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO or in other circumstances which do not constitute an offer or invitation to the public within the meaning of the C(WUMPO).

The contents of this Prospectus and the Provisional Allotment Letter have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this Prospectus or the Provisional Allotment Letter, you should obtain independent professional advice.

## 8.7 **Switzerland**

The Nil Paid Rights, the Fully Paid Rights and the New Shares may not be publicly offered, sold or advertised, directly or indirectly, in or from Switzerland and will not be listed on SIX Swiss Exchange Ltd. or on any other stock exchange or regulated trading facility in Switzerland. Neither this Prospectus, the Provisional Allotment Letter, nor any other offering or marketing material relating to the Nil Paid Rights, the Fully Paid Rights, the New Shares or the Rights Issue constitutes a prospectus as such term

is understood pursuant to article 652a or article 1156 of the Swiss Federal Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange Ltd. or the listing rules of any other stock exchange or regulated trading facility in Switzerland, and neither this Prospectus, the Provisional Allotment Letter, nor any other offering or marketing material relating to the Nil Paid Rights, the Fully Paid Rights, the New Shares or the Rights Issue may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Prospectus, the Provisional Allotment Letter, nor any other offering or marketing material relating to the Rights Issue, the Company, the Nil Paid Rights, the Fully Paid Rights or the New Shares have been or will be filed with or approved by, and the offer of the Nil Paid Rights, the Fully Paid Rights and the New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA.

## 8.8 **Japan**

The Rights Issue has not been and shall not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948, as amended, the “**FIEA**”). Accordingly, the Nil Paid Rights, the Fully Paid Rights or the New Shares have not, directly or indirectly, been offered or sold and shall not, directly or indirectly, be offered or sold in Japan or to or for the benefit of a resident of Japan (as defined in Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act No. 228 of 1949, as amended), or to others for re-offering or re-sale, directly or indirectly, in Japan, or to or for the benefit of any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with the FIEA and other relevant laws, regulations and ministerial guidelines of Japan.

Prospective investors are hereby notified that the Company may be relying on the exemption from registration under sub-item 3, item 2, paragraph 3, article 2 of the FIEA. The investor or purchaser holding the Nil Paid Rights and/or the Fully Paid Rights is prohibited from transferring the Nil Paid Rights and Fully Paid Rights unless that investor or purchaser transfers all their Nil Paid Rights and Fully Paid Rights together to a single person in Japan.

## 8.9 **Other overseas territories**

Qualifying Shareholders in jurisdictions other than the United States or the Excluded Territories may, subject to the laws of their relevant jurisdiction, take up the Nil Paid Rights, the Fully Paid Rights or the New Shares under the Rights Issue in accordance with the instructions set out in this Prospectus and, if relevant, the Provisional Allotment Letter. Each person to whom the Nil Paid Rights, the Fully Paid Rights, the Provisional Allotment Letter or the New Shares are distributed, offered or sold outside the United States will be deemed by its acquisition of, the Nil Paid Rights, the Fully Paid Rights or the New Shares to have represented and agreed to the representations and warranties set out in this Part 8.

**Qualifying Shareholders who have registered addresses in or who are resident or located in, or who are citizens of, all countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up their rights.**

## 9. **REPRESENTATIONS AND WARRANTIES RELATING TO OVERSEAS SHAREHOLDERS**

### 9.1 **Qualifying Non-CREST Shareholders**

Any person accepting and/or renouncing a Provisional Allotment Letter or requesting registration of the New Shares comprised therein represents and warrants to the Company and the Underwriters that, except where proof has been provided to the Company’s satisfaction that such person’s use of the Provisional Allotment Letter will not result in the contravention of any applicable legal or regulatory requirement in any jurisdiction:

- (a) such person is not in the United States and is not accepting and/or renouncing the Provisional Allotment Letter, or requesting registration of the relevant New Shares from within the United States;

- (b) such person is not in any of the other Excluded Territories or in any territory in which it is not otherwise unlawful to make or accept an offer to acquire New Shares or to use the Provisional Allotment Letter in any manner in which such person has used or will use it;
- (c) such person is not acting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the Excluded Territories, and in particular such person is not accepting for the account or benefit of any person who is located in the United States unless, (i) the instruction to accept was received from a person outside the United States, and (ii) the person giving such instruction has confirmed that: (A) it has the authority to give such instruction, and (B) either (I) has investment discretion over such account or (II) is an investment company that is acquiring the New Shares in an “offshore transaction” within the meaning of Regulation S; and
- (d) such person is not acquiring New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such New Shares into the United States or any Excluded Territory or any other territory referred to in paragraph (b) above.

The Company may treat as invalid any acceptance or purported acceptance of the allotment of New Shares comprised in, or renunciation or purported renunciation of, a Provisional Allotment Letter if it: (1) appears to the Company and the Underwriters to have been executed in, or dispatched from, the United States or any of the other Excluded Territories or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it or its agents believe the same may violate any applicable legal or regulatory requirement, (2) provides an address in the United States or any of the other Excluded Territories for delivery of definitive share certificates for New Shares or any jurisdiction outside the United Kingdom in which it would be unlawful to deliver such certificates, or (3) purports to exclude the warranty required by this paragraph 9.1 of this Part 8.

## **9.2 Qualifying CREST Shareholders**

A Qualifying CREST Shareholder who makes a valid acceptance in accordance with the procedures set out in this Part 8 represents and warrants to the Company and the Underwriters that, except where proof has been provided to the Company’s satisfaction that such person’s acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction:

- (a) such person is not within the United States;
- (b) such person is not in any of the other Excluded Territories or in any territory in which it is otherwise unlawful to make or accept an offer to acquire Nil Paid Rights, Fully Paid Rights or New Shares;
- (c) such person is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within the United States, or any of the other Excluded Territories, or any of the other territories referred to in paragraph (b) above at the time the instruction to accept was given, and such person is not accepting for the account of any person who is located within the United States, unless: (i) the instruction to accept was received from someone outside the United States; and (ii) the person giving such instruction has confirmed that: (A) it has the authority to give such instruction, and (B) either (I) has investment discretion over such account or (II) is an investment company that is acquiring the New Shares in an “offshore transaction” within the meaning of Regulation S; and
- (d) such person is not acquiring Nil Paid Rights, Fully Paid Rights or New Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Nil Paid Rights, Fully Paid Rights or New Shares into the United States or any Excluded Territory or any other territory referred to in paragraph (b) above.

The Company and the Underwriters may treat as invalid any MTM Instruction which appears to the Company and the Underwriters to have been dispatched from the United States, an Excluded Territory or in any territory in which it is otherwise unlawful to make or accept an offer to acquire the Nil Paid Rights, Fully Paid Rights or New Shares, or otherwise in a manner which may involve a breach of the laws of any jurisdiction or if it or its agent believes the same may violate any applicable legal or regulatory requirement or purports to exclude the warranty required by this paragraph 9 of this Part 8.

## **10. WAIVER**

The provisions of paragraphs 8 and 9 of this Part 8 and of any other terms of the Rights Issue relating to Overseas Shareholders may be waived, varied or modified as regards specific Shareholder(s) or on a general basis by the Company and the Underwriters in their absolute discretion. Subject to this, the provisions of paragraphs 8 and 9 of this Part 8 supersede any terms of the Rights Issue inconsistent herewith. References in paragraphs 8 and 9 of this Part 8 to Qualifying Shareholders shall include references to the person or persons executing a Provisional Allotment Letter and, in the event of more than one person executing a Provisional Allotment Letter, the provisions of this paragraph 10 of this Part 8 shall apply to them jointly and to each of them.

## **11. TAXATION**

Information on taxation in the United Kingdom and the United States in relation to the Rights Issue is set out in Part 15: “*Taxation*” of this Prospectus. The information contained therein is intended only as a general guide to the current tax position in the United Kingdom and the United States. Qualifying Shareholders in the United Kingdom and the United States should consult their own tax advisers regarding the tax treatment of the Rights Issue in light of their own circumstances. Shareholders who are in any doubt as to their tax position or who are subject to tax in any other jurisdiction should consult an appropriate professional adviser immediately.

## **12. TIMES AND DATES**

The Company shall, after consultation with its financial and legal advisers, be entitled to amend the dates on which Provisional Allotment Letters are dispatched or dealings in Nil Paid Rights commence and amend or extend the latest date for acceptance under the Rights Issue and all related dates set out in this Prospectus and in such circumstances shall notify the UK Listing Authority and the London Stock Exchange and make an announcement issued via a Regulatory Information Service. Qualifying Shareholders may not receive any further written communication.

If a supplementary document is issued by the Company two days or fewer before the date specified in this Prospectus as the latest date for acceptance under the Rights Issue (or such later date as may be agreed between the Company and the Underwriters), the latest date of acceptance under the Rights Issue shall be extended to the date which is three Dealing Days after the date of issue of the supplementary document (and the dates and times of principal events due to take place following such date shall be extended accordingly).

## **13. EMPLOYEE SHARE SCHEMES**

In accordance with the rules of the relevant Share Schemes, the number of Ordinary Shares subject to outstanding options and awards may be adjusted at the determination of Remuneration Committee or the Board, as applicable, to take account of the issue of the New Shares and to reflect the expected effect of the Rights Issue on the value of outstanding awards and/or options. The purpose of this adjustment is to preserve the aggregate value of an award or option immediately before and after the Rights Issue, subject to market fluctuations. Any adjustment will be carried out pursuant to the rules of the applicable Share Scheme and participants will be contacted separately with further information about the adjustment of any options and/or awards in due course.

Participants in the Company’s UK SIP and ISIP will be contacted by the trustee of the UK SIP Trust or nominee of the ISIP (as appropriate) with regard to the impact of the Rights Issue on the Ordinary Shares (and the matching awards in the case of the ISIP) held for them under the UK SIP and ISIP and the actions (if any) that they may need to take.

## **14. GOVERNING LAW AND JURISDICTION**

The terms and conditions of the Rights Issue as set out in this Prospectus and the Provisional Allotment Letter, and any non-contractual obligations related thereto, shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Rights Issue, this Prospectus or the Provisional Allotment Letter, including (without limitation) disputes relating to

any non-contractual obligations arising out of or in connection with the Rights Issue, this Prospectus or the Provisional Allotment Letter. By accepting rights under the Rights Issue in accordance with the instructions set out in this Prospectus and, where applicable, the Provisional Allotment Letter, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

## PART 9 INDUSTRY OVERVIEW

### 1. OVERVIEW OF THE TRAVEL FOOD & BEVERAGE MARKET

#### 1.1 Introduction

The Group's principal businesses are in the travel food and beverage market, in which operators provide catering services in travel-related locations such as airports and railway stations. The percentage share of the Group's revenue in the year ended 30 September 2019 (being the last full financial year prior to the Coronavirus pandemic) was 64% from airports, 31% from railway stations and 5% from other operations. Accordingly, the description of the Group's end markets below focuses exclusively on the airport and railway station sectors of the broader travel food and beverage industry, and specifically excludes motorway service areas, in-flight air catering, CTN retail (confectionery, tobacco and news), and on-board rail catering as they individually represent less than 10% of the Group's revenue.

Notwithstanding the impact of the Coronavirus pandemic, the Group continues to believe that the markets in which it operates are fundamentally attractive and that air and rail travel markets will deliver long-term growth, albeit from a lower base, as global GDP recovers and an increasing proportion of the world's population is willing and able to travel. The growth in the Group's end markets will also be underpinned by longer term trends that were evident prior to the pandemic, such as the trend towards increased eating out-of-home (including eating "on the move") and investment in travel infrastructure and capacity expansion, in part supported by government policy.

#### 1.2 Market Size

The Directors estimate that the Group has a core addressable market that was valued (by revenues) at approximately £23 billion in 2019, of which approximately 80% represents the airport sector and 20% represents the rail sector.

### 2. COMPETITIVE LANDSCAPE

The Group's competitors in the travel food and beverage industry can broadly be classified into three categories:

- *International Concessions Operators*: The international concessions operators in the travel food and beverage market are the Group, Autogrill, Lagardère and Areas. Autogrill is the market leader in North America, where it owns HMS Host, and has operations across a number of European and Asian countries. Lagardère is an international group whose principal travel operations are in the retail sector (mainly in CTN retail, and also in travel essentials, duty free and fashion), but it is also active in the travel food and beverage market. Areas is the market leader in France and Spain and has operations across Europe and North America.
- *Local Concessions Operators*: There are several local concessions operators specific to individual regions, including, for example, Delaware North and OTG in North America, The Restaurant Group in the UK and Cremonini in Continental Europe.
- *High Street Brands*: In countries where brand owners have a strong presence, they may choose to operate outlets in a travel environment directly. A number of brand owners successfully run single unit operations in travel environments.

Although it is a fragmented market, the Group is one of four large global players in terms of revenue / number of units (the Group, Autogrill, Lagardère and Areas), who management believes together account for around one-third of sales in the £23 billion travel food and beverage market.

### 3. GROWTH DRIVERS

#### 3.1 Introduction

*Structural growth drivers before the Coronavirus pandemic*

Before the Coronavirus pandemic, the markets in which the Group operates had benefitted from several structural long-term growth drivers. These growth drivers had been identified at the time of the Group's IPO in 2014 and

had continued to provide a supportive environment to the Group's growth in the period until the Coronavirus pandemic hit. The most significant of these structural long-term growth drivers were:

- growth in global GDP and disposable income, which have led to an increased propensity to travel and have driven increased passenger volumes and expenditure on food and beverage products;
- a trend towards increased eating-out of home, including eating "on the move"; and
- investment in travel infrastructure, in part supported by government policy and capacity expansion, alongside travel infrastructure owners being increasingly focused on retail revenue streams.

#### *Impact of the Coronavirus pandemic*

In the near to medium term, the Group expects that the roll-out of Coronavirus vaccination programmes in key markets will lead to a recovery in travel, although the timing of this recovery remains uncertain. The Group believes that the recovery in its end markets will be influenced in particular by:

- the timing and extent of Coronavirus control and suppression responses, including the timing of vaccine roll-out;
- economic policy responses and their impact; and
- structural changes to travel demand, specifically the likely increase in working from home and the reduction in business travel as a consequence of the adoption of video meeting technologies.

The markets in which the Group operates may see some changes in travel demand as a consequence of an increase in working from home and the adoption of video meeting technology, both of which will potentially lead to a slower return of commuter traffic in the rail sector and business air travel. The Board believes that despite these factors delaying the full recovery of passenger numbers to pre-Coronavirus levels, they are likely to lead to more flexible working patterns and therefore may reduce rush hour peaks, resulting in more consistent consumption across the day and enabling higher levels of penetration and sales.

It is anticipated that leisure travel (approximately 70% of the Group's air passengers and between 30-60% of its rail passengers, depending on the market), which underpins around 60% of the Group's revenues, will make a strong recovery and return to broadly pre-pandemic volumes. The Group expects overall passenger numbers to recover to 50% of financial year 2019 levels by September 2021 and 85% by September 2022.

As such, the Group believes that it will continue to see long term growth in its end markets, albeit from a lower base, and that the structural growth drivers described in the preceding section will continue to underpin longer term trends.

These trends are assessed in more detail for the Air and Rail segments below.

### **3.2 Structural growth drivers in the airport segment**

The two key drivers of growth in the airport segment have historically been (i) growth in air passenger volumes and (ii) increases in average spend per air passenger.

#### **3.2.1 Air Passenger Volumes**

##### *Trends before the Coronavirus pandemic*

The air travel sector saw strong growth over the decade before the Coronavirus pandemic. According to ACI, air passenger volumes grew at a compound annual growth rate of 6.7% between 2009 and 2019, increasing from 4.8 billion in 2009 to 9.1 billion in 2019. In 2019, global air passenger volumes grew 3.5%, with international air passenger growth of 4.1% and domestic air passenger growth of 2.4%. IATA forecast (before the Coronavirus pandemic) that air passenger volumes would grow at a compound annual growth rate of 4% through 2024.

Global growth in passenger demand for air travel has historically closely tracked growth in GDP and in recent years, prior to the Coronavirus pandemic, outpaced GDP. Economic growth and increases in personal wealth have driven an increasing propensity to travel. The growth of low-cost carriers has driven increased demand for short haul leisure breaks and increased business travel at a reduced cost, whilst long haul leisure travel has also increased as alternative destinations are sought out by travellers. The economic growth in markets such as China and India has led to the burgeoning middle class increasingly seeking to travel, leading to a significant increase

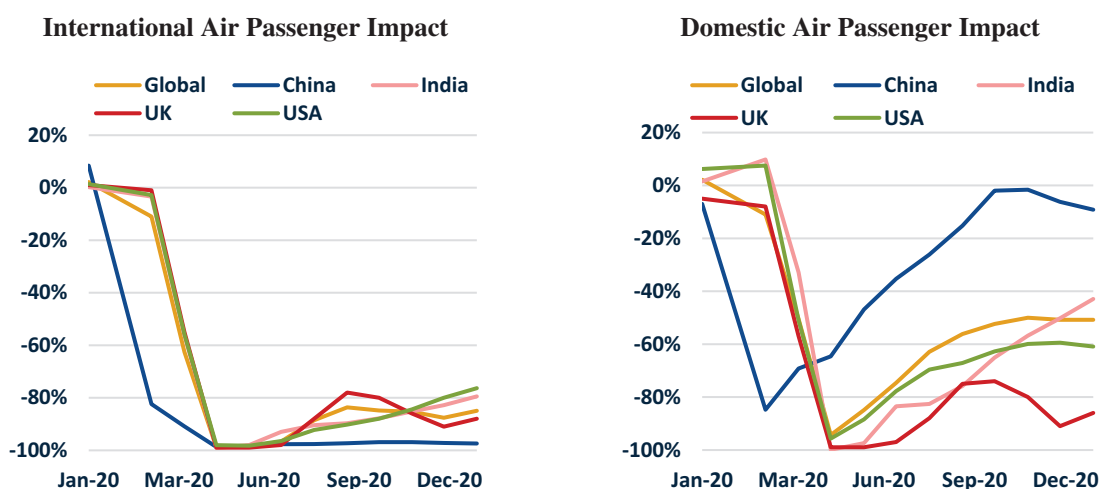
in air traffic both domestically and internationally. The Board expects these trends to continue as the Coronavirus pandemic abates.

### *Impact of the Coronavirus pandemic*

Air passenger volumes have materially decreased as a result of the Coronavirus pandemic. In particular, air passenger volumes have been negatively affected by government measures restricting or advising against international travel. For example, in the United Kingdom, a nationwide lockdown was implemented by the government on 23 March 2020, and the UK Foreign Office advised UK nationals against all “non-essential travel”. In June 2020, the UK government introduced a mandatory 14-day quarantine period for any arrivals from outside the United Kingdom, with certain exempt countries, subject to change by the UK government. The UK implemented further nationwide lockdowns in November 2020 and in January 2021, advising UK nationals against travelling in the UK or overseas unless for work or other permitted reasons. Additionally, starting in late December 2020, more than 40 countries temporarily suspended all air travel to and from the UK due to the emergence of a new variant of the Coronavirus in the UK. In February 2021 the UK Government announced new regulations whereby arriving passengers from certain countries would need to spend a mandatory 10-day quarantine in specified hotels.

Governments in the other markets in which the Group operates, such as in Europe, the United States and RoW have also implemented a variety of travel restrictions, ranging from travel bans to mandatory quarantine periods, which have negatively impacted air passenger volumes and the Group’s business operations and revenues.

Against this backdrop, passenger numbers across all of the Group’s core markets have been materially and adversely affected. In 2020, according to ACI, passenger volumes are estimated to have decreased by 54% on domestic flights and by 76% on international flights. ACI estimates that air passenger traffic volumes fell by 26% in the first calendar quarter of 2020, and then by 89% in the second calendar quarter, as compared to its projected baseline. ACI estimates that there was a limited recovery in the second half of calendar year 2020, with air passenger volumes down 68%. The following charts show the evolution of passenger numbers in calendar year 2020 in international and domestic air in selected markets:



Sources: ACI, Civil Aviation Administration of China, UK Civil Aviation Authority, US Bureau of Transportation Statistics, India DGCA, UK Department for Transport

ACI Europe estimates that air passenger volumes have fallen in the first two months of 2021 relative to the fourth calendar quarter of 2020, given the increase in infection levels in key markets, new variants of the Coronavirus and new government restrictions on air travel. The Group believes that the air market will continue to be depressed throughout the 2021 calendar year, with air passenger numbers down approximately three quarters in each of Europe, North America and Asia compared to 2019.

### *Medium-term expectations*

The Group remains confident that, as with previous disruptions, the demand for air travel will return to pre-Coronavirus levels. Prior periods of falls in demand for air travel have been followed by sustained recoveries



in air traffic levels. For example, commercial air traffic levels recovered to pre-crisis levels within two years following the global financial crisis of 2008-2009 and recovered within six months following the SARS outbreak of 2003.

Whilst the precise timing of the recovery is uncertain, the Board believes that it will be led by a return of domestic leisure travel, which is likely to recover the fastest, and thereafter it expects a strong recovery in short haul regional leisure travel, which accounts for over two-thirds of air demand in summer months. Over time, the Group expects that long haul travel will recover, and that the secular trends that were driving the growth of international air passenger numbers prior to the pandemic (including the increasing spending power and propensity to travel of the rapidly growing middle classes in the Asia Pacific region) will continue. In addition to a recovery in air travel, it is possible that travellers may continue to consume more food and beverage pre-flight rather than during flight due to restricted offerings on board as a result of airlines reducing in-flight services.

In the medium term, the recovery in air passenger volumes is expected to broadly recover to 2019 levels by financial year 2024.

In the longer-term, the Group expects that the aviation market will continue to be driven by the same trends witnessed prior to the onset of the Coronavirus pandemic. These trends are expected to include: (i) global economic growth in both the developed and the developing world; and (ii) increasing use of air travel in many areas of the developing world that currently display very low market penetration.

### *3.2.2 Average Spend per Air Passenger*

Historical increases in average spend per air passenger on food and beverage products were supported by growth in GDP and disposable incomes, as well as the general trend towards eating-out. These trends were in addition to a number of factors that are specific to airports and air travel, including:

- Airports dedicating increasing amounts of space to the provision of food and beverage offerings;
- Food and beverage outlets being offered greater prominence in airports;
- Passengers spending a greater proportion of time 'air-side' in airports due, in part, to passengers arriving early as a result of increased airport security;
- Many major flagship airline carriers reducing their food and beverage offerings; and
- The rapid growth of low-cost airlines typically offering no in-flight catering service or charging for in-flight refreshment.

The Board believes these trends will continue once the Coronavirus pandemic has diminished and expects to see further growth in average spend per air passenger.

## **3.3 Structural growth drivers in the railway segment**

The two key drivers of growth in the railway segment have historically been (i) growth in rail passenger volumes and (ii) increases in average spend per rail passenger.

### *3.3.1 Rail Passenger Volumes*

#### *Trends before the Coronavirus pandemic*

In the rail sector, passengers in the Group's key European markets (UK, France and Germany) were estimated to total 6.0 billion in 2019. Rail passenger numbers within these countries have delivered consistent and resilient growth, increasing at an average annual rate of approximately 2% from 2011 to 2019, with the UK passenger numbers increasing at an average annual rate of approximately 3% over the same period.

According to SCI Verkehr, before the Coronavirus pandemic, global rail passenger volumes (measured by passenger kilometres) were estimated to increase at an average annual rate of 3% in the period 2015 to 2025. The key driver of this growth was expected to be continued investment in rail infrastructure by European governments.

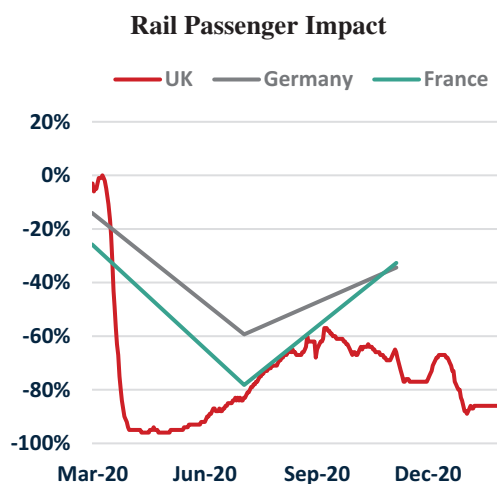
Long-term growth in passengers in the rail sector before the Coronavirus pandemic was driven by: (i) continued investment in track expansion, especially high-speed rail networks; (ii) station development strategies, improving food and beverage offerings; (iii) infrastructure investments in developing countries; and (iv) governments seeking to encourage passengers to switch from road to rail.

### Impact of the Coronavirus pandemic

The Coronavirus pandemic is having a significant impact on the level of rail travel within the Group's key markets of the UK, France and Germany. In the UK, rail passenger numbers fell significantly with the implementation of the national lockdown in March 2020. The number of rail passenger journeys in the UK between April and June 2020 fell to 35 million, a 92% reduction compared to the 439 million passengers in the period April to June 2019, and the lowest level of passenger usage since the mid-nineteenth century.

The Group witnessed a steady increase in the number of UK passenger journeys between April 2020 and the start of the UK's second national lockdown on 5 November 2020, with passenger journeys during this period peaking at approximately 40% of the prior year's levels. However, the current number of passenger journeys remains at approximately 15% of the prior year's levels as at the end of February 2021, following the further lockdown restrictions in the UK. In Continental Europe, the Group saw broadly the same trends, with rail passenger volumes down considerably on the prior year, although the reduction in rail volumes in the Group's key markets of France and Germany was not as severe as that in the UK, decreasing in the second quarter of the 2020 calendar year by 78% and 59%, respectively, compared to the same period in 2019.

However, the recovery in the third quarter of the 2020 calendar year, as lockdown restrictions were eased, was significantly stronger in Continental Europe, with passenger volumes down 34% in Germany and 33% in France compared to the same period in 2019. The following chart shows the evolution of rail passenger numbers as a percentage of the equivalent figure in the UK, Germany and France from 1 March 2020 to 1 March 2021:



Sources: UK Department for Transport and Eurostat.

With lockdowns continuing in these major markets in the first calendar quarter of 2021, any material recovery is likely to be delayed, although as vaccines are rolled out and lockdown restrictions eased, it is expected that Rail travel – especially from a leisure perspective – will start to return, albeit slowly, during 2021.

### Medium-term expectations

One impact of the Coronavirus pandemic has been the increased prevalence of working from home, with many companies announcing policy changes allowing employees to work from home more frequently. This represents a structural change to the market and may influence passenger numbers in the medium term. A study commissioned by the Group suggests that post-Coronavirus, the structural change due to increased remote working will reduce the level of commuter traffic in France and Germany by between 3% and 7%, whilst in the UK the reduction could be greater and in the range of 8% to 10%. This reflects the higher levels of working from home in the UK before the Coronavirus pandemic, largely as a consequence of the structure of the business environment and its weighting towards the professional and financial services sector, particularly in London.

The Group expects rail traffic to recover in the medium term from its 2020 trough more slowly than the European air market, given the more significant long-term structural impacts. The French market, which is underpinned by more leisure travel, and the German market, which has shown more resilience, are forecast to recover to within 5% of 2019 levels by 2025, whereas the UK market, which is more dependent on commuter traffic, is forecast to remain 5-10% below 2019 levels until 2025.

In all three regions, the Group believes that business (commuter) traffic will be more heavily impacted than leisure traffic. The leisure market is expected to recover to 2019 traffic levels by 2025 in all three regions, whereas the business segment is not expected to make a full recovery to 2019 levels in any market by 2025.

### ***3.3.2 Average Spend per Rail Passenger***

As with the airport segment, before the Coronavirus pandemic, growth in average spend per rail passenger was supported by growth in GDP and disposable incomes and the general trend towards eating-out. Growth was also supported by rail passengers trading up their purchases as the quality of food and beverage offerings in railway stations improve. Prior to the Coronavirus pandemic, railway station owners and operators were increasingly focused on maximising commercial revenues from rail stations. Accordingly, owners of railway stations were increasingly focused on expanding and refurbishing their retail, and specifically food and beverage, offerings. The Board believes that these trends will continue once the Coronavirus pandemic has subsided and the Group will continue to see growth in average spend per rail passenger.

## PART 10 BUSINESS DESCRIPTION

*Prospective investors should read this Part 10 in conjunction with the more detailed information contained in this Prospectus including the financial and other information appearing in Part 9 “Industry Overview” and Part 12 “Operating and Financial Review”. Where stated, financial information in this section has been extracted from Part 13 “Financial Information of the Group”.*

### 1. INTRODUCTION

The Group is a leading operator of branded food and beverage units in travel locations across 35 countries in the United Kingdom, Europe, North America, India, Asia Pacific, the Middle East and South America. Headquartered in London, the Group operates its units under concession agreements with clients, who are typically the owners and operators of airports and railway stations. Prior to the Coronavirus pandemic, the Group served on average one and a half million customers daily with a diverse range of food and beverage products.

The emergence of the Coronavirus pandemic in February 2020 confronted the Group with a sudden and material adverse impact on the global travel market, including the air and rail travel sectors which are the Group’s key areas of operation, as wide-ranging measures were implemented across the world in an attempt to contain the spread of the virus. As at 7 March 2021, only 827 of the Group’s units were open and trading. The following discussion includes operational data in respect of units and sites which have been closed for periods of time or during the Coronavirus pandemic and, where indicated, includes financial and operational data from the year ended 30 September 2019, which the Directors believe is more useful in developing an understanding of the Group’s results of operations in a normalised environment. For details on the Group’s approach to re-opening units, see “—Strategy—Recovery”.

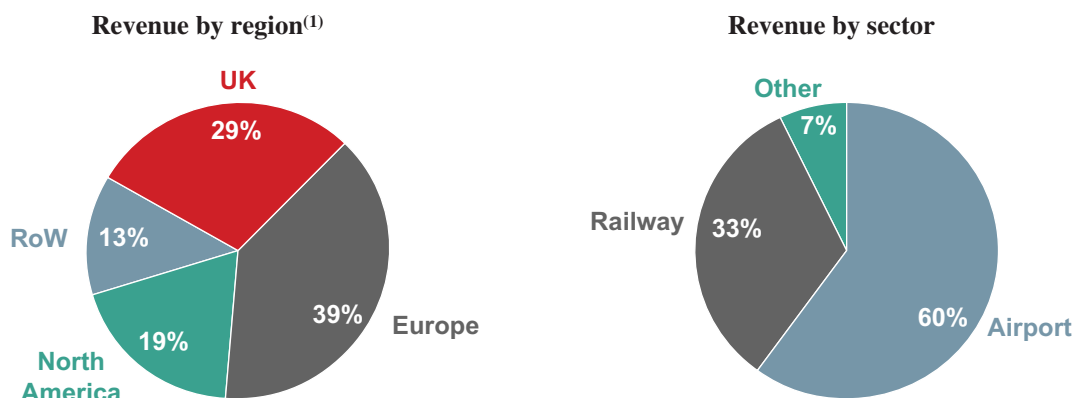
As at 30 September 2020, the Group’s portfolio comprised 2,721 units at 635 sites, including 1,702 at airports and 756 at railway stations, including operations with joint venture partners. It also operates units at motorway service areas, certain leisure locations and hospitals as well as operating Rail Gourmet, an on-board rail catering business. The percentage share of revenue in the year ended 30 September 2020 is broadly consistent with previous financial years and includes 60% from airports, 33% from railway stations and 7% from other operations.

The Group provides a wide range of quality food and beverage offerings through an extensive portfolio of branded units and concepts, including coffee shops, sandwich bars, takeaway restaurants, bars, bakeries, casual and fine-dining restaurants and convenience retail units, which are tailored for customers in travel environments. These units are operated under more than 550 brands, including: (i) international brands such as Starbucks, Burger King and M&S Simply Food; (ii) local hero brands, such as Brioche Doree (France), Leon (UK), Tai Hing (Asia Pacific), and True Burger (US); (iii) the Group’s own proprietary brands such as Ritazza, Le Grand Comptoir, Millie’s Cookies, Camden food co and Upper Crust and (iv) bespoke concepts created by the Group in collaboration with clients, brand owners and leading chefs such as Five Borough Food Hall (US), Norgesglasset Bar (Norway) and Alas by Hermanos Torres (Spain).

The Group’s branding and proposition to clients is as “*The Food Travel Experts*”, providing a wide range of quality food and beverage products to a broad variety of customers in the travel environment. All of the Group’s units, from quick-service to fine-dining, are developed or tailored to be run in operationally high-volume travel locations. The Group’s mission is to give customers an experience that exceeds their expectations and those of their clients. This client proposition is founded on a deep understanding of its diverse customer base; a clear understanding of food and beverage trends; an extensive range of brands and concepts; and expertise in successfully operating food and beverage units in operationally demanding travel locations. This proposition, along with the Group’s approach of combining local insight and relationships with international scale, has enabled the Group to develop market-leading positions in many countries and channels, to build strong and long-term client relationships and, prior to the Coronavirus pandemic, to deliver a strong financial performance.

Since its IPO in 2014, the Group delivered consistent year-on-year revenue growth at an average compound annual growth rate of 8.9% between the years ended 30 September 2014 and 30 September 2019, increasing revenues 53% from £1,827 million to £2,795 million. Over the same period, Underlying Operating Profit increased by 150%, from £88.5 million to £221.1 million, and Underlying Operating Profit margin expanded by approximately 310 basis points, from 4.8% to 7.9%.

The charts below show the percentage share of the Group’s revenue by region and by sector for the year ended 30 September 2020.



(1) UK includes the United Kingdom and Ireland and all of the revenues of the Rail Gourmet business; Continental Europe includes Germany, Austria, Switzerland, Spain, France, Belgium, Luxembourg, Netherlands, Denmark, Norway, Sweden, Finland, and Estonia; North America includes the United States and Canada; and RoW includes Greece, Hungary, Israel, Cyprus, Egypt, UAE, Russia, Hong Kong, China, Thailand, Singapore, Australia, Taiwan, Philippines, Malaysia, India and Brazil.

## 2. HISTORY

The origins of the Group date back approximately 60 years, with the founding of SAS Catering in Sweden in 1961. The business expanded organically and through acquisitions and was itself acquired by Compass in 1993 to be integrated with their contract catering operations. The Group was brought together broadly in its current form in 2004, when Compass established a separate management team and structure for its travel food and beverage concession operations.

In 2006, EQT acquired the Group’s business from Compass. The Group then began building its reputation as “*The Food Travel Experts*” and undertook a targeted growth strategy with substantial investments in new contracts, predominantly in airports, including Shanghai International Airport (2007), Geneva Airport (2008) and Abu Dhabi International Airport (2009). The Group also completed a number of acquisitions, including a business at Toronto Pearson International Airport in order to enter the Canadian market (2007); a railway station catering business operating under the Panos partner brand in Belgium (2007); the Danish motorway service area concession operator Monarch A/S (2007); and the ISG German airport operations owned by Lufthansa (2008).

After the 2008 financial crisis, the Group focused on expansion in the strategic growth regions of North America, the Middle East and Asia Pacific, with flagship contracts strengthening the Group’s platform in those regions, such as Terminal 4 of JFK International Airport (2013) and Phoenix Sky Harbor International Airport (2013) in the United States, Hamad International Airport (Doha) in Qatar (2014) and Beijing Capital International Airport (2014).

Since the Group’s IPO in 2014, the Group has delivered exceptionally strong operating and financial performance, which has resulted in strong shareholder returns.

In the five-year period to 30 September 2019, the Group’s revenues increased by 53.0% from £1,827 million to £2,795 million. This growth was achieved through a combination of consistently high like-for-like sales growth (averaging 2.9% per annum during this period) and significant new contract growth, with average net contract gains of 3.8% per annum over this period. The expansion of the Group’s footprint has been an important driver of value and evidences the Group’s disciplined approach to new business, attraction of its offering to clients and partners and the consistent profitable delivery of long-term contracts. Since 2014, the Group’s international footprint has expanded into a number of new territories through joint ventures in India (with its acquisition of a 49% interest in Travel Food Services), the Philippines, Brazil, Bahrain and Bermuda as well as wholly owned operations in Israel and Malaysia.

During this five-year period to 30 September 2019, Underlying Operating Profit increased by 150%, from £88.5 million to £221.1 million, and Underlying Operating Profit margin expanded by 310 basis points from 4.8% to 7.9%. This was achieved through a combination of strong revenue growth driving operating leverage and

the Group's focus on generating cost efficiencies to offset input cost inflation. The cash generative nature of the Group's business model, which normally operated with significant negative working capital, has enabled it to finance its growth from organic cash flow, only raising new debt facilities to maintain an efficient balance sheet and support the return of cash to shareholders through ordinary and special dividends.

This performance has resulted in strong shareholder returns. The Group's share price increased 210% between the date of the Group's IPO and 31 December 2019, prior to the Coronavirus pandemic. This is the highest share price increase amongst the Group's peer group and significantly ahead of the FTSE 350 index, which increased by only 17% during the same period. The 185% increase in the Group's share price represents an annualised return of 20%. In addition, over this period, the Group returned a total of over £400 million to its shareholders through dividends and buybacks, resulting in total shareholder return of 231% between the date of the Group's IPO and 31 December 2019, representing an annualised return of 21%. The Group significantly outperformed the FTSE 350 index (7% annualised return).

Since the Group's IPO in 2014, it has also managed its balance sheet in an efficient but conservative way, with a leverage target of 1.5-2.0x Adjusted Net Debt to Adjusted EBITDA. In the period prior to the start of the pandemic, leverage decreased from an Adjusted Net Debt to Adjusted EBITDA ratio of 2.3x in the year ended 30 September 2014 to 1.5x in the year ended 30 September 2019.

For additional information on the Group's response to the Coronavirus pandemic and the Group's financial performance, see Part 6 "*Letter from the Chair of SSP Group plc*" and "Key Factors Affecting the Group's Results of Operations" in Part 12 "*Operating and Financial Review*".

### **3. STRENGTHS**

The Directors believe that the Group benefits from a number of strengths which have been key to creating value for the Group's stakeholders since the IPO and will play an important role as the Group emerges from the Coronavirus pandemic and implement its longer-term strategy:

#### **3.1 Leading market positions**

The Group has market leading positions in many of the most attractive sectors of the travel food and beverage market, thanks to its extensive brand portfolio (comprising the Group's own brands and bespoke concepts as well as franchised local and global brands) and established management and operational teams across the 35 countries in which the Group operates.

The Group's strong market presence has allowed it to re-open selectively and profitably across many locations as lockdown restrictions lifted, even at lower levels of sales, ensuring the Group continues to serve its customers and clients. For additional information on the Group's approach to re-opening units as it emerges from the Coronavirus pandemic see "*—Strategy—Recovery*".

#### **3.2 Food travel expertise**

The Group provides a compelling proposition for both clients and customers based on its food travel expertise. This includes a deep understanding of what the Group's customers are looking for and an extensive offering of concepts to meet these needs.

Managing high passenger volumes and the complex logistics that characterise travel environments is an essential element of the Group's business model. These complexities include longer operating hours, supply chain and logistics constraints, space limitations, security procedures and peaks and troughs in demand. The Group's understanding of and ability to manage these complexities allows it to deliver consistently high-quality food and beverage offerings that fulfil the requirements of clients and customers. This expertise has been key in enabling the Group to adapt to a more flexible operating model to mitigate the impact of the Coronavirus pandemic.

#### **3.3 Long-term client relationships**

The Group has very longstanding relationships with a number of its clients. Across its ten largest clients, as measured by contribution to revenue (in the year ended 30 September 2019), the median length of its relationship with them is 34 years as at 12 March 2021.

The Group's principal clients are the owners and operators of airports and railway stations, but it also has a smaller presence in motorway service areas, hospitals and shopping centres. The Group has excellent, longstanding relationships with many of its clients and has maintained high success rates in renewing contracts, securing retentions of on average 84% of contracts expiring each year in the period from 2010 to 2020.

The strong local relationships the Group has established with its clients have been critical in helping it trade through the Coronavirus pandemic, as it has sought to negotiate more favourable rent agreements. Where agreed, these have allowed the Group to reopen more of its units and serve more customers. For additional details on these negotiations, see paragraph 5.2.1 of this Part 10 "*Concession Agreements*".

### **3.4 Local insight and international scale**

The Group has deep knowledge of the individual markets in which it operates, alongside significant international scale and expertise.

A strong local presence enables the Group to understand local customers' tastes and needs, as well as allowing the Group to maintain close relationships with clients and brand partners in the locations where it operates.

The Group's international reach enables it to benefit from economies of scale with regard to central functions and systems, as well as sharing best commercial and operational practice across regions and countries. This sharing of best practice has been particularly relevant in helping accelerate the Group's post-pandemic reopening programme and roll-out of technology across the business.

### **3.5 Experienced colleague base**

The Group has highly experienced colleagues with a broad skillset across the food and beverage, travel and retail industries.

The Group employs dedicated teams of senior managers focused on business development, sales, marketing, human resources and operations, who work closely with its clients to ensure their requirements are met. They are supported by experienced, locally based operational teams who have a track record of delivering operational excellence and great customer service. Together, throughout the Coronavirus pandemic, they have demonstrated the ability to respond to rapidly changing market conditions and have a proven track record of delivering strong operational and financial performance.

Regrettably, the Group had to take a number of very difficult decisions to protect the business in response to the Coronavirus pandemic, including making approximately 14,000 roles redundant across the organisation. However, as far as possible, the Group has aimed to retain its longest-serving and most highly skilled talent in anticipation of the recovery, so that it is well placed to rebound and mobilise quickly when demand returns.

The Directors believe that the combination of these key strengths provides a strong platform for profitable growth as the global economy emerges from the shadow of the Coronavirus pandemic

## **4. STRATEGY**

The Group's overarching aim remains unchanged – to be the leading provider of food and beverage in travel locations worldwide, delivering across all of its stakeholders: its customers, clients, brand partners, investors and, importantly, its employees.

As noted in Part 6 "*Letter from the Chair of SSP Group plc*", the impact of the Coronavirus on the Group's business has required it to streamline its business and rebuild its fundamentals. The Group's strategy of protection is ongoing in some of the markets in which it operates and has taken a number of actions to ameliorate the impact of the Coronavirus pandemic. In the Group's markets where it has been able to strategically reopen units, the Group's focus is to recover from the effects of the Coronavirus pandemic and return to delivering sustainable growth, from a lower and more flexible cost base, and to position the Group for future success as the operator of choice in the sector for the long-term.

The Group's strategy aims to reflect the stages of recovery from the Coronavirus pandemic and the specific challenges and opportunities in each market. The strategy is categorised into three phases – Protection, Recovery, and Sustainable Growth.

As noted in Part 6 “*Letter from the Chair of SSP Group plc*”, the Group believes that its people are a key enabler of its strategy. It therefore plans to implement an updated People Strategy, whereby it will focus on retention, engagement and development, further embedding the Group’s values within the organisation and incentivising critical talent. The Group is also focused on implementing its strategy in a manner that supports a wide range of stakeholders and, as a result, the Group intends to further embed corporate responsibility into the business through (i) the relaunch of its corporate responsibility strategy in line with stakeholder priorities and (ii) the setting of strategic targets and key performance indicators.

### ***Protection***

During the first phase of the Group’s strategy, in spring and summer 2020, when the Coronavirus pandemic first took hold, and extending into winter 2020/2021, with various government lockdowns, the Group’s immediate priority was to ensure the health and safety of its employees and customers and to protect its business.

As part of the Group’s initial response to the Coronavirus pandemic, it rapidly implemented a number of proactive safety measures, in line with local and national guidelines, designed to ensure the safety and wellbeing of the Group’s colleagues. These measures included the closure of offices, the support of colleagues to work from home, the temporarily closure of approximately 2,500 of its global units, and the furlough of team members and head office staff where appropriate and where such schemes existed.

Even through the Group initially closed approximately 90% of its units, some units remained open, where passenger travel continued, albeit at lower levels, or in hospitals to support medical staff and patients. These open units adhered to all the required enhanced safety protocols.

The Group also took a number of immediate actions to protect its financial position during the pandemic. At the peak, the Group furloughed more than 22,000 employees globally, where furlough schemes were available or under contractual layoff provisions. Where the outlook was for a very slow recovery in passenger travel and where the furlough schemes were planned to be scaled back or removed, the Group took a number of very difficult decisions to protect our cash and manage the size of the organisation in response to the Coronavirus pandemic which regretfully included reducing contractual and temporary workers and making approximately 14,000 roles redundant across the organisation. However, as far as possible, the Group has aimed to retain its longest-serving and most highly skilled talent in anticipation of the recovery so that it is well placed to rebound and mobilise quickly when demand returns.

In addition to salary reductions across the Board, Executive Committee and Senior Management, the Group’s management team took extensive action to reorganise and simplify the business and reduce the cost base. These included creating a smaller, leaner and more flexible organisation structure; streamlining management processes and reducing unnecessary complexity; and reducing overheads (and as a result removed £584 million of cost from the business in the second half of 2020). In addition, the Group’s management team also prioritised renegotiating rents, focusing on securing short-term waivers of fixed MGRs (i.e. limiting rents to percentage of sales concession fees only), and securing more flexible arrangements, such as MGRs structured on a ‘per passenger’ basis where possible. The new business development programme was halted and all non-essential capital expenditure deferred. As part of the Group’s thorough review of its operating model, the Group planned for a systematic approach to re-opening units. Having tested this model the Group is confident that it can re-open units progressively and profitably as demand recovers. The Group benefits from most of its operations being in multi-unit sites, with on average five units per location, and therefore is able to open units selectively to optimise the sales and profitability of the site at low levels of passenger demand.

In order to improve balance sheet resilience, the Group implemented a set of measures to conserve cash and create approximately £750 million of liquidity by April 2020 through new equity and debt. These measures included: (i) completing an equity placing and subscription in March 2020, which raised £209 million of net cash proceeds, (ii) a subsequent placing, retail offer and subscription of £11 million which allowed investors to reinvest their 2019 final dividend payment into new shares and retain cash in the business; (iii) securing access to the Bank of England’s CCF programme which allowed the Group to draw up to £300 million from April 2020; (iv) securing waivers and amendments of the Group’s existing covenant tests until March 2022 (secured in two stages through amendments agreed in May and December 2020); (v) suspending the Group’s share buyback programme to conserve cash; and (vi) foregoing paying a dividend in the current financial year. In addition, since spring of 2020, the Group has been able to secure access to a number of additional smaller liquidity lines, including government backed facilities in France, Spain and Switzerland, providing further liquidity of £70.1 million, of which £58.8 million has been drawn.



The Group also supported those most in need during the pandemic by donating to local charities and health services around the world. For example, in the UK the Group distributed over 100,000 freshly baked Millie's Cookies to NHS hospital staff and in India, the Group's joint venture (TFS) worked with local NGOs to cook meals for people who have lost their livelihoods as a result of the lockdown, supplying more than one million meals.

A significant portion of the Group's units remain closed, given the ongoing impact of heightened Coronavirus infection levels and related government restrictions. As of 28 February 2021, approximately 71% of the Group's units globally were closed. However, the Group expects many of its key markets to transition from this phase in the second half of the calendar year 2021 to the Recovery phase.

### ***Recovery***

During the Recovery phase, the Group has executed a disciplined reopening programme, focussing on analysis of the sales potential and cash profitability of each unit, dependent on the individual unit's location, format, and commercial model. The re-opening of units across all of the Group's markets in summer 2020 allowed the Group to test and validate this approach and its re-engineered operating model. Although many markets subsequently closed, as renewed government restrictions came into force, the experience demonstrated that the Group is able to break even for targeted locations at low levels of footfall with its new operating model.

The Group is optimistic that, alongside the roll out of Coronavirus vaccination programmes in the countries in which it operates, there will be a degree of recovery in domestic travel from the second half of the 2021 financial year, with only a limited recovery in short-haul international travel anticipated during the summer holiday period while uncertainty over travel restrictions remains. A more sustained recovery in international travel is expected to take effect from the 2022 financial year. The Group will continue rapid reopening of units in a scaled/targeted response to returning demand, maximising the profitability of its reopening programme, rigorously controlling its costs and discretionary expenditure and focusing on cash.

Throughout the pandemic and the recovery phase, the Group's approach has been data-driven and systematic, looking to open units selectively and in line with passenger numbers, thereby concentrating the available sales into a smaller number of units whilst demand remains low. This approach encompasses a number of aspects, including:

- A data-driven and systematic approach to re-opening based on passenger traffic volumes;
- Prioritising unit re-openings based on customer demand and unit location to capture footfall and expected profitability, including optimising operations at multi-site locations;
- Negotiating more flexible rent deals with landlords, which has typically meant moving to concession fees (based on a percentage of sales) and, where possible, reducing those concession fees;
- Re-engineering and simplifying the offer, and focusing on best-selling, high margin items, as a result of which the Group has been able to optimise the Group's gross margin as well as reduce waste and improve purchasing and production efficiency;
- Accelerating the roll-out of service digital technology, which has been well-received by customers and has been successful in driving up average transaction values and reducing the Group's labour costs; and
- Selectively adding complementary revenue streams, for example adding the sale of travel and health essentials like masks and sanitising gel.

By re-engineering the operating model, the Group was able to open units profitably at lower levels of footfall, and by the end of September 2020 it had successfully reopened approximately 1,200 units. By leveraging this lower cost flexible multi-site model, the Group is confident that it will be able to reopen units on a profitable basis going forward as passenger numbers improve.

### ***Sustainable Growth***

Once the travel sector in each market shows evidence of sustainable recovery from the Coronavirus pandemic, the Group's focus will shift more to driving sustained profitable growth to the benefit of all its stakeholders. To achieve sustainable growth, the Group will focus on (i) optimising the customer proposition to drive like-for-like revenue growth, (ii) delivering efficient revenue conversion, and (iii) optimising and growing the Group's estate.

### *Optimising the customer proposition to drive like-for-like revenue growth*

Utilising its deep knowledge of the individual markets in which it operates, alongside its significant international scale and expertise, the Group will seek to optimise its existing space through a range of opportunities from unit location to the customer proposition, to optimise customer capture rates and spend. This is expected to drive like-for-like revenue growth. The scale of the business provides the Group with access to a wealth of consumer insight, and the Group seeks to use this information to deliver the right proposition to meet consumers' post-Coronavirus expectations as to product range (including sustainable offerings), innovation, customer-facing digital technologies (including self-service kiosks, self-scan and contactless payments), and safer environments to reduce the risk of infection.

At the same time, the Group will seek to strengthen its brand partner offerings by leveraging its strong local presence and relationships with its partners, benefitting from improved commercial terms and greater flexibility on product range and brand standards.

### *Delivering efficient revenue conversion*

Running efficient operations is one of the Group's core competencies and is deeply embedded in its culture. Where relevant and appropriate, the Group will retain the structural benefits and efficiency measures achieved during the Coronavirus pandemic, and it will continue to take advantage of its largely variable cost base to scale up and down efficiently. Building on the operational leverage inherent in the business, the Group continues to avoid unproductive costs, simplify and further automate culinary processes to drive efficiencies and manage input cost inflation.

The Group will continue to re-engineer its customer offer to optimise gross margins by reducing product ranges where appropriate and simplifying menus to focus on the best-selling, highest margin items. This approach will assist in reducing waste and driving greater cost purchasing and production efficiency. In addition, the Group will continue to optimise its cost base by opening and closing units more flexibly to match operating costs to passenger numbers and demand, and maintaining lower head office and overhead costs, while retaining the capability to grow and develop the business within the Group's business model.

As mentioned above, the Group is accelerating the roll-out of digital technology, including customer ordering and payment technology models. In addition to delivering a safer and improved customer experience, this is expected to lead to an increase in average transaction values while simultaneously reducing labour costs.

### *Optimising and growing the Group's estate*

The Group has a strong track record of growing profitable new space. Prior to the pandemic, the Group selectively expanded its business through new unit openings and high levels of contract retention. The Group experienced significant growth in North America and in RoW, which together now account for approximately one-third of its business. The Group believes that these large and growing markets (where the Group still has a relatively small share), will provide attractive expansion opportunities in the medium term, particularly as the backlog of transportation infrastructure projects will allow the Group to participate in new tenders in what the Group expects to be a fundamentally altered competitive environment.

Despite the impact of the pandemic on the travel market, the Group has continued to make progress on business development and organic growth—for example, the Group has secured contract extensions at a number of important sites, such as Vienna Airport, Zurich Airport, Seattle Airport and a number of airports in Thailand. The Group has also continued to win new contracts (including extensions) and open new units, such as in Hobart Airport in Australia, where the Group secured a four-year contract to open three new units. The Group aims to use its experience growing organically to be prepared to respond to new tenders going forward.

The Group's immediate focus is to optimise its current footprint. The Group will continue to seek opportunities to extend its existing contracts where it can secure longer-term and more flexible rental agreements, benefitting from the current period of disruption and low passenger numbers. The Group will selectively consider opportunities to re-locate units within its existing sites where the Group expects to be able to generate higher returns.

The Group has a considerable pipeline of new contracts to mobilise, comprising approximately 90 new units primarily across Europe and North America, which the Group will do selectively once it has greater visibility

over the shape of the recovery. The Group will do this systematically in conjunction with its clients and where the Group is confident that it will meet its financial returns criteria. Where possible the Group aims to open units during quieter periods so as to minimise disruption and costs.

In addition, over time, the Group expects to see new tenders which the Group will be in a strong position to bid for, retaining the Group's high hurdle rates. The Group expects to see opportunities both for new units as well as pre-existing units which have not re-opened following the pandemic. Further, as the market recovers, the Group will selectively look at new markets, based on the outlook at the time. We have a track record of delivering strong returns from new units, with average payback periods of 3-4 years on a discounted cash flow basis.

The Group's new business growth is underpinned by its ability to deliver food and beverage choices that meet the needs of its customers. An important element of this is the brand line-up that the Group can offer, which includes both international brands which it franchises and the Group's own proprietary brands. To further meet customer needs, the Group will continue to look for opportunities for selective bolt-on acquisitions which meet its returns criteria, such as its acquisition of the Red Rock operations in Perth and Melbourne Airports and the Station Food rail business in Germany in the first half of fiscal year 2020. It is likely that new acquisition opportunities will arise as key markets emerge from the Coronavirus pandemic.

## **5. THE BUSINESS**

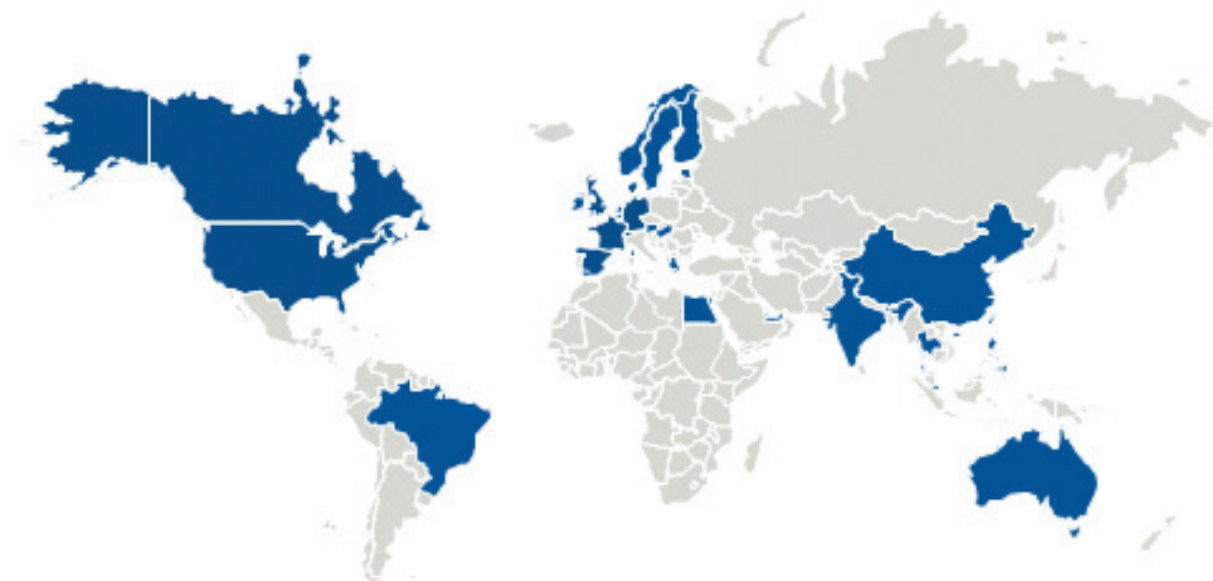
### **5.1 Overview**

The Group operates a range of food and beverage units, including coffee shops, sandwich bars, takeaway restaurants, bars, bakeries, casual and fine-dining restaurants and convenience retail units primarily in airports and railway stations, under a broad range of brands.

Recent and planned openings in the 2020 financial year prior to the onset of the Coronavirus pandemic included significant openings in North America, including at LaGuardia, Oakland, Ottawa and Seattle airports; in Continental Europe, including at Montparnasse station and Nantes airport in France, Malaga and Tenerife airports in Spain and motorway service areas across Germany; and in RoW, including Bangalore Airport in India. Furthermore, there were a number of new openings in Australia and Germany during the second quarter of the 2020 financial year following the acquisitions of the Red Rock operations in Perth and Melbourne Airports (Australia) and the Station Food rail business in Germany.

The map below highlights the 35 countries (in the United Kingdom, Europe, North America, India, Asia Pacific, the Middle East and South America) in which the Group has operations and also provides a summary of the Group's leading market positions. With no single location, travel hub or client being responsible for an individually material portion of the Group's revenue, the Group benefits from significant diversification of risk and reduced dependency on individual contract renewals.

### The Group's presence and leading market positions



### Competitive Position Summary

|            | Air                     |   |                      |  | Rail                       |                             |
|------------|-------------------------|---|----------------------|--|----------------------------|-----------------------------|
|            | <u>UK &amp; Ireland</u> | <u>Continental Europe</u>               | <u>North America</u> | <u>RoW</u>                               | <u>UK &amp; Ireland</u>    | <u>Continental Europe</u>   |
| <b>1st</b> | UK<br>Ireland           | Nordics<br>Germany<br>France<br>Austria |                      | Thailand<br>India<br>Hong Kong<br>Cyprus | Hungary<br>Egypt<br>Greece | UK<br>Germany<br>Belgium    |
| <b>2nd</b> |                         | Belgium<br>Spain<br>Switzerland         | N America            |  |                            | Sweden<br>Denmark<br>France |

Source: Company estimates of market positions based on analysis of publicly available revenue information

#### 5.1.1 Airports

As at 30 September 2020, the Group operated 1,702 food and beverage units in 180 airports around the world, including units that were closed due to the Coronavirus pandemic. The Directors believe the Group is the leading airport food and beverage operator by revenue in the United Kingdom, Ireland, the Nordic region, France, Germany, Austria, Hong Kong, Thailand, India, Egypt, Greece, Hungary and Cyprus, and the number two operator in Switzerland, Belgium, Spain and North America. 60% of the Group's revenues were generated from units in the airport sector in the year ended 30 September 2020.

The table below shows the number of the Group's airport sites and units by region as at 30 September 2020, including units that were closed due to the Coronavirus pandemic.

|   | Number of<br>airports | Number of<br>units |
|---|-----------------------|--------------------|
| United Kingdom <sup>(1)</sup> .....     | 17                    | 141                |
| Continental Europe <sup>(2)</sup> ..... | 66                    | 536                |
| North America <sup>(3)</sup> .....      | 36                    | 349                |
| RoW <sup>(4)</sup> .....                | 61                    | 676                |
| <b>Total<sup>(5)</sup> .....</b>        | <b>180</b>            | <b>1,702</b>       |

(1) The United Kingdom and the Republic of Ireland

- (2) Denmark, Sweden, Norway, Finland, Estonia, Germany, Austria, Switzerland, France, Luxembourg, Belgium, the Netherlands and Spain
- (3) United States and Canada
- (4) China, Hong Kong, Taiwan, Australia, Thailand, Singapore, Philippines, Malaysia, Greece, Egypt, Hungary, Cyprus, UAE, Qatar, Israel, India and Brazil.
- (5) Includes units that were closed due to the Coronavirus pandemic.

### 5.1.2 *Railway stations*

As at 30 September 2020, the Group operated 756 food and beverage units in 297 railway stations in the United Kingdom and Ireland, certain countries in Continental Europe and Taiwan, including units closed due to the Coronavirus pandemic. The Directors believe that the Group is the leading railway station food and beverage concession operator by revenue in the United Kingdom, Germany and Belgium, and the number two operator in Denmark, France and Sweden. 33% of the Group's revenues were generated in the railway station sector in the year ended 30 September 2020.

The table below shows the number of the Group's railway station sites and units by region as at 30 September 2020, including units that were closed due to the Coronavirus pandemic.

|   | Number of<br>railway stations | Number of<br>units |
|---|-------------------------------|--------------------|
| United Kingdom <sup>(1)</sup> . . . . .     | 122                           | 343                |
| Continental Europe <sup>(2)</sup> . . . . . | 170                           | 398                |
| RoW <sup>(3)</sup> . . . . .                | 5                             | 15                 |
| <b>Total<sup>(4)</sup></b> . . . . .        | <b>297</b>                    | <b>756</b>         |

- (1) The United Kingdom and the Republic of Ireland.
- (2) Norway, Sweden, Denmark, Germany, Switzerland, Austria, Belgium, France, Spain and the Netherlands.
- (3) Taiwan and India.
- (4) Including units that were closed due to the Coronavirus pandemic.

### 5.1.3 *Other sectors*

In addition to its units in airports and railway stations, the Group has operations in 263 units at 158 sites in other sectors which accounted for 7% of the Group's revenue for the year ended 30 September 2020. These operations include food and beverage units in 78 motorway service areas in France, Germany and Denmark. The Group also operates in some sectors that share similar characteristics to the travel market, including hospitals, leisure centres, shopping centres, conference centres and stadiums.

## 5.2 **Concession Arrangements**

The Group mainly operates under approximately 1,600 concession agreements with the owners and operators of airports and railway stations. These arrangements may provide for single or multiple units. The average contract size by annual revenue was approximately £1.8 million as at 30 September 2019.

### 5.2.1 *Concession Agreements*

A concession agreement typically specifies the types of food and beverages and/or retail options that the Group is obliged to provide for the term of the concession agreement. The Group pays an ongoing concession fee to the party granting the concession generally based on a percentage of sales at the relevant unit. Prior to the onset of the Coronavirus pandemic, this fee would typically be subject to a minimum guaranteed amount. The minimum guarantee would usually be set at a level below the expected ongoing fee that would be payable based on expected sales for the first year of operations at the unit. Outside of the Coronavirus pandemic, there are typically very few circumstances in which the concession fee is below the amount of the minimum guarantee payable at any point in time.

Since the start of the Coronavirus pandemic, the Group has focussed its efforts on securing short-term rent relief on its contracts, seeking suspensions of MGRs. For additional information on the impact of the Coronavirus pandemic on the Group, see Part 6 "Letter from the Chair of SSP Group plc". Whilst some negotiations are still ongoing, generally the Group has been successful in securing this relief during the summer, and in many markets,

has secured this relief through to the end of 2020 and into 2021. As part of this negotiation process, the Group is now focussing on the negotiation of longer-term contract amendments, moving away from a fixed MGR and instead introducing an MGR per passenger structure (such that the minimum guaranteed rent payable is directly linked to the number of passengers travelling through the airport), providing longer-term protection to the Group for any future external disruptions and removing the need to re-negotiate rent relief in any such future event.

The concession agreements typically require the Group to undertake capital expenditure on fixtures, fittings and equipment at each unit (which may also include connecting to utility services) and the fit-out of the units which is carried out by authorised contractors under the Group's management. Typically, the Group is not responsible for the cost of the surrounding buildings and infrastructure but is responsible for the unit itself and for the operations conducted at the unit. Railway station concession contracts typically require a similar level or slightly lower level of capital expenditure compared to airport concessions. Capital expenditure is generally incurred several months before a unit is operational and the Group begins to generate profit (the exact timing will depend on the size and timing of the project). Following the escalation of the Coronavirus pandemic however, the Group's capital programme has been paused pending a recovery in the travel sector as it has worked with its clients to defer capital expenditure until passenger numbers and sales show material signs of recovery.

Typically, contracts with airport clients in Europe are for between five and eight years, and in North America are for between 10 and 16 years, whilst at railway stations contracts are typically for over 10 years, benefitting from landlord-tenant protection with respect to certain of the Group's contracts with railway station operators in the United Kingdom. In each case, the Group's calculation of average contract lengths is weighted by sales. Before the Coronavirus pandemic, as at 30 September 2019, approximately 55% of the Group's contracts by revenue had a remaining life of less than five years; approximately 40% of the Group's contracts by revenue had a remaining contract life of between five and ten years; and approximately 4% of the Group's contracts by revenue had a remaining life of more than ten years. The Coronavirus pandemic has also impacted the Group's typical contract renewal cycle, as many of the Group's clients have delayed or cancelled their planned infrastructure investment or expansion, and correspondingly, any associated tenders for the commercial space in these infrastructure projects. While this is helpful to the Group in the short term, as it allows for the Group to secure temporary extensions in these spaces without any further capital investment, there will be a catch-up period in renewal activity when recovery from the Coronavirus pandemic takes hold and the Group's clients begin to restart their initial plans for infrastructure investment. See *"Risk Factors—The Coronavirus pandemic has had and is likely to continue to have a material adverse effect on the Group, as would ongoing Coronavirus infections, the emergence of any new variants of the Coronavirus or the emergence of any subsequent pandemic, the ultimate impact of which is dependent on the duration and extent of the pandemic and therefore not yet known."*

Concession relationships are managed on a day-to-day basis by the Group's local management teams, supplemented by the Group's senior management. Before the Coronavirus pandemic, the Group regularly carried out an independently administered satisfaction survey in respect of its clients, covering quality of customer service, local management, range and quality of products, brand portfolio and cooperation, as well as the overall rating of the Group's operations. The results of these surveys inform the Group's relationship strategies with each client, lead to operational changes, as needed, to improve performance and maintain strong client relationships, and inform its overall approach to managing and extending its operations at existing and potential new sites. Currently on hold, the Group expects to continue with these surveys as the business and travel market recovers.

### **5.2.2 New concession agreements and renewals**

Local management is responsible for sourcing new and extended concession opportunities by seeking out new clients and developing relationships with existing clients. The Group wins new concession agreements either through a tender process in response to a request for a proposal or as a result of direct negotiation. With respect to renewals, the Group aims to discuss options for extension with the client well ahead of the expiry of the existing concession agreement without going through a competitive tender process.

When the Group participates in a tender for a concession for a new site or unit or for a renewal at an existing site or unit, it reviews the client's specifications (which can vary from wanting a specific category or brand to a broader set of requirements including commercial and customer experience criteria). The Group then prepares a proposal based on those specifications, including a financial and brand proposal. The tender process can run for up to two years and can involve multiple rounds of discussions, during which the brand and concept proposal is developed and agreed.

New contract and concession agreement renewal and extension proposals are prepared by local management and then presented to the Group Investment Committee for approval (with input from the Group's capital projects function). In deciding whether or not to pursue a potential contract (and make the associated investment), the proposal is evaluated against prescribed investment criteria, including discounted payback period, internal rate of return and net present value. The Group seeks to prioritise investments based on the expected financial returns and the strategic importance to the Group. The Group generally targets a payback time of four years or less and an internal rate of return which is greater than the weighted average cost of capital. Outside of tenders or new contract discussions, the Group may approach clients with proposals to improve facilities in advance of a contract renewal in order to secure an extension. Similarly, clients may ask the Group to agree to make improvements in exchange for a contract extension. Any such proposals are also evaluated in accordance with the above criteria. The Group's capital projects function is involved in these processes to ensure consistency across the Group in terms of discipline in tendering, procurement and capital investments as well as managing global brand relationships, where applicable.

In the current climate, clients are typically pausing tender processes, preferring to grant short- to medium-term extensions, pending market recovery. As such, and in line with the Group's current strategy of cost management, the Group currently has limited investment activity, but as set out in the strategy section above, considers that it is well positioned to take advantage of tender processes and growth opportunities as the market recovers.

### **5.3 Brands and Concepts**

#### **5.3.1 Overview of Group brands**

The Group operates over 550 brand offerings from well-known "grab & go" sandwich shops and cafés to bespoke high end bars and restaurants, which means the Group can respond to the specific needs of passengers as they travel around the world. This large selection of brands helps the Group win and retain contracts, as it gives clients confidence in the Group's ability to cater to their customers with a great selection of food and drink options. The Group's offering includes (i) international partner brands, (ii) local hero partner brands, (iii) proprietary brands developed by the Group and (iv) bespoke concepts created by the Group in collaboration with clients, brand owners and leading chefs. For the year ended 30 September 2020, the revenue split between partner brands and the Group's proprietary brands (excluding revenues from the Group's Rail Gourmet business) was 63% and 30%, respectively, with the remaining 7% representing unbranded contract catering and ancillary services.

The Group's partner brands comprise a mix of international brands such as Starbucks, Burger King, Prêt a Manger, and Yo! Sushi; national brands such as Leon in the United Kingdom, Brioche Doree in France, Hausman in Germany, and Tai Hing in Asia Pacific; and strong local brands that the Group has adapted for travel locations in partnership with local brand owners. Examples of these strong local brands include Wahlburgs in Canada, Taco Bar in Sweden, and Saboten in Singapore.

Similarly, the Group's proprietary brands comprise a mix of international and local brands. International proprietary brands include Ritazza, Upper Crust and Camden food co. Ritazza is a coffee shop specifically designed for the travel market offering traditional Italian espresso and a variety of hot and cold sandwiches, salads and pastry food offerings, which as at 30 September 2020 was present in 20 countries through 92 units across all of the Group's regions. Upper Crust is a bakery brand offering a range of freshly baked baguette sandwiches designed to be eaten on the move, which is present in 16 countries through 83 units in the United Kingdom, Continental Europe, North and South America and the Middle East. Camden food co is a concept which provides travellers with affordable and healthy food options on the go, balanced with fresh and nutritious menus, developed to meet emerging market trends, and is present in 13 countries through 44 units in the United Kingdom, Continental Europe, North America and RoW. Proprietary brands help to balance the overall commercial returns of a tender package with no franchise fees and greater flexibility in operating model.

The Group also operates a number of bespoke concepts developed in partnership with the Group's clients to meet specific requirements relating to innovation, design and food genre. Some of these bespoke concepts are created (i) in conjunction with the owner of a brand or concept, such as CNN Cafe; (ii) with leading local and international chefs, such as Alas by Hermanos Torres developed for Barcelona Airport (Spain), Terroirs de Lorraine developed with Michel Roth for Gare de Metz station (France); and (iii) internally for use in a specific locations to evoke a sense of place, such as Five Borough Food Hall, which was created for JFK Airport to celebrate New York's diverse dining scene, or the Norgesglasset Bar at Oslo Airport, which was designed by famous Norwegian agency Snøhetta and created using more than 4,000 recycled Norgesglasset jars, which are glass containers typically used for pickling and storing food.

The structure of these arrangements varies depending on the nature of the collaboration; some are structured as franchise or licence agreements whereas others are considered to be the Group's proprietary brands, with menu naming rights and consulting fees for the partner chef (where applicable). The Directors believe that bespoke concepts have been, and will continue to be, a differentiator in winning tenders for new units. A number of the Group's bespoke brands have won awards in the travel hospitality sector. For example, Five Borough Food Hall received the accolade of Airport Street Food Offer of the Year at the prestigious Moodie FAB Awards in 2018 and the Norgesglasset Bar won Airport Food & Beverage Outstanding Design of the Year Award at the 2018 Moodie Davitt FAB Awards.



The table below shows a selection of the brands and bespoke concepts operated by the Group. These brands and concepts are operated across more than one country unless stated otherwise.

|                                   | <b>Partner Brands<br/>(International)</b>  | <b>Local Heroes<br/>(National &amp; Local)</b>  | <b>Proprietary Brands<br/>(Our Brands)</b>  | <b>Bespoke Concepts</b>   |
|-----------------------------------|--|---|---|---|
| <b>Coffee Shops</b>               | <ul style="list-style-type: none"> <li>Starbucks</li> <li>Costa Coffee</li> <li>Tim Hortons (Canada and Spain)</li> <li>Illy</li> <li>Lavazza</li> <li>Segafredo</li> <li>Soho Coffee Co.</li> </ul> | <ul style="list-style-type: none"> <li>Coffee Bite (Spain)</li> <li>Café Eiffel (France)</li> <li>Madras Coffee House (India)</li> <li>Peet's Coffee (North America)</li> </ul>   | <ul style="list-style-type: none"> <li>Ritazza</li> <li>Ground Up (Australia)</li> <li>Pumpkin (UK)</li> </ul>  | <ul style="list-style-type: none"> <li>Ancora Roaster (North America)</li> <li>Valentine Coffee (North America)</li> <li>Café Rovaniemi (Finland)</li> <li>Qataf Cafe (Qatar)</li> <li>Haven</li> <li>NZZ Café (Switzerland)</li> </ul> |
| <b>Casual Dining</b>              | <ul style="list-style-type: none"> <li>Ajisen Ramen (Asia Pacific)</li> <li>Hard Rock Café (North America)</li> <li>Yo! Sushi</li> <li>TGI Fridays (Canada)</li> </ul>                               | <ul style="list-style-type: none"> <li>Tai Hing (Asia Pacific)</li> <li>Scramble (North America)</li> <li>Osteria (North America)</li> <li>Matt's Big Breakfast (North America)</li> <li>Gorms (Denmark)</li> <li>La Tramoia (Spain)</li> <li>Bastard Burgers (Sweden)</li> <li>Le Sommelier (Denmark)</li> </ul> | <ul style="list-style-type: none"> <li>Urban Crave (North America)</li> <li>Nippon Ramen (Asia Pacific)</li> <li>Cucinas (Germany)</li> </ul>   | <ul style="list-style-type: none"> <li>Tashba</li> <li>Sea Food Bar (Norway)</li> <li>Franks</li> <li>Khao Soi House (Asia Pacific)</li> <li>Five Borough Food Hall (North America)</li> <li>City Bar &amp; Grill (London)</li> </ul>   |
| <b>Fine Dining</b>                |  | <ul style="list-style-type: none"> <li>MASH (Denmark)</li> </ul>  |   | <ul style="list-style-type: none"> <li>Alas By Hermanos Torres (Spain)</li> <li>Le Train Bleu (France)</li> </ul>   |
| <b>Burger and other fast food</b> | <ul style="list-style-type: none"> <li>Burger King</li> <li>Taco Bar</li> <li>Pizza Hut</li> <li>Wahlburger</li> </ul>   | <ul style="list-style-type: none"> <li>Master Kong (Asia Pacific)</li> <li>Chee Kei (Asia Pacific)</li> <li>Mama Campo (Spain)</li> <li>YongHeKing (China)</li> <li>Roll'd (Australia)</li> <li>True Burger (North America)</li> </ul>  | <ul style="list-style-type: none"> <li>Negroni</li> <li>Tian Xia Dumplings (Asia Pacific)</li> <li>Yum Cha</li> <li>Mi Casa Burritos</li> <li>Currywurst Express (Germany)</li> </ul>               | <ul style="list-style-type: none"> <li>Jetbox Market (North America)</li> <li>Feng Yuan (Asia Pacific)</li> <li>Prima Pizza and Pasta (Estonia)</li> </ul>  |
| <b>Sandwich and Bakery</b>        | <ul style="list-style-type: none"> <li>Jamies Deli AS</li> <li>Brioche Dorée (France)</li> <li>Prêt a Manger (France and Switzerland)</li> </ul>   | <ul style="list-style-type: none"> <li>Oberweis (Luxembourg)</li> <li>Naked (France)</li> <li>Heberer</li> <li>Backwerk (Germany)</li> <li>Samson (Norway)</li> <li>Kamps (Germany)</li> </ul>  | <ul style="list-style-type: none"> <li>Camden food co</li> <li>Panopolis</li> <li>Upper Crust</li> <li>Bonne Journee (France)</li> <li>Tarte Julie (France)</li> <li>The Pasty Shop (UK)</li> </ul> | <ul style="list-style-type: none"> <li>Creative Croissants (North America)</li> <li>Akevittbaren (Norway)</li> </ul>  |
| <b>Bars</b>                       | <ul style="list-style-type: none"> <li>O'Learys</li> <li>Heineken Bar</li> <li>Distillery Bar</li> </ul>   | <ul style="list-style-type: none"> <li>Enrique Tomás (Spain)</li> <li>Four Peaks Brewery (North America)</li> <li>Tap and Pour (North America)</li> </ul>   | <ul style="list-style-type: none"> <li>Cabin</li> <li>Bill Bentley</li> <li>Le Grand Comptoir</li> <li>Beer Bar</li> <li>1300 Bar (North America)</li> </ul>  | <ul style="list-style-type: none"> <li>Norgesglaset Bar (Norway)</li> <li>Aviator (Asia Pacific)</li> <li>Hunter Bar (Norway)</li> <li>Gastro Bar</li> <li>Rebar No. 9 (North America)</li> </ul>                                       |
| <b>Ice Cream &amp; Indulgence</b> | <ul style="list-style-type: none"> <li>Dunkin' Donuts</li> <li>Baskin Robbins</li> <li>Dairy Queen</li> <li>Haagen Dazs</li> <li>Ben &amp; Jerry's</li> </ul>  |   | <ul style="list-style-type: none"> <li>Millies Cookies</li> </ul>   |   |
| <b>Convenience / Retail</b>       | <ul style="list-style-type: none"> <li>M&amp;S Simply Food (UK)</li> <li>WH Smith (Nordics)</li> <li>Spar Express (Germany)</li> </ul>   | <ul style="list-style-type: none"> <li>Rail Convenience (Germany)</li> <li>Geronimi (France)</li> <li>Edeka (Germany)</li> </ul>  | <ul style="list-style-type: none"> <li>The Marketplace (Australia)</li> <li>Food for Flight (Cyprus)</li> <li>Point (Germany/Norway)</li> </ul>   | <ul style="list-style-type: none"> <li>Flavours (Norway)</li> <li>Boutiques (France)</li> <li>Capital City Grill (North America)</li> <li>Vizag Takeaway (India)</li> </ul>   |

### 5.3.2 *Brand partnerships and franchise arrangements*

The Group offers brand partners the opportunity to access new markets, new sites and new sectors which can be difficult to enter without experience in the travel environment. By partnering with the Group, brand owners can expand their brands in a capital and resource efficient manner and benefit from the Group's customer feedback process. When the Group secures a unit to be operated as a franchised brand, it uses its own resources to fit out the units, employs and manages the staff and is responsible for managing all aspects of the operation of the unit. The Group also helps brand partners to adapt their branded product and service offerings to the particular demands of the travel environment, such as developing "grab & go" product ranges or offering extended opening hours or shorter shift patterns to meet peak demand times.

Increasingly clients want to feature local businesses and to offer products on a city, regional and country basis. Consequently, the Group seeks to partner with local high street brands and to adapt their brand concept to the travel environment. The Directors believe that the Group is an attractive partner for local brands as it provides them with a presence at high volume flagship sites to which they could not have access or operate as efficiently.

The Group operates units under partner brands through licences granted to it via franchise or licence agreements. Certain contracts will grant the Group preferential or exclusive rights to operate units under a particular brand in the travel sector within a specific geographic area.

These franchise or licence agreements set out the basic principles that govern the franchisee-franchisor relationship in respect of the units operated by the Group under the partner brand. The provisions of these agreements require the Group to adhere to certain brand, operational and quality standards and set out requirements regarding product sourcing, in-house production, pricing and promotions. The Group seeks to maintain as much operational flexibility as it can in light of these specific requirements. Under its franchise agreements, the Group typically pays a sale-based franchise fee to the brand partner. Unlike concession agreements, these do not typically include a minimum fee. These fees tend to be higher for large, well-established international brands, reflecting the level of support the brand owner supplies to concession operators with respect to operating matters such as recipes, marketing and point of sale material, design support and training, than for local brands for which the Group receives significantly less support in the matters set out above. For international brands, the Group may also pay a marketing fee as it receives the benefit of the brand owner's marketing campaigns. The Group's franchise arrangements for a unit are typically coterminous with the related unit concession agreement.

Following the onset of the Coronavirus pandemic, the Group has been working with brands to lower franchise fees and to simplify ranges where possible to allow for better unit economics. As with the concession agreements these negotiations are ongoing as amendments to existing arrangements are typically being given on a rolling basis.

The collaboration for bespoke concepts varies in structure but can involve licensing or consulting style arrangements where third parties are involved.

### 5.3.3 *Proprietary brand and bespoke concept development*

Development of strong proprietary brands and bespoke concepts allows the Group to provide innovative and tailored solutions to meet client and customer needs. The Group has an experienced brand development teams that work with its local management and business development teams to identify opportunities to develop new brands and concepts.

In addition to its tried and tested proprietary brands (such as Ritazza, Upper Crust and Camden food co), the Group's brand expertise allows it to develop new proprietary brands and bespoke concepts for a particular unit or site. In some cases, where it is deemed appropriate, the Group will choose to partner with a local brand or chef in order to reinforce a sense of the locality for the client. Proprietary brands and bespoke concepts can be developed in consultation with a client and submitted as part of a tender.

The initial stage of brand and concept development involves examining the proposed unit location, considering the consumer profile and identifying the relevant market opportunity, based on the Group's own research, externally commissioned research or research undertaken by a client. This research helps to identify the emerging food and beverage trends which inform the Group's approach to a brand or concept for a given location or demographic. The research addresses not only customer demographics but also their attitudes toward food, time availability and focus on convenience.

Local management and brand development teams, in conjunction with the Group's central brand development team (where relevant), will consider any commissioned research in light of the Group's own commercial analysis of similar units in similar locations and its general experience, and from that develop the brand or bespoke concept. This stage involves creating not just the name, but the broader aspects of the brand or concept such as the broad menu concept and the overall design of the unit, where the Group's research informs unit layout, menu selection and the approach to local marketing and promotions. The Group will also develop the service and operations manuals and work with internal and external design teams to create the brand collateral required to market and operate units (e.g., menus, point of sale materials, unit fascia). The Group seeks to protect the intellectual property rights in such proprietary brands and bespoke concepts where appropriate and proportionate to do so. Brand development has not been a focus during the Coronavirus pandemic, but the Group continues to see it as an important part of its arsenal to attract and win new business going forward.

#### **5.4 Customer Research and Feedback**

The Group commissions customer research studies which allow the Group to track consumer preferences and food and beverage trends both in the market generally and for particular locations. In addition, the Group has conducted mystery shopper audits and has an online and smartphone-based consumer feedback tool which is in use across certain of the Group's markets, predominately, the UK. The latter provides the Group with operational performance data, as well as allowing it to track current customers' usage of and attitudes toward a wide variety of brands and their purchasing behaviour in the travel environment. Clients often gather their own data on passenger demographics, which the Group analyses as part of tendering for concessions and ongoing operational management. Brand partners and suppliers may also share relevant customer data and best practice with the Group. Although the Group has paused some customer research and feedback due to the Coronavirus pandemic, the Group expects to continue with such programmes as it recovers from the pandemic.

The combination of the Group's operational experience and the analysis from these research and feedback tools enables the Group to provide a more tailored offering to clients and to improve in-outlet performance through such measures as better and more effective brand mix, outlet layout, menu selection, local marketing and promotional activity and customer service.

In addition to using this information to assess and improve its operations, the Group leverages the results of its research and feedback in its tender submissions to airport and railway station operators, using it to demonstrate its insight into the demographics of travellers, their attitudes towards food and beverages and the need to focus on time availability and convenience.

#### **5.5 In-store Marketing and Customer Experience**

Across each of its sectors and regions, linked to the Group's strategy of driving sustainable growth, marketing efforts are designed to drive like-for-like sales growth through increasing customer numbers and increasing average spend per customer. The marketing function is focussed on maintaining a competitive offering within the travel environment through control of pricing, promotions and range management.

As units began to reopen following the easing of lockdown restrictions, the Group adapted its approach to in-store marketing and customer experience. The Group's main priority during this time has been the health and safety of its colleagues and customers, and the Group has implemented new hygiene and safety protocols and new operational and social distancing measures. The Group has invested in clear in-store signage to ensure customers are aware of the safety measures in place.

The Group is focused on delivering the brands and offers that customers desire in the way that customers want and expect to be served, particularly in the current environment where there is a heightened focus on health and safety. This has led to an accelerated deployment of customer-facing technology and automation as enablers of operational efficiency. Digital service technology, such as order-at-table and self-order kiosks, has been well received by safety conscious customers, but has also had the effect of driving up average transaction values and reducing labour costs.

#### **5.6 Operational Site Management**

##### **5.6.1 Site operations**

The Group operates units ranging from coffee shops, sandwich bars, takeaway restaurants, bars, and bakeries to casual and fine-dining restaurants and convenience retail units that serve a diverse group of customers, from commuters to business travellers to leisure travellers, each with different travel food and beverage requirements.

Units are typically managed under the following structure: front-line sales and service staff selling food and beverages; unit managers, who are responsible for oversight of all aspects of the operations of a particular unit; and depending on the market, multi-unit operational managers, who are responsible for a number of units at a particular site (or across sites, depending in the size of the operations within a country); and operational directors, who are responsible for a particular geographic region or category (for example, coffee shops, bars, quick service food).

Managing high passenger volumes and the complex logistics that characterise travel environments is an essential element of the Group's operating model. These complexities include longer operating hours, a range of dwell times, supply chain and logistics constraints, space limitations, security procedures and peaks and troughs in demand.

For example, food preparation presents particular challenges at airport restaurants given space constraints, fire safety concerns, the need to prepare meals in a short period of time and, in certain circumstances, 24-hour operations. The Group adapts food preparation equipment and menus to this environment and has been successful in recent years in improving operating efficiency with its increasing use of technology in food production and food service. This has improved customer experience, driven greater labour efficiency and helped in the production of a more consistent standard of food.

Careful management of supply chain and logistics is required so that the specificities of travel operations (e.g., limited, shared storage space, reduced access in terms of times and locations) do not have a negative impact on delivery of the Group's services to its customers. The Group's convenience units have similar supply chain and logistics issues with storage being a particular challenge. As with other areas of the business, the Group increasingly uses data-driven methodologies, such as optimising drop volumes and frequencies, to drive efficiencies in the supply chain.

The Group's understanding of and ability to manage these complexities allows it to consistently deliver high-quality food and beverage offerings that fulfil the requirements of clients and customers. This expertise has been key in enabling the Group to adapt to a more flexible operating model to mitigate the impact of the Coronavirus pandemic.

#### **5.6.2 *Maintaining service standards***

The Group has established standardised operating processes which have been rolled out where appropriate within the business to enable a consistent approach to the management of operations and adherence to operational and brand standards. Operations and unit profitability are managed through a range of regular in-store reviews, ongoing operational and financial reviews against pre-set targets, and regular monitoring of key performance indicators. Financial targets and results are collected through an integrated till and finance system and reviewed regularly. This allows unit managers to measure sales and unit operating profit throughout a trading day and to adjust staff resourcing and product sourcing accordingly, minimising excess labour costs and waste. This data driven approach to monitoring operations has been key during the pandemic, particularly as the Group developed and tested its leaner, more flexible operating model.

The Group seeks to maintain high standards of service, hygiene and consistency across its operations. In accordance with industry standards, the Group's units operate pursuant to regionally appropriate HACCP (Hazard Analysis Critical Control Point) documents. The Group Safety programme, supported by external advisors, monitors compliance with internal processes along with safety practices and incidents in all regions in which the Group operates against a set of key safety performance indicators, including health and safety, food safety and fire safety. This data is reported to and reviewed by the Risk Committee and the Board.

During the Coronavirus pandemic, the Group's health and safety procedures have been strengthened with additional safety measures put in place and increased reporting to the Group Executive team and Board. Additional training has been provided for all country teams on safety procedures to keep colleagues and customers safe, with regular updates reflecting the latest public health messaging and advice. The Group has provided team members with personal protective equipment and introduced additional cleaning regimes to further protect colleague and customer safety.

#### **5.6.3 *Training and development***

The Group is committed to providing all colleagues with the right skills to do their job, deliver great service and develop themselves for future opportunities. From its employee induction programme to its senior manager

development programme, SSP's employee training is focused on embedding operational discipline, an understanding of the requirements and challenges of the travel food and beverage market, best practices and a culture of innovation. For additional information on the Group's commitment to training and development, see "*—Corporate Responsibility*".

## **5.7 Supply Chain**

The Group's procurement strategy and annual plans are coordinated centrally each year to drive best practice and sharing of new initiatives. Procurement for the Group is generally managed at a country or regional level with a limited core product range procured at an international level, such as coffee, baguettes, consumable products (e.g., coffee cups and paper bags), cleaning chemicals and a number of capital equipment items such as coffee machines, ovens and furniture. Major negotiations are supported by the Group's central team.

Where possible, the Group deals directly with manufacturers or suppliers, but where it is more efficient to do so, it purchases products or services from food wholesalers or distributors on a cost-plus basis with agreed margins. The Group is also obliged to procure certain products through suppliers controlled or designated by brand partners, such as Starbucks, Burger King and M&S Simply Food and other locally-based brands.

The primary aim of the regional procurement teams, typically comprised of a head of purchasing and one or more buyers, is to ensure that the Group operates an efficient supply chain. In doing this they aim to drive savings, obtain cost efficiencies, improve working capital and contain inflationary pressures. The Group seeks to manage procurement costs through ongoing negotiation of supply agreements, product substitution where possible (such as the use of seasonal products) and supply chain efficiencies (such as consolidating deliveries, rationalising product ranges), review of specifications (such as uniforms), cost avoidance (such as energy), life cycle costing (such as equipment) and negotiating centrally to obtain greater economies of scale.

Although some aspects of corporate responsibility are not directly under the control of the Group (such as energy sourcing for most of its units, resulting in progress using renewable energy being dependent on the Group's clients), the Group is developing the supply chain CR programme and has ongoing initiatives (such as cage free eggs, removal of single use plastic and palm oil, use of certified coffee and animal welfare) over the coming years as is set out in more detail in "*—Corporate Responsibility*".

Most recently, the Group's procurement teams have been managing the impact of the Coronavirus pandemic which has resulted in consolidating ranges (both with the Group's branded and franchised units), managing stock and introducing PPE products for employees and customers.

## **5.8 Information Technology**

The Group primarily utilises a set of standard and commercially available IT applications with minimal reliance on legacy and bespoke systems in its customer-facing and back-office IT systems. These systems include electronic point of sale software, financial systems software and management information reporting software. While there is some variation in the software platforms used across the countries and regions in which the Group operates, where possible, the Group is seeking to rationalise those platforms.

Point of sale software includes payment processing and fraud detection functionality. Related systems include software which the Group uses to support its brand partner customer loyalty schemes. The output of these customer-facing systems feeds into other inventory, production, cash management, payment processing and supplier systems. This information is then processed into the Group's finance and human resources interfaces, including general ledger, accounts receivable and accounts payable systems.

The Group has a central IT team which is responsible for the strategic direction of IT provision and has established core capabilities and processes for the effective and efficient delivery of IT solutions and services. Local IT teams provide operational and first line support within the various geographies in which the Group operates.

The Group has information security policies in place with respect to access and control of its IT systems.

## **5.9 Restructuring of the Group**

On 1 July 2020, the Company announced its plans to reorganise its UK business to reflect the low level of UK passenger demand, and closure of a substantial number of units in the UK, resulting from the significant impact

of the Coronavirus pandemic on the travel industry and the Group's business. This led to the start of a collective consultation process, which resulted in roles becoming redundant from within the Group's head office and UK operations. The Group's restructuring process remains ongoing in response to changes or ending of the various furlough or government employee support schemes in the markets in which the Group operates.

In making the difficult decision to approve the proposed reorganisation of the Group's UK business, the Board took into consideration the need to protect the business and to substantially strengthen the Group's financial position in order to deliver long term sustainable growth for the benefit of all its stakeholders including its employees. In addition to the Group's UK business, redundancy programmes were carried out across the Group resulting in further redundancies from within the North America, Nordics and APAC regions during the second half of the year ended 30 September 2020.

Restructuring costs as a result of the impact of the Coronavirus pandemic amounted to £22.7 million in the year ended 30 September 2020. The charge primarily relates to redundancy costs carried out across the Group during the second half of the financial year and includes some costs related to the exit from certain contracts, most notably at Sheremetyevo Airport in Russia.

## **6. INTELLECTUAL PROPERTY**

The Group's broad portfolio of brands, including partner brands and its own proprietary brands, are protected through trade names, trademarks and service marks around the world. The Group protects its intellectual property rights by registering trademarks for its key proprietary brands, such as Upper Crust, Ritazza, Camden food co, Le Grand Comptoir and Bonne Journée.

## **7. REGULATION, HEALTH AND SAFETY AND ENVIRONMENTAL MATTERS**

The Group is subject to various laws and regulations affecting the operation of its business, in particular, national and local laws and regulations concerning product safety, occupational safety and welfare, and safety and hygiene of food. The Group manages compliance with these laws and regulations at the local level, given the greater ease of access to operations locally and ability to understand complexities in local laws and regulations. The Group provides certified training to employees at its local operations in a number of relevant areas, including food safety, occupation health and safety and fire safety.

Food safety is an integral part of the Group's business as a travel food and beverage operator. Serving food that is safe and has been purchased, distributed, stored, prepared and sold in accordance with the applicable legislation is an underlying prerequisite for its customers. The Group is subject to extensive local, regional and national laws and other requirements relating to food safety, nutrition standards, labelling, presentation and advertising of pre-packaged food, in addition to governmental food processing controls in each of the countries in which it operates. For example, from October 2021, foods that are pre-packaged for direct sale in the United Kingdom will need to have a label with a full ingredients list, with allergenic ingredients emphasised (commonly referred to as "Natasha's Law").

The Group has processes for self-audit to ensure compliance with these legal requirements and is also subject to audits from its franchise partners. The Group's commercial insurers also subject it to a level of audit to satisfy themselves that the Group is adequately controlling the risks within its businesses. They are also inspected by various national and local regulatory authorities in the ordinary course to ensure compliance with applicable regulations.

In addition, difficulties in obtaining or renewing, or the failure to obtain or renew, required licences or approvals, in relation to not only food safety but also health and environmental matters and alcohol licensing can delay or prevent the opening of concessions. The Group is also subject to laws governing employment matters such as wages, working conditions, eligibility to work requirements and overtime.

## **8. TAKEOVER REGULATION**

The City Code on Takeovers and Mergers (the "**City Code**") is issued and administered by the Takeover Panel. The Company is subject to the City Code and therefore its Shareholders are entitled to the protections afforded by the City Code.

## **8.1 Mandatory bids**

Under Rule 9 of the City Code (1) when a person acquires an interest in shares which (taken together with the shares in which he or she and persons acting in concert with him or her are interested) carry 30% or more of the voting rights of a company subject to the City Code; or (2) where a person, together with persons acting in concert with him or her is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company, but does not hold shares carrying more than 50% of the voting rights of the company subject to the City Code, and such person, or any persons acting in concert with him or her, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he or she is interested, then in either case, that person together with the person acting in concert with him or her, is normally required to extend offers in cash, at the highest price paid by him or her (or any persons acting in concert with him or her) for shares in the company within the preceding 12 months, to the holders of any class of equity share capital of that company whether voting or non-voting and also to the holders of any other transferable securities carrying voting rights.

## **8.2 Squeeze-out**

Under the Companies Act, if a “takeover offer” (as defined in section 974 of the Act) is made for a company’s shares and the offeror were to acquire or unconditionally contract to acquire, not less than 90% in value of the shares to which the offer relates and not less than 90% of the voting rights attached to those shares, within three months of the last day on which its offer can be accepted, it could acquire compulsorily the remaining 10%. It would do so by sending a notice to outstanding shareholders telling them that it will acquire compulsorily their shares to which the offer relates and then, six weeks later, it would execute a transfer of the outstanding shares under the takeover offer in its favour and pay the consideration to the company, which would hold the consideration on trust for outstanding shareholders. The consideration offered to the shareholders whose shares are acquired compulsorily under the Companies Act must, in general, be the same as the consideration that was available under the takeover offer.

## **8.3 Sell-out**

The Companies Act also gives minority shareholders a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares and at any time before the end of the period within which the offer could be accepted the offeror held or had agreed to acquire not less than 90% of the shares to which the offer relates, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror is required to give any shareholder notice of his right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of the minority shareholders to be bought out, but that period cannot end less than three months after the end of the acceptance period. If a shareholder exercises his or her rights, the offeror is bound to acquire those shares, on the terms of the offer or on such other terms as may be agreed.

# **9. CORPORATE RESPONSIBILITY**

## **9.1 Overview**

The Group’s corporate responsibility strategy is grouped around three pillars: “People and Communities”, “What we Serve” and “Our Planet” and focuses on the issues that the Group believes are most material for its business and its stakeholders. As part of its strategy, the Group is committed to supporting the UN Sustainable Development Goals.

Members of the Executive Committee are assigned responsibility for each of the Group’s sustainability policies which are coordinated by a CSR Director and overseen by the Chief Executive Officer who is responsible for guiding the ongoing development of the Group’s CSR strategy and monitors performance against its KPIs. The Board regularly reviews progress against its strategy and KPIs. As part of the Group’s due diligence process to monitor effective implementation of its policies and progress against its KPIs, each country is required to submit performance data at least every six months. The progress is monitored by the Group Executive Committee, with regular reports to the Board.

The Group is committed to maintaining high standards of health and safety for its employees and its customers at all times. All employees complete training on health and safety, and the Group monitors performance against key safety performance indicators. For additional information on the Group’s corporate responsibility strategy, see the Annual Report for the year ended 30 September 2020, described in Part 17 “*Documentation Incorporated by Reference*”.

## **9.2 People and Communities**

### **9.2.1 Employees**

The Group's employees are at the heart of its business success. The Group values and respects its employees as well as those employed in the supply chain and in local communities, and cares for their wellbeing. The Group invests in its people to enable them to reach their full potential, providing them with a positive, non-discriminatory and safe working environment where they feel engaged, recognised and can fulfil their potential.

The Group's employee engagement programme seeks to ensure that its employees are fully engaged with the business strategy and objectives and the Board has appointed Judy Vezmar as the Group's designated Non-Executive Director for employee engagement to support this programme. Employees take part in a regular cycle of briefings, huddles, employee conferences and news updates via the Group's enterprise social network. The Group ensured extensive team engagement during the Coronavirus pandemic, emphasising regular updates from the Group CEO and Regional CEOs. Further, many of the Group's markets have colleague forums or works councils to give an opportunity for the Group's employees to raise any issues or concerns relating to their workplace. The Group operates a European Works Council with the objective of providing timely and meaningful information and a forum for consultation to enhance the social dialogue across the European teams. The forum addresses employment-related transnational issues, working conditions and other interests. The Group also engages with its employees through engagement surveys. For example, a colleague satisfaction survey was conducted in Finland to understand how employees were impacted by the Coronavirus pandemic. In the Group's UK business, the surveys have been focused on specific issues ranging from new office designs to the experience of returning to work after furlough.

During 2019, the Group consulted its employees across the business as part of a programme to review and relaunch its Group Values. Employees were asked what they value in the Group, what is good about working in the Group, and what values are important to them. In 2020, the Values were launched to employees across the Group and the Group continues to work to build awareness of Values and to integrate them into its business culture.

During the latter part of the 2020 financial year, the Group developed a revised People Strategy, focused on retention, engagement and development and this is currently being launched throughout the business.

### **9.2.2 Inclusion, diversity and human rights**

The Group promotes an inclusive culture reflecting the diversity of its local communities and the customers it serves, and it respects and protects human rights throughout its business and supply chain. The Group's Equality Policy outlines its expectation that all its employees should be treated with respect and be able to work in an environment in which they can realise their potential, free of harassment and discrimination in any form. The Group provides training and guidance to all its employees to ensure they understand and comply with this policy. One of the ways in which the Group measures the success of this approach is by monitoring the number of women in senior management roles. As at 30 September 2020, 29% of the Group's Board of Directors and 23% of the senior management respectively was comprised of women. Across the Group, full and fair consideration is given to applications for employment from people with disabilities. The Group is committed to supporting colleagues with disabilities, including colleagues who experience disability during the course of their employment with the Group, with regard to training, career development and promotion.

As well as looking to promote diversity within its business, the Group also considers diversity as part of its business relationships. For example, the Group works to support minority businesses through its network of joint venture partnerships and its participation in the Airport Minority Advisory Council (AMAC), where members of the Group's American team have held leadership and advisory roles.

The Group's Supplier Code of Conduct and Human Rights Policy outlines its commitment that the people working for the Group and for its suppliers are to be treated with respect, and their health, safety and basic human rights must be protected and promoted. The Group requires that its suppliers strive to comply with the Ethical Trading Initiative base code, which the Group has adopted as its international standard, and with all relevant local and national laws and regulations. This applies across the Group's global business.

The Group's aim is that all of its suppliers around the world understand and comply with its Ethical Trade Code of Conduct and Human Rights Policy. Almost 90% of existing global suppliers (by value) have signed up to the



Group's policy, and it is built into the contracts for new suppliers. The Group requires suppliers to share their ethical trade audit performance with it, often using the Supplier Ethical Data Exchange (SEDEX) platform. Around a quarter of the Group's global suppliers (by value) share their audit data with it via SEDEX. The Group continues to work with the management teams, in particular in those countries deemed to be high risk for ethical trade and modern slavery, to ensure that they can assess the risks in their supply chain and that appropriate controls are in place. In line with the requirements of the 2015 Modern Slavery Act, the Group also operates a due diligence process to ensure that modern slavery risks are closely monitored within its business and supply chain.

The Group has a Group-wide Anti-Bribery and Anti-Corruption Policy to comply with the UK Bribery Act 2010, as well as a policy on the prevention of facilitation of tax evasion, and it periodically reviews its procedures (including due diligence on new partners) to ensure continued effective compliance in its businesses around the world. The Group's Whistleblowing Policy provides a framework to encourage and give all individuals working at all levels of the Group, confidence to 'blow the whistle' and report irregularities. The Board, (in conjunction with the Audit Committee) monitors this policy and reviews annually the number of matters reported and the outcome of any investigations.

### **9.2.3 Community partnerships**

As an employer in 35 countries, the Group is present in many communities across the world. The Group's Community Engagement Policy sets out its aims to make the communities where it works better places to live and do business, and to encourage its employees to be involved with local communities to their mutual benefit. The Group focuses many of its community engagement initiatives on supporting the development of skills for young people and those from deprived backgrounds, as well as supporting charitable causes, which are important to the Group's employees and partners in a specific location.

The Group's businesses across the world have partnerships with a wide range of local and international charities, with each country team identifying the charitable causes which is most relevant to the Group's employees and customers. The Group supports the communities in which it operates through partnerships with charitable and other local organisations. Across all of the Group's global markets, it has partnerships with more than 30 charities. The Group's units across the UK, for example, have collection tins for the SSP Foundation, a UK registered charity which makes grants to support employee nominated charities in the communities where the Group operates, as well as providing funding for projects to promote skills development for young people.

## **9.3 What the Group Serves**

The Group is passionate about providing quality products and services to its customers, and, as part of this, to offering its customers healthy choices. In addition, the Group is also committed to ensuring the safety and sustainability of products and of the supply chain behind them.

### **9.3.1 Nutritional Balance**

The Group provides customers with the information and the menu choices they need to select healthy options and to satisfy a diverse range of dietary needs. The Group takes health and nutrition in account when designing product ranges and menus and has specifically designed some of its proprietary brands to focus on providing menus with strong health credentials. The Nordics team created a new bespoke brand, Haven, focused on fresh, simple foods based around fruits, vegetables, nuts and pulses, and during the 2020 financial year, the Haven unit in Oslo Airport won second place in the Norwegian Championship Healthy Fast Food category.

### **9.3.2 Sustainable Sourcing**

The Group sources its products and ingredients with due care for the environment and the people involved in their production and manufacture. The Group's Sustainable Sourcing Policy outlines the standards which it expects its purchasing teams to implement when sourcing ingredients for its menus. Hot beverages are core to the Group's ranges worldwide, and the Group is committed to using tea, coffee and hot chocolate produced in accordance with ethical and sustainable standards, such as the Fairtrade or Rainforest Alliance certification schemes. As of February 2020, 78% of the hot beverages purchased for the Group's proprietary brands are now from certified sources under schemes such as Fairtrade or Rainforest Alliance. The Group's purchasing teams are working with suppliers to ensure the fish in certain products is sourced from well-managed marine sources and that the products are prepared with only sustainably sourced palm oil.

### **9.3.3 Animal Welfare**

The welfare of farm animals is important to the Group and is a core part of its responsible sourcing strategy, as well as an integrated part of its Responsible Sourcing Policy. The Group expects that all global suppliers meet or exceed the standards proposed by the Farm Animal Welfare Council as set out in its Farm Animal Welfare Policy which outlines the standards. The Group has set specific targets on key issues related to the welfare of chickens, firstly that 100% of the shell eggs and liquid egg products used within its global proprietary brands are from cage-free sources by 2025. Building on its existing animal welfare commitments, the Group has made a further commitment to help improve the conditions for broiler chickens across Europe through its adoption of the European Chicken Commitment (“ECC”). The Group has committed to work with its suppliers to meet the standards set out in the ECC for 100% of the chicken meat the Group sources for its proprietary brands in Europe, by 2026.

### **9.3.4 Safety**

The Group’s Safety programme monitors safety practices and incidents in all regions against a set of key safety performance indicators. These cover health and safety, food safety and fire safety and include all employees as well as temporary and agency workers.

The Group has a framework of minimum technical safety standards which must be implemented across all regions of operation and in addition to any local legal, brand or client requirements. These standards include self-audit and actions templates, quarterly safety statistic reports and an escalation process for serious safety incidents. Global Safety responsibilities are defined at country, region and Group level to ensure effective implementation, support and monitoring of the Global Safety Standards. In order to drive continued improvement, safety data is reported by all countries and reviewed by the Risk Committee and Board.

During the Coronavirus pandemic, the Group’s health and safety procedures have been strengthened with additional safety measures put in place and increased reporting to the Group Executive team and Board. Additional training was provided for country teams on steps to take to keep colleagues and customers safe, with regular updates reflecting the latest public health messaging and advice.

## **9.4 Protecting the Planet**

The Group’s Environmental Policy sets out the Group’s commitment to responsibly manage the environmental impact of its business. The Group’s core objectives are to reduce the carbon footprint of its business, through more efficient use of energy in its operations and through the specification of more efficient equipment, and to reduce waste. The Group’s waste reduction initiatives focus on reducing packaging waste, specifically single-use plastic, and reducing food waste, donating surplus food to benefit the wider community wherever possible.

### **9.4.1 Carbon footprint**

The Group works to reduce the carbon footprint of its business, improving the energy efficiency of the Group’s operations and reducing the carbon intensity of its menus through more plant-based meals. Recent carbon management programmes have focussed on improving energy efficiency within its units, notably through the installation of LED lighting and mini building management controls, such as last man out switches and temperature controls. The Group also looks to introduce new equipment that saves on both energy and maintenance costs. The Group’s total energy consumption in 2020 was 285,176,022 kWh, which represented a decrease of 18.5% compared to 2019 levels (349,945,716 kWh) and was primarily due to the fact that many units had to be closed for part of the year.

Although some aspects of corporate responsibility are not directly under the control of the Group (such as energy sourcing for most of its units, resulting in progress using renewable energy being dependent on the Group’s clients), the Group also saw a significant reduction in overall global greenhouse gas emissions in the 2020 financial year; however, the measure of intensity (emissions per £ sales) was up 27% year-on-year. This increase is due to the fact that, although many of the Group’s units were closed, there was still a requirement for certain services or equipment to remain in service.

### **9.4.2 Food waste**

The Group works to reduce food waste where it can within its operations. Country management teams have targets around food waste reduction, with performance tracked at unit, country and Group level. Waste has been

a particular focus over the last nine months as the Group has had to adapt operations in response to the Coronavirus pandemic. Waste has been reduced by moving any perishable or unsold ingredients and products from closed units and designing menus and ranges carefully to minimise unsold food waste. In addition, many country teams have partnerships with local charities whereby the Group offers them donations of unsold food at the end of the day.

#### **9.4.3 Single-use plastic**

Single-use plastic remains a key area of concern for clients and customers. The Group is replacing single-use plastic wherever it can in favour of more environmentally responsible alternatives. All of the Group's markets globally have been tasked with developing a plan to move away from the use of single-use plastic wherever viable. In the majority of the Group's European markets, plastic cutlery, stirrers and straws have been replaced with sustainable alternatives. The European teams have made progress towards replacing PET salad containers, tumblers and similar items with those made from recycled PET.

The Coronavirus pandemic has necessitated a temporary move to use more single-use packaging as customers and clients require more takeaway and disposable products. The Group is, however, committed to improving the sustainability of the packaging and will continue to focus on this area as Coronavirus restrictions lift.

### **10. RISK MANAGEMENT**

The Group's risk management framework is designed to ensure that material business risks throughout the business are identified and effectively managed on an ongoing basis. The Board has overall responsibility for the Group's risk management policies and internal control systems and in that function is responsible for monitoring those policies and systems and reviewing their effectiveness through regular risk updates and reports. The monitoring and review cover all material controls, including financial, operational and compliance controls. The Group's Annual Report reports on these functions and, in particular, its effectiveness. The Board is assisted in its risk management responsibilities by the Audit Committee and the Risk Committee. The Group recognises that these procedures are designed to manage, rather than eliminate, the risk of failure to achieve business objectives as they can only provide reasonable, but not absolute, assurance against material errors, losses, fraud or breaches of laws and regulations.

The Risk Committee and Audit Committee (as appropriate) receives periodic reports covering the effectiveness of the systems of internal control and all areas at risk. Results of the internal audit function are also reviewed, and the Risk Committee is responsible for ensuring that internal audit processes are properly coordinated and operating effectively. The Risk Committee monitors the on-going process of identifying, evaluating and managing significant risks.

The Risk Committee is not a board committee and is made up of executives only and meets quarterly, which operates under the management of and reports to the Audit Committee. The committee is chaired by the Group chief financial officer and comprises the Group general counsel, financial controller and head of financial reporting, director of business controls, senior members of internal audit and other key personnel by invitation. The committee reviews the strategic risks to the business and undertakes a rolling review of the key risks that the Group faces in order to evaluate the overall effectiveness of internal control. It is responsible for reviewing internal reports required under the Group Anti-Bribery and Corruption and Prevention of the Facilitation of Tax Evasion policies, the Group's activities in managing the risk of modern slavery and the Group's GDPR compliance strategy. The Risk Committee also determines the mitigation approach on Group material risks areas and monitors the remediation of control issues at a Group level.

The Group has an ongoing agenda to embed internal control and risk management further into the operations of the Group's business and to identify areas of improvement which come to management's and the Board's attention. As part of this process the Group reviewed its internal processes in light of the Coronavirus pandemic and made appropriate adjustments given the Coronavirus pandemic's impact on the Group. In the risk assessment process, the Group ensures that material business risks and emerging risks are identified and mitigating plans are put in place where possible and monitored on an ongoing basis. The impact of the Coronavirus pandemic on the Group's business was a key part of the 2020 risk assessment process.

A risk management action plan is in place to further enhance the Group's risk management capability; however, the Directors believe that adequate risk management processes are currently in place to enable it to identify and mitigate material areas at risk. There were no changes to the Group's internal controls that occurred during 2020 that in themselves have materially affected or are reasonably likely to materially affect the Group's reported financial position.

For further details on the Group’s approach to risk management following the onset of the Coronavirus pandemic, see the Risk Management and Principal Risks section of the Annual Report for the year ended 30 September 2020, described in Part 17 “*Documentation Incorporated by Reference*” of this Prospectus.

## 11. EMPLOYEES

The significant majority of the Group’s employees work in its food and beverage units worldwide. The average number of employed (including seasonal workers who are employed at peak times for the year to meet customer demand) by the Group during the period, analysed by category, was as follows:

|                               | <b>Year ended<br/>30 September 2020</b> | <b>Year ended<br/>30 September 2019</b> | <b>Year ended<br/>30 September 2018</b> |
|-------------------------------|---|---|---|
| Operations . . . . .          | 29,516                                  | 36, 817                                 | 34, 932                                 |
| Sales and marketing . . . . . | 164                                     | 166                                     | 182                                     |
| Administration . . . . .      | 2,093                                   | 2, 566                                  | 2, 182                                  |
| <b>Total . . . . .</b>        | <b>31,773</b>                           | <b>39, 549</b>                          | <b>37, 296</b>                          |

A substantial number of the Group’s employees are covered by some form of collective bargaining or union arrangements, principally in France, Germany, Spain, Denmark, Finland, Norway, Sweden and the United States. The Group observes local practices and legislation in its labour relations matters and in negotiating collective bargaining agreements. The Directors believe that the Group generally has good relations with its employees and their representatives. The Group is subject to minimum wage requirements and mandatory health care subsidisation in some of the jurisdictions in which it operates, notably the United States, the United Kingdom and China. The group is continually reviewing the impact of changes in such regulations, for example the National Living Wage and the Apprenticeship Levy in the United Kingdom, and the Fair Labor Standards Act (FLSA) in the United States.

The Group’s employees mainly participate in defined contribution pensions, but certain employees (in France, Germany, Norway, Spain, India and the Rail Gourmet business) participate in defined benefit plans. The total net plan liabilities of these defined benefit plans was £19.5 million as at 31 December 2020, the largest of which are Rail Gourmet (£7.0 million) and Germany (£7.0 million). For additional information on the Group’s benefit plans, see Part 16 “*Additional Information—Share Schemes*” and the employee benefits section of the Annual Report for the year ended 30 September 2020, described in Part 17 “*Documentation Incorporated by Reference*”.

## 12. PROPERTIES

The Group operates its business through a network of concession agreements, commercial agreements and property type leases but generally views these agreements as commercial contracts rather than as real property contracts.

## 13. INSURANCE

The Group maintains insurance coverage for property damage, business interruption, public and product liability, directors’ and officers’ insurance, motor insurance, airside, malicious attack and terrorism, personal accident and travel, and other cover as required by local laws and regulations.

The Group negotiates a number of insurance policies at a global level with leading insurers, with territories holding additional policies due to local statutory requirements (such as employer’s liability, workers’ compensation or motor insurance), top-ups for specific risks or in-filling of the global policy deductible, and occasionally due to historical duplication. The global policies are renewed annually.

As the impact of the Coronavirus pandemic develops, the Group anticipates that the cover available and the costs of its insurance programme may be impacted. To protect its position, the Group has notified its insurer of losses it is experiencing as the result of the disruption caused by the Coronavirus pandemic.

The Group’s insurers have been notified of a fire at Alicante Airport in January 2020, alleged to have been caused by an SSP contractor working on the ventilation ducts in the airport. The matter remains under investigation.

#### **14. MATERIAL INVESTMENTS**

The Group has not made any material investments since the last published financial statements and does not have any material investments in excess of £10 million which are in progress or for which firm commitments have already been made.

#### **15. DIVIDEND POLICY AND PAYMENTS TO SHAREHOLDERS**

Under the terms of the Group's Amended Facilities, the Company is currently restricted from declaring or paying dividends until the expiry of certain restrictions that apply during the covenant waiver and amendment period.

When these restrictions are lifted and conditions improve, the Board will consider the best way to restart the return of capital to shareholders and recognise the importance of dividends and capital returns to shareholders.

**PART 11**  
**DIRECTORS, SENIOR MANAGEMENT AND CORPORATE GOVERNANCE**

**1. DIRECTORS**

The Directors of the Company are listed below.

| <u>Name</u>           | <u>Age</u> | <u>Position</u>                           |
|-----------------------|------------|---|
| Mike Clasper .....    | 67         | Chair                                     |
| Simon Smith .....     | 49         | Chief Executive Officer                   |
| Jonathan Davies ..... | 58         | Chief Financial Officer                   |
| Carolyn Bradley ..... | 56         | Senior Independent Non-Executive Director |
| Ian Dyson .....       | 58         | Independent Non-Executive Director        |
| Judy Vezmar .....     | 64         | Independent Non-Executive Director        |
| Tim Lodge .....       | 56         | Independent Non-Executive Director        |

The business address of each of the Directors is Jamestown Wharf, 32 Jamestown Road, London, NW1 7HW, United Kingdom.

The experience and principal business activities of each of the Directors are as follows:

***Mike Clasper, Chair***

Mr Clasper joined the Board as an Independent Non-Executive Director and chair of the Nomination Committee on 1 November 2019 and was appointed Chair following the 2020 AGM in February 2020. Mr Clasper has served on boards across a wide range of businesses. He brings significant and relevant experience, particularly in the airport and aviation services industries following his time as chief executive officer of BAA plc.

Mr Clasper has held various senior executive positions including chief executive officer of BAA plc, operational managing director of Terra Firma Capital Partners Limited and president (global home care & new business development) of Procter & Gamble Limited. In addition, Mr Clasper has held various non-executive roles including chair of HM Revenue & Customs and Which? Limited and senior independent director of Serco Group plc and ITV plc. Mr Clasper graduated from the University of Cambridge with an MA in Engineering.

Mr Clasper is currently chair of Coats Group plc and chair of Bioss International Ltd. Mr Clasper is also a trustee of Heart Cells Foundation, a governor of the Royal Shakespeare Company (RSC) and an advisory board member for Arora International.

***Simon Smith, Chief Executive Officer***

Mr Smith was appointed as Chief Executive Officer in June 2019, having joined the Group as Chief Executive Officer of the UK and Ireland region in 2014 and having joined the Board in November 2018. In addition to running the Group's UK business, his role has broadened internationally, and he has taken full responsibility for the integration and development of the Group's joint venture in India, Travel Food Services, which has been the Group's largest acquisition to date.

Before joining the Group, Mr Smith was at WHSmith for ten years, most recently as managing director of WHSmith's travel division. During his tenure, the travel division expanded to more than 20 new international markets across Europe, India, the Middle East and Asia Pacific. Mr Smith has more than 25 years of experience in the retail and catering sectors, having begun his career at Fenwicks before moving to Allders Department Stores and then Safeway, where he worked in both commercial and marketing roles. He joined the travel division of WHSmith in 2004 and held the roles of trading director and chief operating officer before his promotion to managing director. Mr Smith holds a first class Economics honours degree from Leeds University.

***Jonathan Davies, Chief Financial Officer***

Mr Davies has been the Chief Financial Officer of the Group since its formation within Compass Group in 2004. Mr Davies brings significant business and operational experience to the Board and has more than 25 years' experience in the retail and catering sectors.

Mr Davies began his career in the food industry in Unilever plc's management development programme. In 1987 Mr Davies joined OC&C, the strategic management consultancy, where he was part of its rapid growth from a start-up to a leading international consulting firm for eight years. From 1995 to 2004, Mr Davies worked for Safeway PLC, where he was finance director on the executive board. He holds a degree in Chemistry from Oxford University and an MBA from INSEAD, France.

Mr Davies is a non-executive director of Assura plc, where he is senior independent director and chair of the audit committee.

***Carolyn Bradley, Senior Independent Non-Executive Director***

Ms Bradley joined the Board as an Independent Non-Executive Director in October 2018. She was appointed chair of the Remuneration Committee following the 2019 AGM and also serves as a member of the Board's Nomination and Audit Committees. Ms Bradley has extensive experience in marketing and, having worked in the retail industry for over 30 years, brings a strong consumer focus. Ms Bradley brings significant board and board committee advisory experience to the Board.

Ms Bradley spent over 25 years at Tesco, holding a number of roles including chief operating officer for Tesco.com, commercial director for Tesco Stores and Tesco UK marketing director, before being appointed group brand director in 2012. Ms Bradley was also a non-executive director of Legal and General Group plc (including as a member of the remuneration committee). Ms Bradley graduated from the University of Cambridge with an MA in English Literature.

Ms Bradley is a non-executive director of Majid Al Futtaim Retail LLC, Marston's PLC (senior independent director), The Mentoring Foundation and B&M European Value Retail S.A. She is also a trustee and deputy chair of Cancer Research UK and a member of the advisory board of Cambridge Judge Business School.

***Ian Dyson, Independent Non-Executive Director***

Mr Dyson joined the Board as an Independent Non-Executive Director in April 2014. Mr Dyson chairs the Audit Committee and also serves as a member of the Remuneration and Nomination committees. Mr Dyson brings significant financial and business experience to the Board.

Mr Dyson was formerly chief executive officer (and then non-executive director) of Punch Taverns plc, chief executive officer of Spirit Pub Company plc, group finance and operations director at Marks & Spencer Group plc and finance director of The Rank Group plc. Prior to this, he was group financial controller of Hilton International Co. He joined Hilton from Le Meridien, a division of Forte Group plc, where he had been finance director. Mr Dyson has also been a non-executive director of Misys plc and senior independent director at Flutter Entertainment plc (previously known as Paddy Power Betfair plc). His early career was spent with Arthur Andersen where he was promoted to partner of the firm in 1994. Mr Dyson qualified as a chartered accountant in 1986.

Mr Dyson is senior independent director and chair of the audit committee at ASOS plc, and a non-executive director and the chair of the audit committee of Intercontinental Hotels Group plc.

***Judy Vezmar, Independent Non-Executive Director***

Ms Vezmar joined the Board as an Independent Non-Executive Director on 1 August 2020. She serves as a member of the Remuneration Committee and is the designated Non-Executive Director for employee engagement. Ms Vezmar has extensive knowledge of running complex, international businesses and brings significant expertise to the Board in the field of data and analytics having held senior leadership roles in the technology sector for many years, both in the US and internationally.

From 2001 to 2014, she was chief executive officer of LexisNexis International, a global provider of legal, regulatory and business information and analytics. Prior to LexisNexis, she held a number of executive leadership roles in sales, marketing and strategy within the Xerox Corporation in the United States and Europe. Ms Vezmar was a non-executive director of Rightmove plc from February 2006 to May 2015, serving on its nomination, audit and remuneration committees. Ms Vezmar holds a degree in Marketing and Business from B.S. Marian University and an MBA from Columbia University.

Ms Vezmar is currently a non-executive director and chair of the remuneration committee of Ascential plc, a specialist information, data and analytics company. She is also a business adviser to Gypsy Bean Coffee Roasters in Florida.

***Tim Lodge, Independent Non-Executive Director***

Mr Lodge joined the Board as an Independent Non-Executive Director on 1 October 2020 and serves as a member of the Board’s Audit Committee. Mr Lodge has a strong finance and accounting background and brings relevant food and beverage sector and supply chain experience to the Board.

Mr Lodge held various positions with Tate & Lyle plc from 1988 to 2014, including six years as chief financial officer from 2008. More recently, he was chief financial officer at COFCO International Limited, the international agriculture supply chain company, and the Nidera group, part of the COFCO International group. He was also a non-executive director and audit chair at Aryzta. Mr Lodge holds an MA in Classics from the University of Cambridge and is a Fellow of the Chartered Institute of Management Accountants.

Mr Lodge is currently a non-executive director and chair of the audit committee of Arco Limited, experts in safety, and a non-executive director and designate chair of the audit committee of Serco Group plc, specialists in the delivery of essential public services. He is also a director of An African Canvas (UK) Limited, trustee and chair of trustees of the Royal Free London Nurses and Midwives Trust, trustee of Gambia School Support and chair of the management committee of the Cordwainers livery company.

**2. SENIOR MANAGERS**

The Company’s Senior Managers are as follows:

| <u>Name</u>               | <u>Age</u> | <u>Position</u>         |
|---------------------------|------------|-------------------------|
| Simon Smith . . . . .     | 49         | Chief Executive Officer |
| Jonathan Davies . . . . . | 58         | Chief Financial Officer |

***Simon Smith, Chief Executive Officer***

Mr Smith’s biography is included above. See “—Directors”.

***Jonathan Davies, Chief Financial Officer***

Mr Davies’ biography is included above. See “—Directors”.

**3. CORPORATE GOVERNANCE CODE**

The Company recognises the importance of, and is committed to, high standards of corporate governance. The following sections explain how the Company has applied the main and supporting principles set out in the Corporate Governance Code issued by the Financial Reporting Council. The Directors considered that during the year ended 30 September 2020, the Company was in compliance with the provisions set out in the UK Corporate Governance Code, other than as set out in the Corporate Governance Report of the Annual Report for the year ended 30 September 2020, as described in Part 17 “Documentation Incorporated by Reference” of this Prospectus.

**4. BOARD STRUCTURE**

The Company is headed by a Board of Directors, comprising the Chair, two Executive Directors and four Non-Executive Directors, all of whom are determined by the Board to be independent.

The offices of Chair and Chief Executive Officer are held separately, and both officers have clearly defined roles and responsibilities. A summary of the key responsibilities of the Chair, Chief Executive Officer and Senior Independent Director is available on the Company’s website at <https://investors.foodtravelexperts.com/investors/corporate-governance.aspx>. The Senior Independent Director is currently Carolyn Bradley.

The Board of the Company is responsible for setting the Group’s objectives and policies and for the stewardship of the Group’s resources. The Board’s principal responsibility is to act in the best interests of the Shareholders and is responsible to the Shareholders for the overall management of the Group.



The Board considers all of the Non-Executive Directors to be independent of management and in character and judgement, and therefore free from any business or other relationship that could interfere with the exercise of their independent judgement. The Chair and Senior Independent Non-Executive Director are available to meet shareholders, as required.

The Corporate Governance Code requires a company to state its reasons if it determines that a director is independent in certain circumstances, including where a director indirectly has a material business relationship with the Company as a director of a body that has such a relationship with the Company, or has had in the last three years, and where a director has served on the Board for more than nine years. A summary of the Group's reasons in respect of the Company's Non-Executive Directors being considered independent is contained on pages 44 to 48 of the Annual Report for the year ended 30 September 2020, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

All Directors have access to the advice and services of the Company Secretary, who is responsible to the Board for ensuring that Board procedures are complied with. The appointment and removal of the Company Secretary are matters for the Board as a whole. Any Director, wishing to do so in furtherance of his or her duties, may take independent advice at the Company's expense.

The Company maintains an appropriate level of directors' and officers' insurance in respect of legal action against the Directors.

The Group's governance structure is designed to ensure that all decisions are made by the most appropriate people, in such a way that the decision-making process itself does not unnecessarily delay progress. As envisaged by the Corporate Governance Code, the Board has delegated specific responsibilities to the Nomination, Remuneration and Audit Committees, as described below. Each committee has terms of reference that the Board has approved. Board and committee papers, including detailed financial information, strategic reports and operational overviews, are circulated in advance of each meeting to ensure that all Board members are fully briefed and supplied with the information they need in a timely manner.

## **5. AUDIT COMMITTEE**

The Audit Committee is appointed by the Board, and its primary function is to assist the Board in fulfilling its oversight responsibilities in monitoring the integrity of the Group's financial reporting, overseeing and reviewing the Group's internal control and risk management processes, monitoring the effectiveness of internal audit, and overseeing the relationship with the Group's external auditors. The Audit Committee meets at least three times a year, timed to coincide with key dates in the financial reporting and audit cycle.

All members of the Audit Committee are non-executive directors. The Audit Committee is chaired by Ian Dyson and the other members of the committee are Carolyn Bradley and Tim Lodge. The Audit Committee's role and responsibilities are set out in its Terms of Reference, which are reviewed annually and approved by the Board. Further details of the Audit Committee's remit and activities are contained in the Audit Committee report on pages 56 to 61 of the Group's Annual Report for the year ended 30 September 2020, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

## **6. NOMINATION COMMITTEE**

The Nomination Committee is responsible for regularly reviewing the structure, size and composition of the Board, advising on succession planning and making appropriate recommendations to ensure the Board retains an appropriate mix of skills, experience, knowledge and backgrounds. The Nomination Committee is also responsible for reviewing the Group's senior executive needs. The Nomination Committee meets as required to select and propose to the Board suitable candidates of appropriate calibre for appointment as directors. In addition, the Nomination Committee advises the Board on significant developments in the law and practice of corporate governance. The Nomination Committee meets at least twice a year.

The Nomination Committee is chaired by the Chair, Mike Clasper. The other members of the Nomination Committee are Ian Dyson and Carolyn Bradley. The Nomination Committee's role and responsibilities are set out in its Terms of Reference, which are reviewed annually and approved by the Board. Further details of the Nomination Committee's remit and activities are contained in the corporate governance report on pages 55 and 56 of the Group's Annual Report for the year ended 30 September 2020, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

## **7. REMUNERATION COMMITTEE**

The Remuneration Committee is responsible for making recommendations on remuneration policy for the Chair, Executive Directors and Senior Management taking into account the principles of clarity, simplicity, risk, predictability, proportionality and alignment to culture. The Remuneration Committee meets at least twice a year.

The Remuneration Committee is chaired by Carolyn Bradley. The other members of the Remuneration Committee are Ian Dyson and Judy Vezmar. The Remuneration Committee's role and responsibilities are set out in its Terms of Reference, which are reviewed annually and approved by the Board. Further details of the Remuneration Committee's remit and activities are contained in the Remuneration Committee report on pages 62 to 85 of the Group's Annual Report for the year ended 30 September 2020, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

## PART 12

### OPERATING AND FINANCIAL REVIEW

*The financial information for the years ended 30 September 2020, 2019 and 2018 below has been extracted without material adjustment from the Annual Reports for each of the years ended 30 September 2020, 2019 and 2018. Each of the Annual Reports for the years ended 30 September 2020, 2019 and 2018 (including the independent auditor's reports in the Company's audited historical financial information) are incorporated by reference in this Prospectus as described in Part 17 "Documentation Incorporated by Reference". The unaudited financial information for the Group for the three-month periods ended 31 December 2019 and 2020 has been extracted from the unaudited interim financial statements included in Part 13 "Financial Information of the Group".*

*You should read the information below in conjunction with the Group's audited historical financial information and the independent auditor's reports contained in the Annual Report for each the years ended 30 September 2020, 2019 and 2018 and unaudited historical financial information for the three-month periods ended 31 December 2020 and 2019 alongside the detailed information included in this Prospectus in Part 10 "Business Description" and the other information incorporated by reference into this Prospectus and you should not rely solely on key and summarised information.*

*Some of the information in the review set forth below and elsewhere in this Prospectus and in the information incorporated by reference into this Prospectus includes forward-looking statements that involve risks and uncertainties. The Group's actual results may differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this Prospectus, including under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements".*

#### **Overview**

The Group is a leading operator of branded food and beverage units in travel locations across 35 countries in the United Kingdom, Europe, North America, India, Asia Pacific, the Middle East and South America. Headquartered in London, the Group operates its units under concession agreements with clients, who are typically the owners and operators of airports and railway stations. Prior to the Coronavirus pandemic, the Group served on average one and a half million customers daily with a diverse range of food and beverage products.

The emergence of the Coronavirus pandemic in February 2020 confronted the Group with a sudden and material adverse impact on the global travel market, including the air and rail travel sectors which are the Group's key areas of operation, as wide-ranging measures were implemented across the world in an attempt to contain the spread of the virus. As at 7 March 2021, only 827 of the Group's units were open and trading. The following discussion includes operational data in respect of units and sites which have been closed for periods of time or during the Coronavirus pandemic and, where indicated, includes financial and operational data from the year ended 30 September 2019, which the Directors believe is more useful in developing an understanding of the Group's results of operations in a normalised environment. For details on the Group's approach to re-opening units, see "*—Strategy—Recovery*".

As at 30 September 2020, the Group's portfolio comprised 2,721 units at 635 sites, including 1,702 at airports and 756 at railway stations, including operations with joint venture partners. It also operates units at motorway service areas, certain leisure locations and hospitals as well as operating Rail Gourmet, an on-board rail catering business. The percentage share of revenue in the year ended 30 September 2020 is broadly consistent with previous financial years and includes 60% from airports, 33% from railway stations and 7% from other operations.

The Group provides a wide range of quality food and beverage offerings through an extensive portfolio of branded units and concepts, including coffee shops, sandwich bars, takeaway restaurants, bars, bakeries, casual and fine-dining restaurants and convenience retail units, which are tailored for customers in travel environments. These units are operated under more than 550 brands, including: (i) international brands such as Starbucks, Burger King and M&S Simply Food; (ii) local hero brands, such as Brioche Doree (France), Leon (UK), Tai Hing (Asia Pacific), and True Burger (US); (iii) the Group's own proprietary brands such as Ritazza, Le Grand Comptoir, Millie's Cookies, Camden food co and Upper Crust and (iv) bespoke concepts created by the Group in collaboration with clients, brand owners and leading chefs such as Five Borough Food Hall (US), Norgessglasset Bar (Norway) and Alas by Hermanos Torres (Spain).

The Group's branding and proposition to clients is as "*The Food Travel Experts*", providing a wide range of quality food and beverage products to a broad variety of customers in the travel environment. All of the Group's units, from quick-service to fine-dining, are developed or tailored to be run in operationally high-volume travel locations. The Group's mission is to give customers an experience that exceeds their expectations and those of their clients. This client proposition is founded on a deep understanding of its diverse customer base; a clear understanding of food and beverage trends; an extensive range of brands and concepts; and expertise in successfully operating food and beverage units in operationally demanding travel locations. This proposition, along with the Group's approach of combining local insight and relationships with international scale, has enabled the Group to develop market-leading positions in many countries and channels, to build strong and long-term client relationships and, prior to the Coronavirus pandemic, to deliver a strong financial performance.

Since its IPO in 2014, the Group delivered consistent year-on-year revenue growth at an average compound annual growth rate of 8.9% between the years ended 30 September 2014 and 30 September 2019, increasing revenues 53% from £1,827 million to £2,795 million. Over the same period, Underlying Operating Profit increased by 150%, from £88.5 million to £221.1 million, and Underlying Operating Profit margin expanded by 310 basis points, from 4.8% to 7.9%.

### **Key factors affecting the Group's Results of Operations**

The results of the Group's operations have been, and will continue to be, affected by many factors, some of which are beyond the Group's control. This section sets out certain key factors the Directors believe have affected the Group's results of operations in the period under review and could affect its results of operations in the future.

#### ***Coronavirus pandemic***

The Coronavirus pandemic, and subsequent government restrictions implemented in response, has resulted in a significant reduction in air and rail passengers, particularly in international travel. As a result, the Group's revenues in April and May 2020 decreased by 95% as the air and rail markets largely closed in the countries in which the Group operates globally. In response to the drastic decrease in travel, the Group hibernated its business as the Coronavirus spread globally, closing 90% of its approximately 2,800 units. In addition, as a consequence of the Coronavirus pandemic, working patterns have transformed and a significant number of office workers, particularly in cities, have been working from home during the pandemic and may continue to do so in the future. This has led to a sharp reduction in the amount of workers commuting, resulting in a decrease in rail passengers and therefore reducing the level of consumer demand in the Group's food and beverage units in railway stations.

Beginning in June 2020, the Group started to see some recovery in air and rail travel led by Continental Europe, notably in the rail and motorway service areas businesses in Germany and France. During the summer months, domestic and regional short haul air travel began to partially recover as people sought to travel for holidays. In response, the Group reopened some of its units and as at 30 September 2020 the Group had over a third (approximately 1,200) of its units open. Upon the reopening of its units however, the Group has had to adapt to a higher level of health and safety requirements, resulting in additional costs to introduce health and safety products, such as screen barriers, other personal protective equipment and new technology to facilitate social distancing. In addition, governmental restrictions in certain areas where the Group operates have required it to reduce the capacity in its units.

Since the gradual reopening of its units over the summer and early autumn of 2020, the Group has seen the impact of renewed regional and national lockdowns, governmental advice to work from home and an increasing number of travel destinations being subject to quarantine periods as a result of a second wave of the Coronavirus pandemic in various countries. As a result, many of the units reopened during summer 2020 have now closed again in winter 2020/21, particularly during the extended lockdowns in January and February 2021 in the countries in which the Group operates. As vaccines are rolled out in 2021, the Group expects to see the gradual return of passenger travel to more normalised levels and expects the gradual re-opening of units during spring and summer 2021 as lockdown restrictions are relaxed.

According to the ACI, global air travel levels are not expected to return to pre-Coronavirus levels until at least 2023. In addition, longer-term structural changes in the air travel market may occur as a result of changes in consumer behaviour, preventing certain market segments from returning to pre-Coronavirus levels. It is anticipated that domestic air travel will return ahead of international travel with inter-continental travel taking longer to recover. It should be noted that despite its international borders being largely closed, China has seen a

notable recovery in domestic air passenger numbers, with winter 2020/21 domestic flight availability higher than that seen in winter 2019/20.

### ***Domestic and International Travel***

Consumer and client demand for the Group's offerings, especially with respect to its airport operations, is driven by domestic (including both air and rail) and international travel. International travel has increased over the past decade, although there can be, and have been, disruptions to international travel as a result of natural disasters, international hostilities, civil unrest, the threat of terrorism and most recently, contagious disease outbreaks.

In the rail sector, passengers in the Group's key European markets (UK, France and Germany) were estimated to total 6.0 billion in the 2019 calendar year. According to SCI Verkehr, before the Coronavirus pandemic, global rail passenger volumes (measured by passenger kilometres) were estimated to increase at an average annual rate of 3% in the period 2015 to 2025. The key driver of this growth was expected to be continued investment in rail infrastructure by European governments.

Domestic levels of travel (both rail and air) comprise approximately 60% of the Group's business and have been heavily disrupted by the Coronavirus pandemic, as governments across the world have implemented both international and domestic travel restrictions, such as regional lockdowns. The Directors believe that domestic travel markets will recover to pre-pandemic levels, although the length of this recovery period is currently uncertain.

ACI estimates that the number of air passengers globally in 2019 was approximately 9.1 billion, and that air passenger volumes have more than doubled over a 20-year period (source: ACI), despite being affected by a number of regional events during that time. In 2019, global air passenger volumes grew by 3.5%, with international air passenger growth of 4.1% and domestic air passenger growth of 2.4%. In recent years, a number of these regional disruptions have occurred, notably terrorist attacks in various countries, the Eurozone crisis in Greece, and volcanic eruptions in Iceland, which have all impacted the number of passengers travelling, and in turn affected the Group's results of operations for its business in those countries. In all these cases, air travel has recovered to pre-disruption levels, albeit with differing timescales.

The Directors believe that, while natural disasters or civil unrest in a specific region of the world inevitably have a material impact on the Group's results of operations for its business in a particular geography, the impact of such incidents is generally minimal due to the Group's scale and the diversification of the Group's operations, both by sector and by geography. The global nature of the Coronavirus pandemic makes it unique in terms of its widespread disruption and the duration and extent of its economic effects; however, the Directors believe that, as with all previous regional disruptions and shocks to the global economy, the air market will recover to its pre-pandemic levels, although the length of this recovery period is currently uncertain.

### ***General Economic Conditions***

On a more general level, the Group's success is also dependent to a significant extent on discretionary consumer spending, which is influenced by general economic conditions, including employment, disposable income, and inflation. Passenger numbers in all travel markets tend to vary with economic growth and consumer confidence, especially in the airport sector, and therefore, the level of consumer demand in the Group's food and beverage units in airports and railway stations has been, and will continue to be, impacted by the overall economic outlook. The Group is sensitive to a recovery in economic conditions as the roll-out of the various Coronavirus vaccine programmes across the world progresses and Coronavirus measures are relaxed, which is expected to positively influence discretionary consumer spending.

### ***Competitive Landscape***

The Group's business is subject to competition from a wide variety of operators of varying sizes and covering different product categories, including other international concessions operators such as Autogrill, Lagardere and Areas, local competitors in each region and brand partners themselves, which compete with the Group by tendering for concessions in airports and railway stations. Actions taken by competitors in order to increase market share and bid aggressively to win airport concessions have historically impacted the Group's business to varying degrees. Bidding discipline is an important part of the Group's strategy and it seeks to refrain from securing concession contracts on unattractive economic terms.

With the ongoing disruption due to Coronavirus, it remains unclear how this will ultimately impact the competitive landscape, although in some markets, some local competitors have signalled that as part of their

response to the pandemic and the various restrictions imposed, they will be exiting the travel sector. There may therefore be opportunities for the Group (as well as its competitors) to selectively acquire opportunities from players who have decided to exit the travel sector.

### ***Currency Fluctuations***

The Group's business operates internationally, and its principal currencies of operation are sterling, the euro, the U.S. Dollar, the Indian Rupee, the Swedish Krona and the Norwegian Krone. The Group is therefore subject to currency exchange risks, including translation risk and economic risk. The Group has exposure to translation risk because its reporting currency is sterling and hence, fluctuations in foreign exchange rates impact the consolidation into sterling of foreign currency denominated assets, liabilities and earnings.

The Group has chosen to denominate its external borrowings in a number of currencies in order to provide a partial natural hedge for its obligation to pay interest with the cash it expects to generate from operations in each currency. The Group carries out a certain amount of hedging through purchases in the spot foreign exchange market and through entry into foreign exchange forward contracts in order to mitigate its exposure to foreign exchange risks. The Group does not enter into speculative foreign exchange positions.

### ***Concession Wins and Renewals***

The Group's business depends on its ability to renew its concessions, as well as on the successful bidding for new units primarily in airports and railway stations. The Directors believe the Group has a strong track record of contract retention, with contract retention rates during the period under review of approximately 86%, based on the annual revenue value of the contracts which are renewed in the year as a percentage of the total annual revenue value of the contracts that are expiring or are otherwise renewed in the year. This retention rate includes the loss of contracts reaching expiry which the Group chooses not to renew for commercial reasons.

Contract renewals will usually result in a renegotiation of the concession fee, together with a requirement for additional capital investment to refresh, rebrand or in some cases to relocate the Group's units in that particular location. The Group may decide to forgo new contracts or allow existing contracts to expire when its anticipated return on the related investments required is no longer attractive. Generally, the return on investment for retained contracts is higher than that for new contracts, primarily due to the fact that in some cases, lower capital investment is needed, and the Group typically has better information regarding passenger flows and purchasing behaviour. Since the start of the Coronavirus pandemic, the Group has focussed its efforts on securing short term rent relief on its contracts, seeking suspensions of MGRs. Whilst some negotiations are still ongoing, generally the Group has been successful in securing this relief during the summer, and in many markets, has secured this relief through to the end of 2020 and into 2021. As part of this negotiation process, the Group is now focussing on the negotiation of longer-term contract amendments, moving away from a fixed MGR and instead introducing an MGR per passenger, providing longer term protection to the Group for any future external disruptions and removing the need to re-negotiate rent relief in any such future event. Although these arrangements have allowed the Group to reduce certain costs since the start of the Coronavirus pandemic, they have not applied to all rental arrangements and the Group cannot be certain of the extent to which they will be available in the future. In particular, there may be increased pressure from clients to pay MGRs as passenger numbers start to recover, which will adversely affect the Group's profitability.

The Coronavirus pandemic has also impacted the Group's typical contract renewal cycle, as many of the Group's clients have delayed or cancelled their planned infrastructure investment or expansion, and correspondingly, any associated tenders for the commercial space in these infrastructure projects. While this is helpful to the Group in the short-term, as it allows for the Group to secure temporary extensions in these spaces without any further capital investment, there will be a catch-up period in renewal activity when recovery from the Coronavirus pandemic takes hold and the Group's clients begin to restart their initial plans for infrastructure investment.

The timing of contract wins and renewals can have an impact on the Group's results, particularly where a larger than average number of contracts are mobilised in any particular year, which can lead to a concentration of capital investment by the Group. In addition, new contracts typically incur pre-opening and other start-up costs, for example the costs of recruiting and training new employees. These costs are recognised in the P&L in the year they are incurred and are not capitalised.

Typically, contracts with airport clients in Europe are for between five and eight years, and in North America are for between 10 and 16 years, whilst at railway stations contracts are typically for over 10 years, benefitting from landlord-tenant protection with respect to certain of the Group's contracts with railway station operators in the

United Kingdom. In each case, the Group's calculation of average contract lengths is weighted by sales. As at 30 September 2019, approximately 55% of the Group's contracts by revenue had a remaining life of less than five years; approximately 40% of the Group's contracts by revenue had a remaining contract life of between five and ten years; and approximately 4% of the Group's contracts by revenue had a remaining life of more than ten years.

A significant proportion of the Group's rail business in the United Kingdom enjoys landlord and tenant protection, which confers favourable renewal rights to the Group. A significant redevelopment may give rise to the landlord's right to break the landlord-tenant relationship; however, in such circumstances, the landlord will be required to compensate the Group for terminating the contract.

### ***Diversity of Operations***

The diversity of the Group's operations across regions and segments means that factors affecting individual contracts or regions generally have a more limited effect at the Group level.

### ***Seasonality***

The Group's business is subject to seasonality because a significant part of its business serves the leisure sector of the travel industry, which is particularly active during the summer season in the northern hemisphere for the air sector. The Group's operating profit and net margins tend to increase in the summer as a result of higher sales and the semi-variable nature of the Group's operating cost base and are generally lower in the seasonally-weakest second quarter of the financial year.

The timing of the pandemic, arriving in Europe and North America just before Easter 2020, meant that the run up to the peak summer season was severely impacted. As some markets eased restrictions in June and July, an element of summer leisure travel was possible albeit still materially lower than in previous years due to consumer uncertainty, flight availability and changing (often at short notice) quarantine regulations and restrictions. The Group expects the historical seasonality to return in a post-Coronavirus world.

Adverse weather conditions can also result in short term fluctuations in trading patterns, particularly during the winter, when flight disruption can result in short term increases in spend per passenger, as a result of longer dwell times during departure delays.

### ***Operating Costs***

The majority of the Group's cost base comprises food and other raw materials, together with rent, wages and salaries. The Group is exposed to inflationary increases in these costs which, without a corresponding increase in revenue, or other mitigating action, will impact the Group's profitability. Where increases in food and raw materials costs cannot be fully passed on to the consumer through increases in retail prices, the Group seeks to manage the impact through improved purchasing terms and greater purchasing efficiencies. Generally, due to the nature of the environment in which it operates, the Group is able to pass through to customers the impact of any cost price inflation which it experiences. However, there are certain restrictions on the Company's ability to do this, including price benchmarking applied by both clients and brand partners.

As a significant proportion of the Group's employees are paid at or around the national minimum wage in several of the jurisdictions in which it operates, any increase in this will impact employee costs. Furthermore, as union contracts and collective bargaining agreements expire or are re-negotiated from time to time, the Group may be required to re-negotiate these in an environment of increasing wage rates. Where such increases in labour costs cannot be fully passed on through price increases, the Group seeks to mitigate this impact through continued improvements in its operating efficiency, including by optimising labour scheduling.

The mix of the Group's product offering can also impact the profile of the Group's results. For example, the Group's operations in convenience-based units, such as M&S Simply Food, WH Smith, and Spar and Point, exhibit higher sales volumes, but lower gross margins and lower labour costs as a percentage of sales than the Group's catering units. In addition, the cost base can vary significantly by geography; for example, labour costs are lower in RoW compared to the United Kingdom, North America and, in particular, Continental Europe.

Rent paid to clients and landlords is also a major cost and is typically structured as the greater of a concession fee as a percentage of sales or a MGR. In normal trading conditions, rent will vary in line with sales, with some units

paying MGR and some paying turnover-based rent. The devastating impact of the Coronavirus pandemic resulted in such a material drop in passenger numbers that previously viable contracts would have become unviable without immediate re-negotiation. The Group took action, referred to above, and obtained short and medium-term MGR relief to mitigate both the cash outflow and P&L impact. Furthermore, an increasing number of contractual MGRs in the air sector are now linked to passenger numbers, a trend that is accelerating as a result of the Coronavirus pandemic.

The Group also faces costs associated with its borrowings and liabilities, such as finance/interest expenses associated with the CCFF. The Group's Existing Facilities also contain covenants which require the Group to satisfy specified interest cover ratio tests on a semi-annual basis at 30 March and 30 September. For more information, see "*Risk Factors—Risks relating to the Group's business, operations and strategy— The Group has significant borrowings and liabilities, the amount and terms of which may limit its financial and operational flexibility or give rise to an event of default*".

### **Impact of adoption of IFRS 16**

The Group's consolidated financial statements are prepared and presented in accordance with IFRS. On 13 January 2016, the IASB published IFRS 16 (Leases), and the European Union adopted IFRS 16 on 9 November 2017, to replace IAS 17 and the related IFRIC and SIC interpretations. The new standard, applied in the year ended 30 September 2020, provides a single lessee accounting model without distinction between operating and finance leases, requiring lessees to recognise assets and liabilities for all leases with the exception of short-term and low-value leases. As a result, almost all of the Group's leases are now recognised on the consolidated balance sheet.

As many of the Group's leases are long-term property leases, these changes significantly increase both total assets and total liabilities, and have a material impact on key performance metrics, including earnings per share. In the consolidated income statement, rental charges for operating leases are replaced with depreciation of the newly recognised asset and interest on the newly recognised lease liability. This in turn impacts some of the Group's key reporting measures, including Operating Profit, which decreased as a result of a higher depreciation charge in relation to the right-of-use asset replacing the fixed element of rent previously charged to Operating Profit/Loss, and profit/loss before tax, which decreases as a disproportionate amount of interest is applied at the start of a lease.

For illustrative purposes, the following tables summarise the impact of IFRS 16 on the Group's consolidated balance sheet and consolidated income statement.

The impact of the adoption of IFRS 16 on the opening consolidated balance sheet as at 1 October 2019 is shown below:

|                          | <b>As at 30<br/>September 2019</b> | <b>Impact of IFRS 16</b> | <b>Restated as at<br/>1 October 2019</b> |
|--------------------------|------------------------------------|--------------------------|--|
|                          |                                    | <i>(£ millions)</i>      |  |
| Right-of-use asset ..... | -                                  | 1,468.9                  | 1,468.9                                  |
| Other Receivables .....  | 118.4                              | (10.9)                   | 107.5                                    |
| Other Payables .....     | (201.3)                            | 2.6                      | (198.7)                                  |
| Provisions .....         | (34.5)                             | 3.8                      | (30.7)                                   |
| Lease Liabilities .....  | -                                  | (1,464.4)                | (1,464.4)                                |

The impact of the implementation of IFRS 16 on the consolidated income statement for the year ended 30 September 2020 is as follows:

|                                     | <b>Under IAS 17</b> | <b>IFRS 16<br/>Adjustment</b> | <b>As reported under<br/>IFRS 16</b> |
|-------------------------------------|---------------------|-------------------------------|--------------------------------------|
| Revenue .....                       | 1,433.1             | -                             | 1,433.1                              |
| Underlying Operating loss .....     | (211.7)             | (103.7)                       | (315.4)                              |
| Share of loss from associates ..... | (1.7)               | (0.7)                         | (2.4)                                |
| Finance income .....                | 2.5                 | -                             | 2.5                                  |
| Finance expense .....               | (28.7)              | (27.8)                        | (56.5)                               |
| Loss before tax .....               | (239.6)             | (132.2)                       | (317.8)                              |



The impact of IFRS 16 on the closing consolidated balance sheet as at 30 September 2020 is shown below:

|                                     | <u>Under IAS 17</u> | <u>IFRS 16<br/>Adjustment</u> | <u>As reported under<br/>IFRS 16</u> |
|-------------------------------------|---------------------|-------------------------------|--------------------------------------|
| <b>Non Current Assets</b>           |                     |                               |                                      |
| Right-of-use assets .....           | -                   | 1,271.2                       | 1,271.2                              |
| Other non-current assets .....      | 1,294.9             | 9.3                           | 1,304.2                              |
|                                     | <u>1,294.9</u>      | <u>1,280.5</u>                | <u>2,575.4</u>                       |
| <b>Current Assets</b>               |                     |                               |                                      |
| Trade & Other Receivables .....     | 132.4               | (7.1)                         | 125.3                                |
| Other Current Assets .....          | 216.7               | 1.9                           | 218.6                                |
|                                     | <u>349.1</u>        | <u>(5.2)</u>                  | <u>343.9</u>                         |
| <b>Total Assets</b> .....           | <u>1,644.0</u>      | <u>1,275.3</u>                | <u>2,919.3</u>                       |
| <b>Current Liabilities</b>          |                     |                               |                                      |
| Lease liabilities .....             | -                   | (289.1)                       | (289.1)                              |
| Other Current liabilities .....     | (596.3)             | 5.9                           | (590.4)                              |
|                                     | <u>(596.3)</u>      | <u>(283.2)</u>                | <u>(879.5)</u>                       |
| <b>Non-current Liabilities</b>      |                     |                               |                                      |
| Lease liabilities .....             | -                   | (1,060.2)                     | (1,060.2)                            |
| Other non-current liabilities ..... | (779.1)             | 1.5                           | (777.6)                              |
| <b>Total Liabilities</b> .....      | <u>(779.1)</u>      | <u>(1,058.7)</u>              | <u>(1,837.8)</u>                     |
|                                     | <u>(1,375.4)</u>    | <u>(1,341.9)</u>              | <u>(2,717.3)</u>                     |
| <b>Net Assets</b> .....             | <u><b>268.6</b></u> | <u><b>(66.6)</b></u>          | <u><b>202.0</b></u>                  |
| <b>Total Equity</b> .....           | <u><b>268.6</b></u> | <u><b>(66.6)</b></u>          | <u><b>202.0</b></u>                  |

## Results of Operations

The table below presents the Group's results of operations for the periods indicated. The financial information for the Group for the three-month periods ended 31 December 2020 and 2019 has been extracted without material adjustment from the Group's interim financial statements. The financial information for the Group for the years ended 30 September 2020, 2019 and 2018 has been extracted without material adjustment from the Group's consolidated financial statements included in the Company's Annual Reports for each of the years ended 30 September 2020, 2019 and 2018.

|  | <b>Three-months ended<br/>31 December</b> |                           | <b>Year ended 30 September</b> |                           |                           |
|--|---|---------------------------|--------------------------------|---------------------------|---------------------------|
|  | <u>2020<sup>(1)</sup></u>                 | <u>2019<sup>(1)</sup></u> | <u>2020<sup>(1)</sup></u>      | <u>2019<sup>(2)</sup></u> | <u>2018<sup>(2)</sup></u> |
|  | <i>(unaudited)</i>                        |                           | <i>(£ millions)</i>            |                           |                           |
| <b>Revenue</b> .....                       | 142.7                                     | 693.3                     | 1,433.1                        | 2,794.6                   | 2,564.9                   |
| Operating costs .....                      | (277.5)                                   | (665.2)                   | (1,797.0)                      | (2,575.4)                 | (2,371.6)                 |
| <b>Operating (loss)/profit</b> .....       | (134.8)                                   | 28.1                      | (363.9)                        | 219.2                     | 193.3                     |
| Share of (loss)/profit of associates ..... | 0.5                                       | (0.6)                     | (2.4)                          | 4.1                       | 4.8                       |
| Finance income .....                       | 0.4                                       | 0.6                       | 2.5                            | 2.3                       | 2.8                       |
| Finance expense .....                      | (44.9)                                    | (14.7)                    | (62.0)                         | (28.4)                    | (18.0)                    |
| <b>(Loss)/profit before tax</b> .....      | <u>(178.8)</u>                            | <u>13.4</u>               | <u>(425.8)</u>                 | <u>197.2</u>              | <u>182.9</u>              |
| Taxation .....                             | 18.5                                      | (1.6)                     | 28.1                           | (43.7)                    | (40.2)                    |
| <b>(Loss)/profit for the period</b> .....  | <u>(160.3)</u>                            | <u>11.8</u>               | <u>(397.7)</u>                 | <u>153.5</u>              | <u>142.7</u>              |
| <b>(Loss)/profit attributable to:</b>      |   |                           |                                |                           |                           |
| Equity holders of the parent .....         | (155.2)                                   | 10.9                      | (375.0)                        | 126.9                     | 117.2                     |
| Non-controlling interests .....            | (5.1)                                     | 0.9                       | (22.7)                         | 26.6                      | 25.5                      |
| <b>(Loss)/profit for the period</b> .....  | <u>(160.3)</u>                            | <u>11.8</u>               | <u>(397.7)</u>                 | <u>153.5</u>              | <u>142.7</u>              |
| <b>(Loss)/earnings per share (pence):</b>  |   |                           |                                |                           |                           |
| Basic .....                                | (28.9)                                    | 2.4                       | (76.1)                         | 28.1                      | 24.9                      |
| Diluted .....                              | (28.9)                                    | 2.4                       | (76.1)                         | 27.7                      | 24.5                      |

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**Notes:**

- (1) Prepared in accordance with IFRS 16.
- (2) Prepared in accordance with IAS 17.

**Description of Key Line Items in the Consolidated Income Statement*****Revenue***

Revenue represents amounts for retail goods and catering services supplied to third party customers (predominantly passengers) excluding discounts, value-added tax and similar sales taxes.

***Operating profit***

Operating profit represents revenue less operating costs. Operating costs comprise cost of inventories consumed in the year, employee remuneration and overheads, which include depreciation of property, plant and equipment, amortisation of intangible assets, variable rent payable under leases (which is not covered by IFRS 16) and other overheads.

***Finance income and expenses***

Finance income comprises interest receivable on funds invested and net foreign exchange gains that are recognised in the consolidated income statement. Finance expense comprises interest payable, finance charges on shares classified as liabilities, unwinding of the discount on lease liabilities, the unwinding of the discount on provisions and net foreign exchange losses that are recognised in the consolidated income statement. Interest income and interest expense are recognised in the consolidated income statement as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

***Taxation***

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the consolidated income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. No provision is made for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available, against which the temporary difference can be utilised.

**Key performance indicators*****Revenue***

Revenue represents amounts for catering and retail goods and services sold to customers excluding value added tax and similar items. In the year ended 30 September 2020, total revenue decreased by 48.7% to £1,433.1 million (at actual exchange rates) compared to the prior financial year. The overall negative impact on revenue of the movement in currencies (principally the Euro, US Dollar, Swedish Krona, Norwegian Krone and Indian Rupee) was 0.8%. In the year ended 30 September 2019, total revenue increased by 9.0% to £2,794.6 million (at actual exchange rates) compared to the prior financial year. The overall impact on revenue of the movement in currencies (principally the Euro, US Dollar, Swedish Krona, Norwegian Krone and Indian Rupee) was 1.2%. In the year ended 30 September 2018, total revenue increased by 7.8% to £2,564.9 million (at

actual exchange rates) compared to the prior financial year. The overall negative impact on revenue of the movement in currencies (principally the Euro, US Dollar, Swedish Krona, Norwegian Krone and Indian Rupee) was 1.7%. For a reconciliation of the Group's alternative performance measures, see Part 2 "*Important Information—Alternative Performance Measures*".

#### ***Year-on-year revenue movement at constant currency***

Revenue at constant currency eliminates the impact of foreign exchange rates on reported revenue. Constant currency is based on average of the previous financial year exchange rates, weighted over the current financial year results. Revenue decreased by 47.9% in the year ended 30 September 2020 on a constant currency basis, comprising like-for-like decline of 50.8% and net contract gains of 2.9% compared to the prior financial year. Revenue increased by 7.8% in the year ended 30 September 2019 on a constant currency basis, comprising like-for-like growth of 1.9%, net contract gains of 5.6%, and an acquisition impact of 0.3% compared to the prior financial year. Revenue increased by 9.5% in the year ended 30 September 2018 on a constant currency basis, comprising like-for-like growth of 2.8%, net contract gains of 5.1%, and an acquisition impact of 1.6% compared to the prior financial year. For a reconciliation of the Group's alternative performance measures, see Part 2 "*Important Information—Alternative Performance Measures*".

#### ***Like-for-like sales***

Like-for-like sales represent revenues generated in an equivalent period in each financial year in units which have been open for a minimum for 12 months. Revenue in units which have been open for less than 12 months are excluded from like-for-like sales and classified as contract gains. Prior period revenues in respect of closed units are excluded from like-for-like sales and classified as contract losses. In the year ended 30 September 2020, like-for-like sales fell by 50.8% compared to the prior financial year. The decline was due to the impact of the Coronavirus pandemic. In the year ended 30 September 2019, like-for-like sales growth was 1.9%. The growth in the air channel in the year ended 30 September 2019 was stronger than in rail, driven by increasing passenger numbers in all of the Group's major markets. The growth remained robust despite external challenges such as protests in some major markets and continued disruption due to airport and station redevelopments, particularly in Continental Europe. In the year ended 30 September 2018, like-for-like sales growth was 2.8% compared to the prior financial year. The growth in the air channel in the year ended 30 September 2018 was strong, driven by increasing passenger numbers in all of the Group's major markets. The growth in the rail channel in the UK and Continental Europe in the year ended 30 September 2018 was impacted by strike action in some markets and an increase in disruption due to station redevelopments, particularly in London. For a reconciliation of the Group's alternative performance measures, see Part 2 "*Important Information—Alternative Performance Measures*".

#### ***Underlying operating (loss)/profit***

Underlying operating profit represents revenue less operating costs and exclude a number of items which are not considered reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence. In the year ended 30 September 2020, underlying operating profit decreased by 195.7% compared to the prior financial year to an operating loss of £315.4 million. Of the year-on-year reduction, £103.7 million was due to the introduction of IFRS 16 as mentioned above, see "*Impact of adoption of IFRS 16*". Operating loss in the year ended 30 September 2020 was £363.9 million, reflecting various non-underlying items totalling £48.5 million, including items specifically relating to the impact of the Coronavirus pandemic on the business amounting to £46.6 million. This operating loss also includes the change in accounting standards to IFRS 16, and, as such, is not directly comparable to previous year results. In the year ended 30 September 2019, underlying operating profit increased by 12.1% on a constant currency basis, and by 13.3% at actual exchange rates to £221.1 million compared to the prior financial year. Operating profit in the year ended 30 September 2019 was £219.2 million, reflecting an adjustment for the amortisation of acquisition-related intangible assets of £1.9 million. In the year ended 30 September 2018, underlying operating profit increased by 22.7% on a constant currency basis, and by 19.8% at actual exchange rates to £195.2 million compared to the prior financial year. Operating profit in the year ended 30 September 2018 was £193.3 million, reflecting an adjustment for the amortisation of acquisition-related intangible assets of £1.9 million. For a reconciliation of the Group's alternative performance measures, see Part 2 "*Important Information—Alternative Performance Measures*".

## Comparison of Results of Operations

### Results of operations for the three months ended 31 December 2020 compared to the three months ended 31 December 2019

#### *Revenue*

Revenue decreased by £550.6 million, or 79.4%, to £142.7 million in the three months ended 31 December 2020 from £693.3 million in the three months ended 31 December 2019. This decrease was primarily due to the impact of the Coronavirus pandemic on passenger numbers across all of the Group's markets.

#### *Operating costs*

Operating costs decreased by £387.7 million, or 58.2%, to £277.5 million in the three months ended 31 December 2020 from £665.2 million in the three months ended 31 December 2019. This decrease was primarily as a result of lower cost of goods and materials, significant reductions in unit labour and other overhead costs as a result of temporary unit closures, and by successfully renegotiating rents in the majority of our contracts, agreeing waivers of fixed minimum annual guarantees or securing agreement to more flexible rental structures. The year on year reduction in labour and overhead costs has been helped by the widespread provision of government support through furlough schemes and fixed cost support schemes while the majority of our units have been closed.

#### *Operating (loss)/profit*

Operating profit decreased by £162.9 million to an operating loss of £134.8 million in the three months ended 31 December 2020 from an operating profit of £28.1 million in the three months ended 31 December 2019. This decrease was primarily due to the significant reduction in year-on-year revenue as a result of the pandemic. Furthermore, the Group incurred a one-off restructuring charge during the three months ended 31 December 2020 of £9.9 million, largely relating to redundancy costs, as well as impairment charges of £25.5 million, comprising £6.9 million in relation to property, plant and equipment, £15.5 million in relation to the right-of-use asset (created under IFRS16) and £3.1 million of goodwill.

#### *Share of (loss)/profit of associates*

Share of profit of associates increased by £1.1 million to £0.5 million in the three months ended 31 December 2020 from a loss of £0.6 million in the three months ended 31 December 2019.

#### *Finance income*

Finance income decreased by £0.2 million, or 33.3%, to £0.4 million in the three months ended 31 December 2020 from £0.6 million in the three months ended 31 December 2019.

#### *Finance expense*

Finance expense increased by £25.2 million to £39.9 million in the three months ended 31 December 2020 from £14.7 million in the three months ended 31 December 2019. This increase was primarily due to a debt modification loss of £24.8 million arising as a result of amendments to the terms of the Group's borrowing facilities and US Notes during 2020.

#### *(Loss)/profit before tax*

Profit before tax decreased by £192.2 million to a loss before tax of £178.8 million in the three months ended 31 December 2020 from a profit before tax of £13.4 million in the three months ended 31 December 2019. This decrease was primarily due to the impact of the Coronavirus pandemic on the Group's operations and its assets.

#### *Taxation*

Taxation decreased by £20.1 million to a credit of £18.5 million in the three months ended 31 December 2020 from a charge of £1.6 million in the three months ended 31 December 2019. This decrease was due to the loss-making position of the Group following the impact of the Coronavirus pandemic.

### ***(Loss)/profit attributable to equity holders of the parent***

Profit attributable to equity holders of the parent decreased by £166.1 million to a loss of £155.2 million in the three months ended 31 December 2020 from a profit of £10.9 million in the three months ended 31 December 2019.

### ***(Loss)/profit attributable to non-controlling interests***

Profit attributable to non-controlling interests decreased by £6.0 million to a loss of £5.1 million in the three months ended 31 December 2020 from a profit of £0.9 million in the three months ended 31 December 2019. This decrease was primarily due to the impact of the Coronavirus pandemic on the partly owned operations in North America and in RoW.

### ***(Loss)/profit for the period***

As a result of the foregoing, profit for the period decreased by £172.1 million to a loss of £160.3 million in the three months ended 31 December 2020 from a profit of £11.8 million in the three months ended 31 December 2019.

### ***Basic earnings per share***

As a result of the foregoing, basic earnings per share decreased by 31.3 pence, to a loss of basic earnings per share of 28.9 pence in the three months ended 31 December 2020 from basic earnings per share of 2.4 pence in the three months ended 31 December 2019.

### ***Diluted earnings per share***

Diluted earnings per share decreased by 31.3 pence, to a loss of diluted earnings per share of 28.9 pence in the three months ended 31 December 2020 from earnings of 2.4 pence in the three months ended 31 December 2019.

## **Results of operations for the year ended 30 September 2020 compared to the year ended 30 September 2019**

The Group's consolidated financial statements for the year ended 30 September 2020 are prepared and presented in accordance with IFRS 16, replacing IAS 17. Therefore, the presentation of financial information for the years ended 30 September 2019 and 2020 is not directly comparable. See “—Key Factors Affecting the Group's Results of Operations—Impact of adoption of IFRS 16.”

### ***Revenue***

Revenue decreased by £1,361.5 million, or 48.7%, to £1,433.1 million in the year ended 30 September 2020 from £2,794.6 million in the year ended 30 September 2019. This decrease was primarily due to the severe impact of the Coronavirus pandemic, but also due to the continued grounding of the Boeing Max 737, the slowdown in Chinese passenger numbers, the persisting impact of the failure of Jet Airways in India and the transport sector strikes in France.

### ***Operating costs***

Operating costs decreased by £778.4 million, or 30.2%, to £1,797.0 million in the year ended 30 September 2020 from £2,575.4 million in the year ended 30 September 2019. This decrease was primarily due to the fast response during the “hibernation” period in April and May 2020, when around 90% of units were closed, followed by a systematic approach applied in the selective re-opening of multi-unit locations during the summer, offset by the Group's relatively high fixed costs of operation.

### ***Operating profit***

Operating profit decreased by £583.1 million, to a loss of £363.9 million in the year ended 30 September 2020 from profit of £219.2 million in the year ended 30 September 2019. This decrease was primarily due to a loss of sales throughout the financial year, reflecting the speed with which travel restrictions impacted markets, limiting the Group's ability to reduce labour costs at very short notice prior to the commencement of government furlough support schemes. Furthermore, the Coronavirus pandemic was identified as a trigger event for the

purposes of testing assets for impairment, which resulted in the Group taking a total impairment charge of £109.6 million, comprising £38.4 million in relation to property, plant and equipment, £38.2 million in relation to the right-of-use asset (created under IFRS16) and £33.0 million of goodwill. The adoption of IFRS 16 also resulted in an additional charge to Operating Profit of £103.7 million.

### ***Share of profit of associates***

Share of profit of associates decreased by £6.5 million, to a loss of £2.4 million in the year ended 30 September 2020 from £4.1 million in the year ended 30 September 2019. This decrease was primarily due to the impact of the Coronavirus pandemic on associate investments globally.

### ***Finance income***

Finance income increased by £0.2 million, or 8.6%, to £2.5 million in the year ended 30 September 2020 from £2.3 million in the year ended 30 September 2019.

### ***Finance expense***

Finance expense increased by £33.6 million, or 118.3%, to £62.0 million in the year ended 30 September 2020 from £28.4 million in the year ended 30 September 2019. This increase was primarily due to the interest expense on the lease liability created under the adoption of IFRS 16, together with the adoption of the debt modification rules under IFRS 9.

### ***Profit before tax***

Profit before tax decreased by £623 million, to a loss of £425.8 million in the year ended 30 September 2020 from a profit of £197.2 million in the year ended 30 September 2019. This decrease was primarily due to the impact on operations and asset values from the Coronavirus pandemic as well as the adoption of IFRS 16, resulting in an additional charge to profit before tax of £132.2 million.

### ***Taxation***

Taxation decreased by £71.8 million, to a credit of £28.1 million in the year ended 30 September 2020 compared to a charge of £43.7 million in the year ended 30 September 2019. This decrease was due to the loss-making position of the Group following the impact of the Coronavirus pandemic.

### ***Profit attributable to equity holders of the parent***

Profit attributable to equity holders of the parent decreased by £501.9 million, to a loss of £375.0 million in the year ended 30 September 2020 from £126.9 million in the year ended 30 September 2019.

### ***Profit attributable to non-controlling interests***

Profit attributable to non-controlling interests decreased by £49.3 million, to a loss of £22.7 million in the year ended 30 September 2020 from £26.6 million in the year ended 30 September 2019. This decrease was primarily due to the year-on-year change largely reflecting the impact of the Coronavirus pandemic on the partly owned operations in North America and in RoW.

### ***Profit for the year***

As a result of the foregoing, profit for the year decreased by £551 million to a loss of £397.7 million in the year ended 30 September 2020 from a profit of £153.5 million in the year ended 30 September 2019.

### ***Basic earnings per share***

As a result of the foregoing, basic earnings per share decreased by 104.2 pence, to a loss of basic earnings per share of 76.1 pence in the year ended 30 September 2020 from earnings of 28.1 pence in the year ended 30 September 2019.

### ***Diluted earnings per share***

Diluted earnings per share decreased by 103.8 pence, to a loss of diluted earnings per share of 76.1 pence in the year ended 30 September 2020 from earnings of 27.7 pence in the year ended 30 September 2019.

### **Results of operations for the year ended 30 September 2019 compared to the year ended 30 September 2018**

#### ***Revenue***

Revenue increased by £229.7 million, or 9.0%, to £2,794.6 million in the year ended 30 September 2019 from £2,564.9 million in the year ended 30 September 2018. This increase was due to like-for-like sales growth of 1.9%, net contract gains of 5.6%, 0.3% increase from acquisitions and 1.2% increase from movement in foreign exchange rates. Like-for-like sales growth was stronger in the Air segment than the Rail segment, as seen in previous years. Passenger growth in many markets was impacted by a number of headwinds, particularly in the second half of the financial year. For example, the global grounding of the Boeing 737-Max impacted a number of countries, notably North America and India, while the collapse of Thomas Cook and Jet Airways impacted the UK and India markets respectively. In Rail, the like-for-like sales growth in the UK was helped by lower disruption from industrial action than in the prior financial year, whilst in France the “*gilets jaunes*” protests negatively impacted like-for-like sales performance of the Rail business. The net contract gains of 5.6% were driven by strong gains in North America with new openings in Seattle, Los Angeles International, Oakland and New York LaGuardia Airports, and in Continental Europe, where unusually strong net contract gains were driven by new contracts at Charleroi Airport in Belgium, Montparnasse Railway Station in Paris, 22 new motorway service areas in Germany and a new contract for 29 Starbucks units in railway stations in the Netherlands.

#### ***Operating costs***

Operating costs increased by £203.8 million, or 8.6%, to £2,575.4 million in the year ended 30 September 2019 from £2,371.6 million in the year ended 30 September 2018. This increase was primarily due to increases in the cost of food and materials, labour cost, overheads and rentals payable under operating leases.

#### ***Operating profit***

Operating profit increased by £25.9 million, or 13.4%, to £219.2 million in the year ended 30 September 2019 from £193.3 million in the year ended 30 September 2018. This represents a 30bps improvement year-on-year in operating profit margin (operating profit divided by revenue), driven by the continued impact from the Group’s strategic initiatives. This improvement has come from the further optimisation of gross margins, including range and mix management, improvement in procurement and reductions in waste and loss, partially offset by a higher labour cost ratio due to significant inflationary wage pressures in the UK and North America, as well as short term labour impacts from sudden revenue drops in France, due to the “*gilets jaunes*” protests, and in Hong Kong, due to the widespread demonstrations. Concession rent fees as a percentage of sales continue to rise, in part reflecting the higher growth in the Air sector, which attracts higher rental rates than in the Rail sector.

#### ***Share of profit of associates***

Share of profit of associates decreased by £0.7 million, or 14.6%, to £4.1 million in the year ended 30 September 2019 from £4.8 million in the year ended 30 September 2018. This decrease was primarily due to one-off costs in the Company’s joint venture operations in France.

#### ***Finance income***

Finance income decreased by £0.5 million, or 17.9%, to £2.3 million in the year ended 30 September 2019 from £2.8 million in the year ended 30 September 2018. This decrease was primarily due to a decrease in foreign exchange gains on revaluation of obligation to acquire additional share of subsidiary undertakings, partially offset by an increase in interest income.

#### ***Finance expense***

Finance expense increased by £10.4 million, or 57.8%, to £28.4 million in the year ended 30 September 2019 from £18.0 million in the year ended 30 September 2018. This increase was primarily due to an increase in total interest expense on financial liabilities measured at amortised cost and the higher average levels of debt compared to 2018 as a result of the payment of the £149.8 million special dividend in April 2019, together with the full year impact of the £100.1 million special dividend paid in April 2018.

### ***Profit before tax***

Profit before tax increased by £14.3 million, or 7.8%, to £197.2 million in the year ended 30 September 2019 from £182.9 million in the year ended 30 September 2018.

### ***Taxation***

Taxation increased by £3.5 million, or 8.7%, to £43.7 million in the year ended 30 September 2019 from £40.2 million in the year ended 30 September 2018. This increase was primarily due to increased Group profits during the tax year and decreases in the amounts of deferred tax assets not previously recognised.

### ***Profit attributable to equity holders of the parent***

Profit attributable to equity holders of the parent expenses increased by £9.7 million, or 8.3%, to £126.9 million in the year ended 30 September 2019 from £117.2 million in the year ended 30 September 2018.

### ***Profit attributable to non-controlling interests***

Profit attributable to non-controlling interests increased by £1.1 million, or 4.3%, to £26.6 million in the year ended 30 September 2019 from £25.5 million in the year ended 30 September 2018. This increase was lower than in previous years, largely as a result of a reduction in the Company's joint venture partner's share of profit in the TFS business in India, following the Company's acquisition of an additional 16% of the shares during the year.

### ***Profit for the year***

As a result of the foregoing, profit for the year increased by £10.8 million or 7.6%, to £153.5 million in the year ended 30 September 2019 from £142.7 million in the year ended 30 September 2018.

### ***Basic earnings per share***

As a result of the foregoing, basic earnings per share increased by 3.2 pence, to 28.1 pence per share in the year ended 30 September 2019 from earnings of 24.9 pence per share in the year ended 30 September 2018.

### ***Diluted earnings per share***

Diluted earnings per share increased by 3.2 pence, to diluted earnings per share of 27.7 pence in the year ended 30 September 2019 from earnings of 24.5 pence in the year ended 30 September 2018.

## **Segmental Reporting**

The Group monitors the performance and strategic priorities of the Group from a geographic perspective, and in this regard has identified the following four key reportable operating segments: the UK, Continental Europe, North America and RoW. The UK includes operations in the United Kingdom and the Republic of Ireland; Continental Europe includes operations in the Nordic countries, Western Europe and Southern Europe; North America includes the United States and Canada; RoW includes operations in Eastern Europe, Middle East, Asia Pacific, India and South America. Details of the key characteristics of each segment are set out in paragraph 5.1 of Part 10 "Business Description".

The Group's Senior Management assesses the performance of these operating segments based on revenues, Underlying Operating Profit. Interest income and expenditure are not allocated to segments, as they are managed by a central treasury function, which oversees the debt and liquidity position of the Group. The non-attributable segment comprises costs associated with the Group's head office function and depreciation of central assets.

Revenue is measured in a manner consistent with that in the consolidated income statement.



The tables below present a breakdown of total revenue, underlying operating profit/(loss), non-underlying items and operating profit/(loss) by reportable segment for all the reported periods.

| Three months ended 31 December 2020 <sup>(1)</sup> |              |                    |               |        |                  |         |
|--|--------------|--------------------|---------------|--------|------------------|---------|
|  | UK           | Continental Europe | North America | RoW    | Non-attributable | Total   |
|  | (£ millions) |                    |               |        |                  |         |
| Total Revenue                                      | 30.3         | 68.0               | 26.1          | 18.3   | -                | 142.7   |
| Underlying Operating Profit/(Loss) <sup>(3)</sup>  | (23.5)       | (48.3)             | (20.4)        | (17.6) | (9.1)            | (118.9) |
| Non-underlying items <sup>(4)</sup>                | (0.5)        | (15.7)             | (0.6)         | 2.9    | (2.0)            | (15.9)  |
| Operating Profit/(Loss)                            | (24.0)       | (64.0)             | (21.0)        | (14.7) | (11.1)           | (134.8) |
| Three months ended 31 December 2019 <sup>(1)</sup> |              |                    |               |        |                  |         |
|  | UK           | Continental Europe | North America | RoW    | Non-attributable | Total   |
|  | (£ millions) |                    |               |        |                  |         |
| Total Revenue                                      | 209.7        | 244.8              | 140.4         | 98.4   | -                | 693.3   |
| Underlying Operating Profit/(Loss) <sup>(3)</sup>  | 20.9         | 0.7                | 9.5           | 7.9    | (10.4)           | 28.6    |
| Non-underlying items <sup>(4)</sup>                | (0.4)        | (0.1)              | -             | -      | -                | (0.5)   |
| Operating Profit/(Loss)                            | 20.5         | 0.6                | 9.5           | 7.9    | (10.4)           | 28.1    |
| Year ended 30 September 2020 <sup>(1)</sup>        |              |                    |               |        |                  |         |
|  | UK           | Continental Europe | North America | RoW    | Non-attributable | Total   |
|  | (£ millions) |                    |               |        |                  |         |
| Total Revenue                                      | 410.1        | 558.2              | 274.9         | 189.9  | -                | 1,433.1 |
| Underlying Operating Profit/(Loss) <sup>(3)</sup>  | (28.7)       | (148.1)            | (55.4)        | (55.6) | (27.6)           | (315.4) |
| Non-underlying items <sup>(4)</sup>                | (10.3)       | (45.4)             | (7.9)         | 18.3   | (3.2)            | (48.5)  |
| Operating Profit/(Loss)                            | (39.0)       | (193.5)            | (63.3)        | (37.3) | (30.8)           | (363.9) |
| Year ended 30 September 2019 <sup>(2)</sup>        |              |                    |               |        |                  |         |
|  | UK           | Continental Europe | North America | RoW    | Non-attributable | Total   |
|  | (£ millions) |                    |               |        |                  |         |
| Total Revenue                                      | 840.5        | 1,036.9            | 533.4         | 383.8  | -                | 2,794.6 |
| Underlying Operating Profit <sup>(3)</sup>         | 101.8        | 79.3               | 41.9          | 35.9   | (37.8)           | 221.1   |
| Non-underlying items <sup>(4)</sup>                | (1.5)        | (0.4)              | -             | -      | -                | (1.9)   |
| Operating profit/(loss)                            | 100.3        | 78.9               | 41.9          | 35.9   | (37.8)           | 219.2   |
| Year ended 30 September 2018 <sup>(2)</sup>        |              |                    |               |        |                  |         |
|  | UK           | Continental Europe | North America | RoW    | Non-attributable | Total   |
|  | (£ millions) |                    |               |        |                  |         |
| Total Revenue                                      | 798.1        | 971.7              | 436.3         | 358.8  | -                | 2,564.9 |
| Underlying Operating Profit <sup>(3)</sup>         | 89.5         | 79.5               | 27.7          | 35.7   | (37.2)           | 195.2   |
| Non-underlying items <sup>(4)</sup>                | (1.5)        | (0.4)              | -             | -      | -                | (1.9)   |
| Operating profit/(loss)                            | 88.0         | 79.1               | 27.7          | 35.7   | (37.2)           | 193.3   |

(1) Prepared in accordance with IFRS 16.

(2) Prepared in accordance with IAS 17.

(3) Underlying Operating Profit/(Loss) excludes items that are considered to be exceptional in nature. For the periods reported above, this comprised redundancy and restructuring costs and other items specifically related to the impact of the Coronavirus pandemic. It also excludes non-cash accounting adjustments relating to amortisation of intangible assets arising on acquisition.

(4) Non-underlying items include operating costs, finance expenses and tax credit as outlined in Note 7 in the Annual Report for the year ended 30 September 2020, described in Part 17 "Documentation Incorporated by Reference" of this Prospectus.

## UK

### Revenue

The Group's revenue attributable to the UK was £30.3 million for the three months ended 31 December 2020, a decrease of £179.4 million, or 85.6%, as compared to £209.7 million for the three months ended 31 December 2019, primarily due to the impact of the Coronavirus pandemic on passenger numbers in both its airport and rail businesses.

The Group's revenue attributable to the UK was £410.1 million for the financial year ended 30 September 2020, a decrease of £430.4 million, or 51.1%, as compared to £840.5 million for the financial year ended 30 September 2019. Same store like-for-like revenue decreased by 51.2%, reflecting the closure of almost all of the Group's

units in the UK and the decrease in passenger numbers resulting from the UK Government's quarantine restrictions. Further, the rail sector remained weak due to low passenger numbers and the continued government restrictions.

For the financial year ended 30 September 2019, the Group's revenue attributable to the UK was £840.5 million, an increase of £42.4 million, or 5.3%, as compared to £798.1 million for the financial year ended 30 September 2018. Same store like-for-like revenue increased by 2.4%, reflecting solid growth in the air sector and a slightly stronger performance in the rail sector, which benefited from a lower level of disruption in the rail network during the summer. Net contract gains of 2.9% included new M&S Simply Food units in two major London stations as well as three Jamie Oliver restaurants at Gatwick airport, which the Group began operating in early summer 2019.

### ***Operating profit/loss***

Operating loss attributable to the UK for the three months ended 31 December 2020 was £24.0 million, compared to a profit of £20.5 million for the three months ended 31 December 2019. Underlying Operating Loss was £23.5 million for the three months ended 31 December 2020, a decrease of £44.4 million from an underlying operating profit of £20.9 million for the three months ended 31 December 2019, driven by the significant reduction in year-on-year revenue as a result of the pandemic. Non-underlying items for the three months ended 31 December 2020 amounted to a total net charge of £0.5 million (2019: £0.4 million charge) comprised an impairment charge of £2.0 million, restructuring costs of £0.4 million and a charge for the amortisation of acquisition-related intangible assets of £0.4 million, offset by rent credits of £2.3 million.

Operating loss attributable to the UK for the financial year ended 30 September 2020 was £39.0 million, compared to a profit of £100.3 million for the financial year ended 30 September 2019. Underlying Operating Loss was £28.7 million for the financial year ended 30 September 2020, a decrease of £130.5 million from an underlying operating profit of £101.8 million for the financial year ended 30 September 2019, of which £16.3 million was due to the adoption of IFRS 16. Adjustments from operating profit/loss to Underlying Operating Loss comprised an impairment charge of £21.1 million, accelerated depreciation of £6.2 million, exceptional restructuring costs of £5.9 million and an adjustment for the amortisation of acquisition-related intangible assets of £1.5 million, offset by IFRS 16 rent credits of £24.4 million. On a pro forma IAS 17 basis, the underlying operating loss was £12.4 million, which compared to an underlying operating profit of £101.8 million in the previous year.

Operating profit attributable to the UK for the financial year ended 30 September 2019 was £100.3 million, compared to £88.0 million for the financial year ended 30 September 2018. Underlying Operating Profit was £101.8 million for the financial year ended 30 September 2019, an increase of 13.7%, from £89.5 million for the financial year ended 30 September 2018. The year-on-year growth was driven by the strong like-for-like sales and by the continued roll out of the Group's operational efficiency initiatives. Adjustments from operating profit to Underlying Operating Profit comprised amortisation of acquisition-related tangible assets (£1.5 million in the financial year ended 30 September 2019).

### **Continental Europe**

#### ***Revenue***

The Group's revenue attributable to Continental Europe was £68.0 million for the three months ended 31 December 2020, a decrease of £176.8 million, or 72.2%, as compared to £244.8 million for the three months ended 31 December 2019, primarily due to the impact of the Coronavirus pandemic on passenger numbers across the Group's markets.

The Group's revenue attributable to Continental Europe was £558.2 million for the financial year ended 30 September 2020, a decrease of £481.7 million, or 44.7%, as compared to £1,036.9 million for the financial year ended 30 September 2019. This decrease in revenue was due to a number of countries in Continental Europe announcing border closures and travel restrictions in early March 2020 following the outbreak of the Coronavirus pandemic in Italy towards the end of February. Same store like-for-like revenue decreased by 48.2%, reflecting very low levels during the third quarter of the financial year, with the majority of units closed across this period. However, the fourth quarter of the financial year saw a stronger recovery in Continental Europe compared to the rest of the Group, with weekly sales approximately 66% lower year-on-year, compared with the UK, North America and RoW, where weekly sales remained around 80-85% lower year-on-year. This was helped by

the limited return of some short haul air travel over the summer holiday period, by a stronger recovery in rail passenger numbers in Germany and France compared to the UK, with more people returning to their normal workplaces, and by the motorway business in Germany and France which, in line with government requirements, remained open throughout the crisis.

For the financial year ended 30 September 2019, the Group's revenue attributable to Continental Europe was £1,036.9 million, an increase of £65.2 million, or 6.7%, as compared to £971.7 million for the financial year ended 30 September 2018. This increase in revenue comprised a decline in same store like-for-like revenue of 0.2%, net contract gains of 6.6%, the impact of the Stockheim business in Germany and a loss of 0.5% due to movement in foreign exchange rates. The lower like-for-like sales reflected slower passenger growth across the Nordic countries and Spain, and the impact of major re-developments in a number of airports, including Copenhagen, Malaga and Las Palmas. Like-for-like sales were also impacted by the "gilets jaunes" protests in France during the first half of the financial year ended 30 September 2019. Net contract gains were unusually strong, driven by contracts at Charleroi Airport in Belgium, Montparnasse station in Paris, 22 new motorway service areas in Germany and a new contract for 29 Starbucks units in the Netherlands.

### ***Operating profit/loss***

Operating loss attributable to Continental Europe for the three months ended 31 December 2020 was £64.0 million, compared to a profit of £0.6 million for the three months ended 31 December 2019. Underlying Operating Loss was £48.3 million for the three months ended 31 December 2020, a decrease of £49.0 million from an underlying operating profit of £0.7 million for the three months ended 31 December 2019, driven by the significant reduction in year-on-year revenue as a result of the pandemic. Non-underlying items for the three months ended 31 December 2020 amounted to a total net charge of £15.7 million (2019: £0.1 million charge) comprised an impairment charge of £14.0 million, restructuring costs of £4.9 million and a charge for the amortisation of acquisition-related intangible assets of £0.1 million, offset by rent credits of £3.3 million.

Operating loss attributable to Continental Europe for the financial year ended 30 September 2020 was £193.5 million, compared to a profit of £78.9 million for the financial year ended 30 September 2019. Underlying Operating Loss was £148.1 million for the financial year ended 30 September 2020, a decrease of £227.4 million from an underlying operating profit of £79.3 million for the financial year ended 30 September 2019, driven by a much more significant impact from the Coronavirus pandemic in this region, partly due to the earlier imposition of travel restrictions compared to the UK and North America, but also as a result of the longer lead times required to reduce labour costs in response to a rapid reduction in sales. Prior to the impact of the Coronavirus pandemic, operating profit for the region had already been impacted by transport strikes in France throughout December 2019 and January 2020, the ongoing impact of the airport redevelopments in Denmark and Spain, and significant pre-opening and integration costs from new contracts and the acquisition of the Station Food business in Germany. The adoption of IFRS 16 also resulted in an additional charge to operating profit of £44.9 million compared to 2019. Adjustments from operating profit/loss to Underlying Operating Loss comprised an impairment charge of £62.2 million, exceptional restructuring costs of £8.3 million and an adjustment for the amortisation of acquisition related intangible assets of £0.4 million, offset by an IFRS 16 concession credit of £25.5 million.

Operating profit attributable to Continental Europe for the financial year ended 30 September 2019 was £78.9 million, compared to £79.1 million for the financial year ended 30 September 2018. Underlying Operating Profit was £79.3 million for the financial year ended 30 September 2019, a decrease of 0.25%, from £79.5 million for the financial year ended 30 September 2018, driven by adverse movements in foreign currency exchange rates. On a constant currency basis, underlying operating profit increased by 0.6%, with operating efficiency improvements impacted by pre-opening costs in relation to the net contract gains, disruption from the airport re-developments in Denmark and Spain, and the protests in France. Adjustments from operating profit to Underlying Operating Profit comprised amortisation of acquisition-related tangible assets (£0.4 million in the financial year ended 30 September 2019).

## **North America**

### ***Revenue***

The Group's revenue attributable to North America was £26.1 million for the three months ended 31 December 2020, a decrease of £114.3 million, or 81.4%, as compared to £140.4 million for the three months ended 31 December 2019, primarily due to the impact of the Coronavirus pandemic on passenger numbers across the region.

The Group's revenue attributable to North America was £274.9 million for the financial year ended 30 September 2020, a decrease of £258.5 million, or 48.5%, as compared to £533.4 million for the financial year ended 30 September 2019. On a constant currency basis, revenue for the financial year ended 30 September 2020 attributable to North America decreased by 47.9% year-on-year. Same store like-for-like revenue decreased by 53.1%, offset by net contract gains of 5.2%, driven principally by the significant reduction in passenger numbers during March 2020 which resulted in overall first half like-for-like sales declining by 6.5% in the first half of the financial year ended 30 September 2020. Net contract gains of 10.5% during the first half of the financial year ended 30 September 2020 were driven by new openings in Ottawa, Seattle, Oakland and New York LaGuardia Airports. Following the lockdowns during the third quarter of the financial year ended 30 September 2020, domestic air travel began to recover in many states, although international travel remained largely closed. Overall, sales fell by 90.2% in the financial year ended 30 September 2020, comprising a like-for-like sales decrease of 91.5% and net contract gains of 1.3%.

For the financial year ended 30 September 2019, the Group's revenue attributable to North America was £533.4 million, an increase of £97.4 million, or 22.3%, as compared to £436.3 million for the financial year ended 30 September 2018. On a constant currency basis, revenue increased by 16.5%, comprising like-for-like sales growth of 3.5% and net contract gains of 13%. Like-for-like growth was stronger during the first half of the financial year ended 30 September 2019, benefiting from positive trends in passenger numbers, with growth in the second half of the year affected by the grounding of the Boeing 737 Max aircraft, and by the transfer of passengers away from the Group's terminals at some airports. Net contract gains included openings at Seattle, Los Angeles International, Oakland and New York LaGuardia airports.

### ***Operating profit/(loss)***

Operating loss attributable to North America for the three months ended 31 December 2020 was £21.0 million, compared to a profit of £9.5 million for the three months ended 31 December 2019. Underlying Operating Loss was £20.4 million for the three months ended 31 December 2020, a decrease of £29.9 million from an underlying operating profit of £9.5 million for the three months ended 31 December 2019, driven by the significant reduction in year-on-year revenue as a result of the pandemic. Non-underlying items for the three months ended 31 December 2020 amounted to a total net charge of £0.6 million (2019: nil) comprised an impairment charge of £4.5 million and restructuring costs of £1.5 million, offset by rent credits of £5.4 million.

The operating loss attributable to North America for the financial year ended 30 September 2020 was £63.3 million, a decrease of £105.2 million from an operating profit of £41.9 million for the financial year ended 30 September 2019. The adoption of IFRS 16 accounted for £11.7 million of this reduction. The underlying operating loss was £55.4 million for the financial year ended 30 September 2020, a decrease of £97.3 million from the underlying operating profit of £41.9 million for the financial year ended 30 September 2019.

Operating profit attributable to North America for the financial year ended 30 September 2019 was £41.9 million, compared to an operating profit of £27.7 million for the financial year ended 30 September 2018. There were no adjustments to underlying operating profit. The growth in operating profit, along with operating margin improving by 150bps on a constant currency basis, largely reflects the region's increasing scale and its greater focus on operating efficiencies and a lower rate of depreciation. This growth came despite the lower like-for-like growth in the second half of the financial year ended 30 September 2019 and the significant new opening programme at Chicago Midway (MDW) and La Guardia (LGA) airports.

### **Rest of World**

#### ***Revenue***

The Group's revenue attributable to RoW was £18.3 million for the three months ended 31 December 2020, a decrease of £80.1 million, or 81.4%, as compared to £98.4 million for the three months ended 31 December 2019, primarily due to the impact of the Coronavirus pandemic on passenger numbers across the region.

The Group's revenue attributable to RoW was £189.9 million for the financial year ended 30 September 2020, a decrease of £193.9 million, or 50.5%, as compared to £383.8 million for the financial year ended 30 September 2019. On a constant currency basis, revenue for the financial year ended 30 September 2020 attributable to RoW decreased by 49.9% year-on-year. Same store like-for-like revenue decreased by 53.5%, offset by net contract gains of 3.6%, driven by the earlier escalation of the virus in China and across the Asia Pacific region from late January 2020. Prior to the impact of the Coronavirus pandemic, like-for-like sales growth in RoW had been steady, benefiting from an improving trend in India but impacted by the ongoing political disruption in Hong Kong.

For the financial year ended 30 September 2019, the Group's revenue attributable to RoW was £383.8 million, an increase of £25 million, or 7.0%, as compared to £358.8 million for the financial year ended 30 September 2018. On a constant currency basis, revenue increased by 4.5%, entirely driven by like-for-like sales growth. Like-for-like growth was stronger during the first half of the financial year ended 30 September 2019, driven by ongoing passenger growth in India, China and Egypt. The slower growth in the second half of the year reflected impacts from a number of external headwinds, including the cessation of Jet Airways in India, weaker Chinese passenger numbers, which impacted the entire region, and more recently, the protests in Hong Kong. Contract gains in India and Philippines were offset by the closure of units in Hong Kong and Shanghai.

### **Operating profit/loss**

Operating loss attributable to RoW for the three months ended 31 December 2020 was £14.7 million, compared to an operating profit of £7.9 million for the three months ended 31 December 2019. Underlying Operating Loss was £17.6 million for the three months ended 31 December 2020, a decrease of £25.5 million from an underlying operating profit of £7.9 million for the three months ended 31 December 2019, driven by the significant reduction in year-on-year revenue as a result of the pandemic. Non-underlying items for the three months ended 31 December 2020 amounted to a total net credit of £2.9 million (2019: nil) comprised an impairment charge of £4.8 million and restructuring costs of £1.1 million, offset by rent credits of £8.8 million.

The operating loss attributable to RoW for the financial year ended 30 September 2020 was £37.3 million, compared to an operating profit of £35.9 million for the financial year ended 30 September 2019. Underlying Operating Loss was £55.6 million for the financial year ended 30 September 2020 compared to £35.9 million for the financial year ended 30 September 2019. The adoption of IFRS 16 accounted for £30.8 million of this reduction. Depreciation and amortisation increased from £105.3 million in 2019 to £113.5 million in 2020. Adjustments from operating loss to Underlying Operating Loss comprised an impairment charge of £7.2 million and exceptional restructuring costs of £3.2 million, offset by an IFRS 16 concession credit of £28.6 million. On a pro forma IAS 17 basis, the Underlying Operating Loss was £24.8 million for the financial year ended 30 September 2020, which compared to an Underlying Operating Profit of £35.9 million for the financial year ended 30 September 2019.

The operating profit attributable to RoW for the financial year ended 30 September 2019 was £35.9 million, compared to a profit of £35.7 million for the financial year ended 30 September 2018. There were no adjustments made to operating profit. On a constant currency basis, underlying operating profit fell by 2.3%, and operating margin declined by 60bps, with the second half of the financial year ended 30 September 2019 impacted by lower like-for-like sales and the external headwinds mentioned previously, as well as the closure of units in Hong Kong and Shanghai and the costs of entering new markets such as the Philippines and Brazil.

### **Analysis by Sector**

Although the Group's operations are managed on a geographical basis, revenue information based on sector is provided in the following table.

|                    | <b>Three-months ended<br/>31 December</b> |                           | <b>Year ended 30 September</b> |                           |                           |
|--------------------|---|---------------------------|--------------------------------|---------------------------|---------------------------|
|                    | <b>2020<sup>(1)</sup></b>                 | <b>2019<sup>(1)</sup></b> | <b>2020<sup>(1)</sup></b>      | <b>2019<sup>(2)</sup></b> | <b>2018<sup>(2)</sup></b> |
|                    | <i>(unaudited)</i>                        |                           | <i>(£ millions)</i>            |                           |                           |
| Air .....          | 68.8                                      | 438.1                     | 859.8                          | 1,800.2                   | 1,638.7                   |
| Rail .....         | 52.1                                      | 215.5                     | 456.7                          | 853.9                     | 795.2                     |
| Other .....        | 21.8                                      | 39.7                      | 116.6                          | 140.5                     | 131.0                     |
| <b>Total</b> ..... | <b>142.7</b>                              | <b>693.3</b>              | <b>1,433.1</b>                 | <b>2,794.6</b>            | <b>2,564.9</b>            |

#### **Notes:**

- (1) Prepared in accordance with IFRS 16.  
(2) Prepared in accordance with IAS 17.

### **Liquidity and capital resources**

The Group's objective in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. In order to achieve this, the Group's treasury department maintains an appropriate level of funds and facilities to meet each year's planned funding requirement. The Group's primary sources of liquidity for its operations are the cash flows generated from its operations, along with bank loans, US Notes and commercial paper issuances through the CCFF.

During the Coronavirus pandemic, the Group has been funded by its existing cash resources, experiencing a monthly cash usage that has declined from its peak and levelling off at £25 million to £30 million from September 2020 to the date of this Prospectus.

## Cash flows

The table below presents a summary of the Group's cash flows for the periods indicated. The financial information for the Group for the years ended 30 September 2020, 2019 and 2018 has been extracted without material adjustment from the Group's consolidated financial statements included in the Company's Annual Reports for each of the years ended 30 September 2020, 2019 and 2018. The financial information for the Group for the three-months ended 31 December 2020 and 2019 has been extracted from the unaudited interim financial statements included in Part 13 "Financial Information of the Group".

|  | Three-months ended<br>31 December |                     | Year ended 30 September |                     |                     |
|--|-----------------------------------|---------------------|-------------------------|---------------------|---------------------|
|  | 2020 <sup>(1)</sup>               | 2019 <sup>(1)</sup> | 2020 <sup>(1)</sup>     | 2019 <sup>(2)</sup> | 2018 <sup>(2)</sup> |
|  | (unaudited)                       |                     | (£ millions)            |                     |                     |
| <b>Cash flows from operating activities</b>                                    |                                   |                     |                         |                     |                     |
| Cash flow from operations  | (18.1)                            | 53.7                | 13.4                    | 338.3               | 310.1               |
| Tax refunded / (paid)  | 0.5                               | (14.3)              | (11.0)                  | (37.1)              | (37.2)              |
| <b>Net cash flows from operating activities</b>                                | <u>(17.6)</u>                     | <u>39.4</u>         | <u>2.4</u>              | <u>301.2</u>        | <u>272.9</u>        |
| <b>Cash flows from investing activities</b>                                    |                                   |                     |                         |                     |                     |
| Dividends received from associates   | -                                 | 1.3                 | 3.6                     | 5.2                 | 3.9                 |
| Interest received  | 0.3                               | 0.6                 | 2.4                     | 2.4                 | 1.9                 |
| Purchase of property, plant and equipment                                      | (11.9)                            | (47.9)              | (120.3)                 | (175.9)             | (146.6)             |
| Purchase of other intangible assets  | (0.5)                             | (4.0)               | (17.3)                  | (18.1)              | (10.0)              |
| Acquisition in the year, net of cash and cash equivalents acquired             | -                                 | (7.3)               | (21.5)                  | (3.4)               | (19.0)              |
| Investment in associate  | -                                 | -                   | -                       | (3.0)               | (2.6)               |
| <b>Net cash flows from investing activities</b>                                | <u>(12.1)</u>                     | <u>(57.3)</u>       | <u>(153.1)</u>          | <u>(192.8)</u>      | <u>(172.4)</u>      |
| <b>Cash flows from financing activities</b>                                    |                                   |                     |                         |                     |                     |
| Equity funding from shareholders   | -                                 | -                   | 227.2                   | -                   | -                   |
| Equity raising expenses  | -                                 | -                   | (7.8)                   | -                   | -                   |
| Share buyback  | -                                 | (1.7)               | (1.7)                   | -                   | -                   |
| Receipt of bank loans  | -                                 | -                   | 32.1                    | -                   | -                   |
| Repayment of borrowings  | (0.3)                             | (10.3)              | -                       | (32.0)              | (31.5)              |
| Drawdown on revolving credit facility  | 50.0                              | -                   | -                       | 27.5                | 70.0                |
| Repayment of revolving credit facility   | -                                 | -                   | (97.5)                  | -                   | -                   |
| Drawdown on US Private Placement debt  | -                                 | 101.8               | 101.8                   | 239.8               | -                   |
| Drawdown on Covid Corporate Financing Facility                                 | -                                 | -                   | 125.0                   | -                   | -                   |
| Purchase of additional 16% stake in TFS  | -                                 | -                   | -                       | (22.4)              | -                   |
| Repayment of finance leases and other loans                                    | -                                 | -                   | -                       | (3.2)               | (1.7)               |
| Payment of lease liabilities – principal                                       | (28.5)                            | (64.9)              | (172.6)                 | -                   | -                   |
| Payment of lease liabilities – interest  | (6.9)                             | (7.4)               | (27.8)                  | -                   | -                   |
| Realisation of other financial assets  | -                                 | -                   | -                       | -                   | 5.2                 |
| Refinancing fee paid   | -                                 | -                   | -                       | (1.3)               | (2.0)               |
| Acquisition of shares in partly owned subsidiary from non-controlling interest | -                                 | -                   | (5.0)                   | -                   | -                   |
| Interest paid  | (9.0)                             | (5.6)               | (22.0)                  | (18.5)              | (13.5)              |
| Dividends paid to equity shareholders  | -                                 | -                   | (26.8)                  | (200.8)             | (145.8)             |
| Dividends paid to non-controlling interests, net of equity issued to them      | (0.8)                             | (13.0)              | (20.4)                  | (24.7)              | (19.6)              |
| Loan to associate  | -                                 | -                   | -                       | -                   | (4.2)               |
| Capital contribution from non-controlling interests                            | -                                 | 2.9                 | 3.1                     | 9.0                 | 12.4                |
| <b>Net cash flows from financing activities</b>                                | <u>4.5</u>                        | <u>1.8</u>          | <u>107.6</u>            | <u>(26.6)</u>       | <u>(130.7)</u>      |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                    | <u>(25.2)</u>                     | <u>(16.1)</u>       | <u>(43.1)</u>           | <u>81.8</u>         | <u>(30.2)</u>       |
| Cash and cash equivalents at beginning of the period                           | 185.0                             | 233.3               | 233.3                   | 147.8               | 178.1               |
| Effect of exchange rate fluctuations on cash and cash equivalents              | (4.8)                             | (7.1)               | (5.2)                   | 3.7                 | (0.1)               |
| <b>Cash and cash equivalents at end of the period</b>                          | <u>155.0</u>                      | <u>210.1</u>        | <u>185.0</u>            | <u>233.3</u>        | <u>147.8</u>        |

|   | <b>Three-months ended<br/>31 December</b> |                           | <b>Year ended 30 September</b> |                           |                           |
|---|---|---------------------------|--------------------------------|---------------------------|---------------------------|
|   | <u>2020<sup>(1)</sup></u>                 | <u>2019<sup>(1)</sup></u> | <u>2020<sup>(1)</sup></u>      | <u>2019<sup>(2)</sup></u> | <u>2018<sup>(2)</sup></u> |
|   | <i>(unaudited)</i>                        |                           | <i>(£ millions)</i>            |                           |                           |
| <b>Reconciliation of net cash flow to movement in net debt</b>  |   |                           |                                |                           |                           |
| Net increase/(decrease) in cash in the period . . . . .   | (25.2)                                    | (16.1)                    | (43.1)                         | 81.8                      | (30.2)                    |
| Cash (inflow) from movement in debt and finance leases . . . . .  | 0.3                                       | 0.3                       | (32.1)                         | 35.2                      | (36.8)                    |
| Cash (inflow) from US Private Placement debt . . . . .  | -   | (101.8)                   | (101.8)                        | (239.8)                   | (36.8)                    |
| Cash (inflow) from Covid Corporate Financing Facility . . . . .   | -   | -                         | (125.0)                        | -                         | -                         |
| Cash outflow/(inflow) from movement in Revolving Credit Facility . . . . .                                  | (50.0)                                    | 10.0                      | 97.5                           | (27.5)                    | -                         |
| Cash inflow from investment in other financial assets . . . . .   | -   | -                         | -                              | (5.1)                     | (5.2)                     |
| Change in net debt resulting from cash flows . . . . .  | (74.9)                                    | (107.6)                   | (204.5)                        | (155.4)                   | (72.2)                    |
| Change in net debt resulting from recognising lease liabilities following the adoption of IFRS 16 . . . . . | 72.7                                      | (1,430.5)                 | (1,349.3)                      | -                         | -                         |
| Currency translation (losses)/gains . . . . .   | 11.8                                      | 19.3                      | (2.0)                          | (0.6)                     | (1.0)                     |
| Other non-cash movements . . . . .  | (25.9)                                    | (1.0)                     | (1.4)                          | 7.3                       | 0.7                       |
| <b>Increase in net debt in the period . . . . .</b>   | <u>(16.3)</u>                             | <u>(1,521.0)</u>          | <u>(1,557.2)</u>               | <u>(148.7)</u>            | <u>(72.5)</u>             |
| <b>Net debt at beginning of the period . . . . .</b>  | <u>(2,040.6)</u>                          | <u>(483.4)</u>            | <u>(483.4)</u>                 | <u>(334.7)</u>            | <u>(262.2)</u>            |
| <b>Net debt at end of the period . . . . .</b>  | <u>(2,056.9)</u>                          | <u>(2,003.2)</u>          | <u>(2,040.6)</u>               | <u>(483.4)</u>            | <u>(334.7)</u>            |

**Notes:**

- (1) Prepared in accordance with IFRS 16.  
(2) Prepared in accordance with IAS 17.

***Net cash flows from operating activities***

Net cash flows from operating activities decreased by £57.0 million to a net cash outflow of £17.6 million in the three months ended 31 December 2020 from a net cash inflow of £39.4 million in the three months ended 31 December 2019, primarily due to the impact of the Coronavirus pandemic on the Group's trading performance.

Net cash flows from operating activities decreased by £303.6 million, to £2.4 million in the year ended 30 September 2020 from £301.2 million net cash inflow in the year ended 30 September 2019, primarily due to the impact of the Coronavirus pandemic on the Group's trading performance.

Net cash flows from operating activities increased by £28.3 million, or 10.4%, to £301.2 million in the year ended 30 September 2019 from £272.9 million in the year ended 30 September 2018, primarily due to an increase in operating profit.

***Net cash flows from investing activities***

Net cash flows from investing activities decreased by £45.2 million, or 78.8%, to £12.1 million in the three months ended 31 December 2020 from £57.3 million in the three months ended 31 December 2019, primarily due to a reduction in the Group's capital expenditure programme as a result of the Coronavirus pandemic.

Net cash flows used in investing activities decreased by £40.7 million, or 21.0%, to £153.1 million in the year ended 30 September 2020 from £192.8 million in the year ended 30 September 2019, primarily due to a significant reduction in the Group's capital expenditure programme as a result of the Coronavirus pandemic, with all major investment programmes stopped or revised during the second half of the financial year. This resulted in a reduction of £55.6 million on additions of property, plant and equipment. Prior to the start of the Coronavirus pandemic, the Group acquired 100% of the share capital of two companies and the trade and assets comprising the business of two further companies for a combined consideration of £21.5 million.

Net cash flows used in investing activities increased by £20.4 million, or 11.8%, to £192.8 million in the year ended 30 September 2019 from £172.4 million in the year ended 30 September 2018, primarily due to increased purchases of property, plant and equipment, reflecting the net contract gains in the year as well as the rebranding of multiple outlets at airports which had been taken over in previous years, for example, Chicago Midway and LaGuardia airports.

### *Net cash flows from financing activities*

Net cash flows from financing activities increased by £2.7 million to £4.5 million in the three months ended 31 December 2020 from £1.8 million in the three months ended 31 December 2019, primarily due to much lower payments in respect of lease liabilities, reflecting the Group's success in rent negotiations with clients, agreeing waivers of fixed minimum annual guarantees or securing agreement to more flexible rental structures in the majority of its contracts.

Net cash flows from financing activities increased by £134.2 million, to £107.6 million in the year ended 30 September 2020 from net cash flows used of £26.6 million in the year ended 30 September 2019, primarily due to the equity placing and subscription in March 2020 and equity placing, subscription and retail offer in June 2020, which together raised £219.4 million (net of related fees), a reduction in dividend payments of £178.3 million in response to the pandemic partly offset by the payment of lease liabilities (both principal and interest) totalling £200.4 million. During the year, the Group also repaid £97.5 million of its revolving credit facility, drew down £125.0 million of the £300 million CCFF as well as received £101.8 million from issuing further US Notes, down from £239.8 million the previous year.

Net cash flows used in financing activities decreased by £104.1 million, or 79.6%, to £26.6 million in the year ended 30 September 2019 from £130.7 million in the year ended 30 September 2018. This year-on-year improvement was principally due to cash inflows in October 2018 and July 2019 totalling £239.8 million from the drawdown of the US Notes, primarily to fund the special dividend of £149.8 million paid to shareholders in April 2019.

### **Borrowings**

In December 2020, the Bank of England confirmed that the Group could draw down the maximum £300 million available to it under the CCFF for a period extending through to February 2022 and the Group did draw down such funds in February 2021. As at 12 March 2021, the Group has drawn £300 million, which is repayable in February 2022.

In addition, as at 12 March 2021, the Group had £758.2 million sterling equivalent (sterling equivalent being based on the closing mid-market exchange rates as reported by Bloomberg) in borrowings outstanding under its borrowing arrangements, including (i) US Notes of £321.7 million sterling equivalent with maturities between October 2025 and July 2031, (ii) a Facilities Agreement, described below, with a maturity of 15 July 2022 comprising (a) two term facilities, one of £109.3 million sterling equivalent and one of £263.5 million sterling equivalent, both of which are fully drawn, and (b) a syndicated bank revolving credit facility of £150 million, which was fully unutilised and (iii) a number of additional smaller liquidity lines, including government backed facilities in France, Spain and Switzerland, providing further liquidity of £70.1 million, of which £58.8 million was drawn.

### ***Covid Corporate Financing Facility***

Under the CCFF, the Bank of England, acting through an entity named the Covid Corporate Financing Facility Limited, may acquire unsecured commercial paper at a minimum spread over reference rates issued by an eligible company with a term of between one week and 364 days, up to a pre-approved issuer limit on an uncommitted basis and otherwise on standard terms comparable to those prevailing in the market in the period before the Coronavirus pandemic. In April 2020, the Group, acting through SSP Financing Limited, established a commercial paper programme in order to be able to participate in the CCFF and, on 30 March 2020, the Bank of England confirmed that the Group was an eligible issuer with an issuer limit of £300 million. This status was reconfirmed in December 2020 and the Group drew down the available facility amounts in full in February 2021. The recent draw down was solely due to the scheme closing for further drawings from March 2021.

Accordingly, as at 12 March 2021, the Group had issued £300 million of commercial paper under the CCFF in two tranches, £125 million at 0.5870%, due 1 February 2022 and £175 million at 0.5951%, due 2 February 2022.

### ***Existing Finance Arrangements***

The Group's financing arrangements consist of the £522.8 million sterling equivalent Facilities Agreement, two series of US Notes with an aggregate sterling equivalent face value of £128.2 and £193.5, respectively, and a number of small local facilities (£70.1 million in aggregate (sterling equivalent), of which £58.8 million has been drawn down as at 12 March). Further details of the Facilities Agreement and US Notes are set out below.



## *The Facilities Agreement*

On 16 June 2014 (as amended and restated on 12 September 2014, and as amended on 15 July 2015 and 26 August 2016, and as further amended and restated on 17 October 2017 and as further amended on 5 June 2020 and 15 December 2020), the Company, SSP Financing Limited (the “**Borrower**”), the mandated lead arrangers, lead arrangers, the original lenders and the agent entered into the Facilities Agreement. The Facilities Agreement comprises two term facilities and a revolving facility.

The term facilities consist of:

- 1) The Term Facility A, with a principal sterling equivalent amount of £109.3 million and a term of eight years after first drawdown of the facilities, to be repaid in instalments annually commencing on the first anniversary of the closing date in an amount which reduces the outstanding principal amount by 11.7% each year. As part of the covenant amendments in May and December 2020, the repayments for July 2020 and 2021 were deferred to July 2022, with the remainder of the outstanding loans to be repaid in full on the maturity date; and
- 2) The Term Facility B, with a principal sterling equivalent amount of £263.5 million and a term of eight years after first drawdown of the facilities, to be repaid in full on its maturity date.

Each of the Term Facility A and Term Facility B bears a current interest rate of 2.25% per annum and will each comprise a split of Sterling, Euro, U.S. Dollar, Swedish Krona and Norwegian Krone to be determined by the Group in advance of settlement. The movement in exchange rates of these currencies compared to sterling means that as at 31 December 2020, the outstanding amount of Term Facility A and Term Facility B was £381.1 million.

The £150 million revolving facility is made available for working capital and general corporate purposes as a multi-currency facility. Its final maturity is eight years after first drawdown of the Term Loans and it bears interest at an initial rate of 1.75% per annum.

Each of the Term Facility A, the Term Facility B and the revolving facility is subject to a margin ratchet with 25 basis points variation in margin for every 0.50x change in the Group’s leverage ratio. As a result of the May and December 2020 amendments, the margin is currently at the top of the range (2.25% for both the Term Loans and 1.75% for the revolving facility).

The Facilities Agreement includes standard representations and warranties and two financial covenants: an interest cover ratio and a leverage ratio, each tested semi-annually, at a ratio of, in the case of interest cover, 4.00:1, and in the case of the leverage ratio, on the basis set out below.

### ***Leverage Ratio***

|                                      |        |
|--------------------------------------|--------|
| 30 September 2014 .....              | 3.50:1 |
| 31 March 2015 .....                  | 3.50:1 |
| 30 September 2015 .....              | 3.50:1 |
| 31 March 2016 to 31 March 2020 ..... | 3.25:1 |
| 31 March 2022 .....                  | 3.25:1 |

The leverage ratio test and interest cover test have been waived for the testing periods ending 30 September 2020, 31 March 2021 and 30 September 2021 as part of the May and December 2020 covenant amendments.

Following the June 2020 and December 2020 amendments to the Facilities Agreement, the Group must also comply with additional monthly financial covenants for consolidated Adjusted Net Debt and consolidated liquidity for the period from 31 May 2020 to 31 March 2022 as well as consolidated Adjusted EBITDA tests at 30 September 2021 and 31 December 2021 and a modified interest cover test at 30 September 2021 and 31 December 2021.

In addition to the financial covenants above, the Facilities Agreement contains positive and negative covenants, including with respect to authorisations and consents, compliance with laws, restrictions on financial indebtedness, restrictions on acquisitions, joint ventures and disposals, *pari passu* ranking, change of business and a negative pledge.

The Facilities Agreement contains standard prepayment provisions, including voluntary prepayment, change of control prepayment, and illegality-related prepayment. Prior to 31 March 2022 (or, if later, the end of the Waiver Period (as defined below)), the Facilities Agreement also requires the Borrower to offer to prepay the lenders pro rata with the repayment or prepayment of the Notes. The Company is also prohibited from making or paying dividends until the deferred amortisation payments under the Existing Facilities are paid.

Events of default under the Facilities Agreement include, amongst others, payment default, failure to comply with the financial covenants, misrepresentation, cross-default, insolvency, attachment and material adverse effect.

#### *The Note Purchase Agreements*

On 9 August 2018 and on 11 April 2019 (in each case as amended on 29 May 2020 and 15 December 2020), the Company (as guarantor) and SSP Financing Limited (the “**NPA Issuer**”) entered into Note Purchase Agreements with the purchasers listed therein (the “**2018 NPA**” and the “**2019 NPA**” respectively, together the “**NPAs**”). The NPA Issuer issued the following under the NPAs:

| <u>Note</u>                         | <u>Amount</u> | <u>Rate<sup>(1)</sup></u> | <u>Due Date</u>  |
|-------------------------------------|---------------|---------------------------|------------------|
| <b><u>2018 NPA issued notes</u></b> |               |                           |                  |
| Guaranteed Series A Senior Notes    | \$40,000,000  | 4.35%                     | 15 October 2025  |
| Guaranteed Series B Senior Notes    | \$40,000,000  | 4.50%                     | 15 October 2028  |
| Guaranteed Series C Senior Notes    | \$40,000,000  | 4.60%                     | 15 October 2030  |
| Guaranteed Series D Senior Notes    | £21,000,000   | 2.85%                     | 15 October 2025  |
| Guaranteed Series E Senior Notes    | £21,000,000   | 3.06%                     | 15 October 2028  |
| <b><u>2019 NPA issued notes</u></b> |               |                           |                  |
| Guaranteed Series 2A Senior Notes   | \$66,500,000  | 4.06%                     | 15 July 2026     |
| Guaranteed Series 2B Senior Notes   | \$66,500,000  | 4.25%                     | 16 December 2027 |
| Guaranteed Series 2C Senior Notes   | \$66,500,000  | 4.35%                     | 16 December 2029 |
| Guaranteed Series 2D Senior Notes   | €58,500,000   | 2.11%                     | 15 July 2031     |

**Notes:**

(1) See below for a description of Additional Fees.

The NPAs include standard representations and warranties for a private placement transaction, and contain the following financial covenants: (i) a leverage ratio, tested semi-annually, not to exceed 3.25:1 (this has been waived for the periods ending 30 September 2020, 31 March 2021 and 30 September 2021), and (ii) an interest cover ratio, tested semi-annually on a twelve-month basis, not to be less than 4.00:1. This was waived for the same periods as for the leverage test, however it was agreed that the interest cover ratio would be tested on a six month basis at 30 September 2021 (2.00:1) and 31 December 2021 (3.50:1).

In addition, from the period commencing 29 May 2020 and ending on the date on which the NPA Issuer delivers evidence to the noteholders under the NPAs that the Group is in compliance with the leverage ratio for the test period ending 31 March 2022 (and on such date no event of default has occurred and is continuing under the NPAs) (the “**Waiver Period**”), the Company and the NPA Issuer must also comply with additional monthly financial covenants for consolidated Adjusted Net Debt and consolidated liquidity as well as a consolidated Adjusted EBITDA tested at 30 September 2021 and 31 December 2021.

In addition to the financial covenants above, the NPAs contain positive and negative covenants, including with respect to authorisations and consents, compliance with laws, payment of taxes, maintenance of properties, *pari passu* ranking, change of business, transactions with affiliates, a negative pledge, restrictions on subsidiary borrowings and restrictions on disposals. During the Waiver Period, the Company is also subject to certain additional restrictions, including a most favoured lender clause, restrictions on acquisitions and restrictions on certain capital expenditure. The Company is also prohibited from making or paying dividends during the later to occur of (i) the end of the Waiver Period and (ii) the payment by the NPA Issuer of all Accrued Amounts (defined below).

Under the amendments to the NPAs, the NPA Issuer agreed to pay certain additional fees to the noteholders (the “**Additional Fees**”), including (i) a variable fee of 2% payable semi-annually, reducing by 1% per annum on

completion of the Rights Issue and reducing by a further 1% at the end of the Waiver Period (as defined below), (ii) a ratings fee payable semi-annually, ranging from zero to 4.5% per annum depending on the Company's credit rating or that of any series of notes issued under the NPAs, and (iii) a one-time equity fee of ranging from zero to 3% (depending on the size of the equity raise) in the event that the Company does not raise equity by 31 July 2021 (this will fall away on completion of the Rights Issue). Certain amounts of these Additional Fees accrue on a non-cash basis until 31 March 2022, with such accrued amounts (the "**Accrued Amounts**") then being payable by the NPA Issuer in four quarterly instalments, with the final payment on 31 March 2023.

The NPAs contain standard prepayment provisions, including voluntary prepayment with a make-whole amount, tax prepayment at par, change of control prepayment offer process at par, and sanctions-related prepayment at par. During the Waiver Period, the NPAs also require the NPA Issuer to offer to prepay the notes pro rata with: (i) certain other financial indebtedness which is repaid from the proceeds of any equity raise, and (ii) the repayment or prepayment of financial indebtedness under, or cancellation of certain credit facility commitments.

Any swapped notes under the NPAs are also subject to swap breakage amounts as provided under the NPAs in relation to any prepayment of such swapped notes.

Events of default under the NPAs include, amongst others, payment default, failure to comply with the financial covenants, failure to comply with other covenants, misrepresentation, cross-default and insolvency-related events.

### *Amended Facilities*

On 12 March 2021 the Borrower agreed with the noteholders and lenders under its Existing Facilities to waive any breach of applicable covenants, to remove the minimum Adjusted EBITDA and the minimum interest cover covenants (due to be tested on 30 September 2021 and 31 December 2021), to amend the leverage and interest cover covenants, extend and amend the monthly minimum liquidity and Adjusted Net Debt tests and to extend the maturity of the Facilities Agreement from 15 July 2022 to 15 January 2024, subject to and conditional upon completion of the Rights Issue.

### *Amended Facilities Agreement*

Conditional on completion of the Rights Issue, the Facilities Agreement has been amended (as amended, the "**Amended Facilities Agreement**") providing that:

- the terms of each of Term Facility A, Term Facility B and the Revolving Facility have been extended to 15 January 2024;
- the required instalment repayments under Term Facility A have been deferred to the extended maturity date;
- the margin on the Term Facility A and Term Facility B has been increased to 3.5% and the margin on the Revolving Facility has been increased to 3.0%;
- the leverage ratio test will not be tested for the testing periods ended 31 March 2022 and 30 September 2022, will be amended for the testing periods ended 31 March 2023 (9.0:1) and 30 September 2023 (3.5.0:1) and will be additionally tested for a new testing period ended 30 June 2023 (5.0:1);
- the interest cover test will not be tested for the testing periods ended 31 March 2022 and 30 September 2022 and will be amended to 1.00:1 for the testing period ended 31 March 2023. The original interest cover test will return to normal in 30 September 2023;
- the additional monthly financial covenants for consolidated Adjusted Net Debt and consolidated liquidity have been amended and extended (to maximum Adjusted Net Debt of £800 million and minimum liquidity of £200 million until January 2022 and £150 million from February 2022) until the Group shows compliance with the original covenants tests when tested on 31 March 2024; and
- the consolidated Adjusted EBITDA tests at 30 September 2021 and 31 December 2021 and modified interest cover test at 30 September 2021 and 31 December 2021 have been removed.

In addition to the financial covenants above, the Amended Facilities Agreement contains positive and negative covenants with respect to authorisations and consents, compliance with laws, restrictions on financial indebtedness, restrictions on dividends (until the Borrower is in compliance with the original financial covenants and has paid all outstanding deferred amortisation payments under the Facility Agreement and all accrued fees under the NPAs), restrictions on acquisitions, joint ventures and disposals (including a requirement to seek consents for acquisitions in excess of certain thresholds), *pari passu* ranking, change of business and a negative pledge. Certain of these restrictions and covenants apply only during the period commencing 29 May 2020 and ending on the date the Borrower so elects provided that the Borrower in compliance with the original leverage ratio, and no event of default has occurred and is continuing (the “**Waiver Period**”). Further, the Amended Facilities Agreement requires the Borrower to make two instalment repayments of 5.85% of the Term Facility A, to be paid by 31 December 2022 and 31 December 2023, in each case if as at 30 September 2022 or 30 September 2023, respectively, the leverage ratio is not higher than 3.25:0 and minimum liquidity is not less than £200 million.

In consideration for amending the Facilities Agreement, the Borrower agreed to pay an amendment fee of 0.20% and an extension fee of 0.65%.

The Amended Facilities Agreement contains standard prepayment provisions, including voluntary prepayment, change of control prepayment, and illegality-related prepayment. The Amended Facilities Agreement also requires the Borrower to offer to prepay the amounts outstanding under the Term Facilities and the revolving credit facility pro rata with the repayment or prepayment of the Notes during the Waiver Period (excepting qualifying refinancing transactions).

#### *Amended Notes Purchase Agreements*

Conditional on completion of the Rights Issue, the NPAs have been amended (as amended, the “**Amended NPAs**”) providing that:

- the leverage ratio test will not be tested for the testing periods ended 31 March 2022 and 30 September 2022, will be amended for the testing periods ended 31 March 2023 (9.0:1) and 30 September 2023 (3.5:0:1) and will be additionally tested for a new testing period ended 30 June 2023 (5.0:1);
- the interest cover test will not be tested for the testing periods ended 31 March 2022 and 30 September 2022 and will be amended to 1.00:1 for the testing period ended 31 March 2023. The original interest cover test will return to the original covenant level in 30 September 2023;
- the additional monthly financial covenants for consolidated Adjusted Net Debt and consolidated liquidity have been amended and extended (to maximum Adjusted Net Debt of £800 million and minimum liquidity of £200 million until January 2022 and £150 million from February 2022) until the Group shows compliance with the original covenants tests when tested on 31 March 2024; and
- the consolidated Adjusted EBITDA tests at 30 September 2021 and 31 December 2021 and modified interest cover test at 30 September 2021 and 31 December 2021 have been removed.

In addition to the financial covenants above, the Amended NPAs contain positive and negative covenants, including with respect to authorisations and consents, compliance with laws, payment of taxes, maintenance of properties, *pari passu* ranking, change of business, transactions with affiliates, a negative pledge, restrictions on subsidiary borrowings and restrictions on disposals. During the Waiver Period, the NPA Issuer is also subject to certain additional restrictions, including a most favoured lender clause, restrictions on acquisitions and restrictions on certain capital expenditures. The Company is also prohibited from making or paying dividends until the later of the end of the Waiver Period and the date on which the Company has paid all outstanding deferred amortisation payments under the Facility Agreement and all accrued fees under the NPAs.

In consideration for amending the NPAs, the NPA Issuer agreed to pay an amendment fee of 0.20%.

The Amended NPAs contain standard prepayment provisions, including voluntary prepayment, change of control prepayment at par, and sanctions-related prepayment at par. The Amended NPAs also requires the NPA Issuer to offer to prepay the Notes pro rata with the repayment or prepayment of specified financial indebtedness (excepting qualifying refinancing transactions), and this would include the two conditional instalment payments to be paid no later than 31 December 2022 and 31 December 2023 under the Amended Facilities Agreement as noted above.

## Contingent liabilities

The Company is a member of a UK VAT group and consequently is jointly liable for the UK VAT group's liability. The Company's contingent liability at 30 September 2020 was £nil because the UK VAT group was in a repayment position.

In addition, the Company is a guarantor for the Group's bank facilities, CCFF and US Notes. The borrowings under the facilities at 30 September 2020 were £885.4 million.

The Company has also provided guarantees in relation to certain operating liabilities of operating subsidiaries. All such liabilities are expected to be paid by the relevant subsidiary in the normal course of business.

## Capital expenditure

The Group's capital expenditure primarily relates to investments in new trading outlets or rebranding of existing outlets. Capital expenditure, consisting of additions to property, plant and equipment and software, amounted to £137.6 million, £196.7 million and £156.6 million in the years ended 30 September 2020, 2019 and 2018, respectively.

The Group reduced its capital expenditure by £59.1 million, or 30.0% to £137.6 million in the year ended 30 September 2020 from £196.7 million in the year ended 30 September 2019. This reduction is due to the Group placing its capital expenditure programme on hold following the escalation of the Coronavirus pandemic, pending a recovery in the travel sector, and the Group was able to reduce its capital expenditure to £15.0 million in the second half of the financial year ended 30 September 2020, in line with the Group's indications at the interim results in June 2020. For the financial year ended 30 September 2021, the Group anticipates a further significant year-on-year reduction of capital expenditure as it continues to work with its clients to defer capital expenditure programmes until passenger numbers and sales show material signs of recovery.

The Group's concession contracts are seven to ten years in length on average and typically require an initial investment and, for longer contracts in certain countries, investment at a prescribed year in the contract. The Group seeks to minimise and delay this spend, and, where required, will always focus any incremental investment to drive commercial opportunities.

## Capitalisation and indebtedness

The following tables set out the consolidated capitalisation and indebtedness of the Group as at 31 December 2020. These tables should be read together with Part 13 "*Financial Information of the Group*".

### Capitalisation

The capitalisation information as at 31 December 2020 set out below has been extracted without material adjustment from the unaudited financial information of the Group as at and for the three-months ended 31 December 2020:

|                             | <b>As at</b><br><b>31 December 2020</b><br><i>(unaudited)</i> |
|-----------------------------|---|
|                             | <u>(£ millions)</u>   |
| <b>Shareholders' equity</b> |   |
| Share capital .....         | 5.8   |
| Share Premium .....         | 472.7   |
| Retained Earnings .....     | (715.5)   |
| Other reserves .....        | 279.1   |
| Total capitalisation .....  | <u>42.1</u>   |

There has been no material change in the Company's capitalisation since 31 December 2020.

## Indebtedness

The following table sets out the Company's indebtedness as at 31 December 2020:

|   | <b>As at<br/>31 December 2020<br/>(unaudited)</b> |
|---|---|
|   | <b>(£ millions)</b>                               |
| <b>Total current debt</b>   |   |
| Guaranteed <sup>1</sup> .....   | 465.1   |
| Secured .....   | 0.5   |
| Unguaranteed/Unsecured .....  | 1.5   |
| <b>Total non-current debt (excluding current portion of long-term debt)</b> |   |
| Guaranteed <sup>1</sup> .....   | 1,717.5   |
| Secured .....   | 0.7   |
| Unguaranteed/Unsecured .....  | 26.6  |

<sup>1</sup> Includes leases liabilities under IFRS 16 of £289.2 million for current and £987.4 million for non-current.

## Net Financial Indebtedness

The following table sets out the Group's net financial indebtedness as at 31 December 2020:

|  | <b>As at<br/>31 December 2020<br/>(unaudited)</b> |
|--|---|
|  | <b>(£ millions)</b>                               |
| A. Cash .....  | 114.0   |
| B. Cash equivalents .....                                      | 41.0  |
| C. Trading securities .....                                    | -   |
| <b>D. Liquidity (A)+(B)+(C)</b> .....                          | <b>155.0</b>                                      |
| <b>E. Current Financial Receivable</b> .....                   | <b>-</b>  |
| F. Current bank debt .....                                     | 177.9   |
| G. Current portion of non-current debt .....                   | -   |
| H. Other current financial debt .....                          | 289.2   |
| <b>I. Current financial debt (F)+(G)+(H)</b> .....             | <b>467.1</b>                                      |
| <b>J. Net current financial indebtedness (I)-(E)-(D)</b> ..... | <b>312.1</b>                                      |
| K. Non-current bank debt .....                                 | 409.9   |
| L. Bonds issued .....  | -   |
| M. Other non-current loans .....                               | 1,334.9   |
| <b>N. Non-current financial indebtedness (K)+(L)+(M)</b> ..... | <b>1,744.8</b>                                    |
| <b>Net financial indebtedness (J)+(N)</b> .....                | <b>2,056.9</b>                                    |

The Group has no indirect and contingent indebtedness.

## Dividend policy and payments to shareholders

Under the terms of the Group's Amended Facilities, the Company is currently restricted from declaring or paying dividends until the expiry of certain restrictions that apply during the covenant waiver and amendment period.

When these restrictions are lifted and conditions improve, the Board will consider the best way to restart the return of capital to shareholders and recognise the importance of dividends and capital returns to shareholders.

## Qualitative and quantitative disclosures about market risk

Descriptions of the Group's qualitative and quantitative disclosures about market risk are incorporated by reference from the Annual Report for the year ended 30 September 2020, which is incorporated by reference in this Prospectus as described in Part 17 "Documentation Incorporated by Reference".

## **Critical accounting policies**

The preparation of consolidated financial statements under IFRS requires the Group to make estimates and assumptions that affect the application of policies and reported amounts. Critical accounting policies involve significant judgements that are applied in the preparation of the financial statements, along with estimates and assumptions, which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year. A detailed description of certain of the main accounting policies used in preparing the Company's historical financial information is set forth in note 1 of the Annual Report for the year ended 30 September 2020, which is incorporated by reference in this Prospectus as described in Part 17 "*Documentation Incorporated by Reference*".

**PART 13**  
**FINANCIAL INFORMATION OF THE GROUP**

**PART A – HISTORICAL FINANCIAL INFORMATION OF THE GROUP**

Financial information relating to the Company as at and for each of the years ended 30 September 2020, 2019 and 2018 is incorporated into this Prospectus by reference to the Company's Annual Reports for the each of the years ended 30 September 2020, 2019 and 2018, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus. The consolidated summary unaudited financial information for the Group for the three-month periods ended 31 December 2019 and 2020 has been extracted from the unaudited interim financial statements included in Part B of this Part 13 "*Financial Information of the Group*". The interim results for the six months ended 31 March 2019 and 2020 are incorporated into this prospectus by reference to the Company's reviewed condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2019 and 2020, respectively, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

The independent auditor's reports in respect of the financial information for each of the years ended 30 September 2020, 2019 and 2018 are unqualified. However, the independent auditor's audit report on the financial information for the year ended 30 September 2020 draws attention to a material uncertainty in respect of going concern.

The independent auditor's audit report on the financial statements for the year ended 30 September 2020 includes the following paragraph. The extract set out below should be read in conjunction with the Company's Annual Report for the year ended 30 September 2020 and the full audit report included therein.

*"We draw attention to note 1.2 in the financial statements which indicates that the ability of the Group and parent Company to continue as a going concern is dependent on the external lenders not calling the debts owing to them in the event of the Group breaching its covenants once access to the Covid Corporate Financing Facility ("CCFF") is withdrawn in February 2022 and original covenants are reinstated in March 2022, as well as its ability to raise additional funding once the CCFF is withdrawn in February 2022.*

*The Group's forecasts, taking into account committed facilities including the CCFF and the Group's estimates of the Covid-19 impact, under both the base case and severe but plausible downside scenarios, indicate sufficient liquidity and revised covenant compliance for at least 12 months from the date of these financial statements.*

*However, we note that the Group is forecasting a breach of covenants once the CCFF is repaid in February 2022 and original covenants are reinstated in March 2022, under both scenarios, as well the possible need for additional funding once the CCFF is withdrawn in February 2022.*

*Whilst the directors believe that the Group would continue to have the support of its shareholders and the banks in these circumstances there is no certainty that this would be the case.*

*These events and conditions, along with the other matters explained in note 1.2, constitute a material uncertainty that may cast significant doubt on the Group's and the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."*



**PART B – UNAUDITED INTERIM FINANCIAL STATEMENTS AS AT AND FOR THE THREE MONTHS ENDED 31 DECEMBER 2020**

**Consolidated income statement**  
*for the three-month period ended 31 December 2020*

|   | Period ended 31 December 2020 |                                 |                                   | Period ended 31 December 2019 |                                 |                                   |             |
|---|-------------------------------|---------------------------------|-----------------------------------|-------------------------------|---------------------------------|-----------------------------------|-------------|
|   | Notes                         | Underlying <sup>(1)</sup><br>£m | Non-<br>underlying<br>items<br>£m | Total<br>£m                   | Underlying <sup>(1)</sup><br>£m | Non-<br>underlying<br>items<br>£m | Total<br>£m |
| <b>Revenue</b>                          |                               | <b>142.7</b>                    | <b>-</b>                          | <b>142.7</b>                  | 693.3                           | -                                 | 693.3       |
| <b>Operating costs</b>                  |                               | <b>(261.6)</b>                  | <b>(15.9)</b>                     | <b>(277.5)</b>                | (664.7)                         | (0.5)                             | (665.2)     |
| <b>Operating (loss) / profit</b>        |                               | <b>(118.9)</b>                  | <b>(15.9)</b>                     | <b>(134.8)</b>                | 28.6                            | (0.5)                             | 28.1        |
| Share of profit / (loss) of associates  |                               | 0.5                             | -                                 | 0.5                           | (0.6)                           | -                                 | (0.6)       |
| Finance income                          |                               | 0.4                             | -                                 | 0.4                           | 0.6                             | -                                 | 0.6         |
| Finance expense                         |                               | (17.4)                          | (27.5)                            | (44.9)                        | (13.9)                          | (0.8)                             | (14.7)      |
| <b>(Loss) / profit before tax</b>       |                               | <b>(135.4)</b>                  | <b>(43.4)</b>                     | <b>(178.8)</b>                | 14.7                            | (1.3)                             | 13.4        |
| Taxation                                |                               | 12.1                            | 6.4                               | 18.5                          | (0.9)                           | (0.7)                             | (1.6)       |
| <b>(Loss) / profit for the period</b>   |                               | <b>(123.3)</b>                  | <b>(37.0)</b>                     | <b>(160.3)</b>                | 13.8                            | (2.0)                             | 11.8        |
| <b>(Loss) / profit attributable to:</b> |                               |                                 |                                   |                               |                                 |                                   |             |
| Equity holders of the parent            |                               | (118.2)                         | (37.0)                            | (155.2)                       | 12.9                            | (2.0)                             | 10.9        |
| Non-controlling interests               |                               | (5.1)                           | -                                 | (5.1)                         | 0.9                             | -                                 | 0.9         |
| <b>(Loss) / profit for the period</b>   |                               | <b>(123.3)</b>                  | <b>(37.0)</b>                     | <b>(160.3)</b>                | 13.8                            | (2.0)                             | 11.8        |
| <b>(Loss) / earnings per share (p):</b> |                               |                                 |                                   |                               |                                 |                                   |             |
| - Basic                                 | 3                             | (22.0)                          |                                   | (28.9)                        | 2.9                             |                                   | 2.4         |
| - Diluted                               | 3                             | (22.0)                          |                                   | (28.9)                        | 2.9                             |                                   | 2.4         |

(1) Stated on an underlying basis, which excludes non-underlying items as further explained in the section on Alternative Performance Measures (APMs) on pages 41 – 46 of the Prospectus.

**Consolidated statement of other comprehensive income  
for the three month period ended 31 December 2020**

|   | Period ended<br>31 December 2020<br>£m | Period ended<br>31 December 2019<br>£m |
|---|--|--|
| <b>Other comprehensive (expense) / income</b>                                     |  |  |
| <i>Items that will never be reclassified to the income statement</i>              |  |  |
| Remeasurements on defined benefit pension schemes                                 | (1.3)                                  | 3.0                                    |
| Tax credit / (charge) relating to items that will not be reclassified             | 0.2                                    | (0.6)                                  |
| <i>Items that are or may be reclassified subsequently to the income statement</i> |  |  |
| Net gain on hedge of net investment in foreign operations                         | 16.1                                   | 26.4                                   |
| Other foreign exchange translation differences                                    | (15.8)                                 | (64.0)                                 |
| Effective portion of changes in fair value of cash flow hedges                    | (0.1)                                  | 1.5                                    |
| Cash flow hedges - reclassified to income statement                               | 0.7                                    | 0.3                                    |
| Tax credit/(charge) relating to items that are or may be reclassified             | 1.0                                    | (0.3)                                  |
| <b>Other comprehensive income / (expense) for the period</b>                      | <b>0.8</b>                             | <b>(33.7)</b>                          |
| (Loss) / profit for the period  | <b>(160.3)</b>                         | <b>11.8</b>                            |
| <b>Total comprehensive expense for the period</b>                                 | <b>(159.5)</b>                         | <b>(21.9)</b>                          |
| <b>Total comprehensive expense attributable to:</b>                               |  |  |
| Equity shareholders   | (151.0)                                | (15.7)                                 |
| Non-controlling interests   | (8.5)                                  | (6.2)                                  |
| <b>Total comprehensive expense for the period</b>                                 | <b>(159.5)</b>                         | <b>(21.9)</b>                          |

**Consolidated balance sheet**  
*as at 31 December 2020*

|                                     | Notes | As at<br>31 December 2020<br>£m | As at<br>30 September 2020<br>£m |
|-------------------------------------|-------|---------------------------------|----------------------------------|
| <b>Non-current assets</b>           |       |                                 |                                  |
| Property, plant and equipment       |       | 408.3                           | 437.2                            |
| Goodwill and intangible assets      |       | 721.3                           | 731.2                            |
| Right-of-use assets                 |       | 1,160.0                         | 1,271.2                          |
| Investments in associates           |       | 12.0                            | 12.2                             |
| Deferred tax assets                 |       | 63.0                            | 49.8                             |
| Other receivables                   |       | 70.4                            | 73.8                             |
|                                     |       | <b>2,435.0</b>                  | <b>2,575.4</b>                   |
| <b>Current assets</b>               |       |                                 |                                  |
| Inventories                         |       | 20.1                            | 23.5                             |
| Tax receivable                      |       | 12.8                            | 10.1                             |
| Trade and other receivables         |       | 107.4                           | 125.3                            |
| Cash and cash equivalents           | 7     | 155.0                           | 185.0                            |
|                                     |       | <b>295.3</b>                    | <b>343.9</b>                     |
| <b>Total assets</b>                 |       | <b>2,730.3</b>                  | <b>2,919.3</b>                   |
| <b>Current liabilities</b>          |       |                                 |                                  |
| Short-term borrowings               | 7     | (177.9)                         | (158.2)                          |
| Trade and other payables            |       | (387.7)                         | (399.0)                          |
| Tax payable                         |       | (18.0)                          | (20.9)                           |
| Lease liabilities                   |       | (289.2)                         | (289.1)                          |
| Provisions                          |       | (12.1)                          | (12.3)                           |
|                                     |       | <b>(884.9)</b>                  | <b>(879.5)</b>                   |
| <b>Non-current liabilities</b>      |       |                                 |                                  |
| Long-term borrowings                | 7     | (757.4)                         | (718.1)                          |
| Post-employment benefit obligations |       | (19.5)                          | (18.6)                           |
| Lease liabilities                   |       | (987.4)                         | (1,060.2)                        |
| Other payables                      |       | (4.5)                           | (4.0)                            |
| Provisions                          |       | (18.7)                          | (21.4)                           |
| Derivative financial liabilities    | 7     | (4.5)                           | (5.1)                            |
| Deferred tax liabilities            |       | (11.3)                          | (10.4)                           |
|                                     |       | <b>(1,803.3)</b>                | <b>(1,837.8)</b>                 |
| <b>Total liabilities</b>            |       | <b>(2,688.2)</b>                | <b>(2,717.3)</b>                 |
| <b>Net assets</b>                   |       | <b>42.1</b>                     | <b>202.0</b>                     |
| <b>Equity</b>                       |       |                                 |                                  |
| Share capital                       |       | 5.8                             | 5.8                              |
| Share premium                       |       | 472.7                           | 472.7                            |
| Capital redemption reserve          |       | 1.2                             | 1.2                              |
| Merger relief reserve               |       | 206.9                           | 206.9                            |
| Other reserves                      |       | 8.4                             | 3.1                              |
| Retained losses                     |       | (715.5)                         | (559.6)                          |
| Total equity shareholders' funds    |       | (20.5)                          | 130.1                            |
| Non-controlling interests           |       | 62.6                            | 71.9                             |
| <b>Total equity</b>                 |       | <b>42.1</b>                     | <b>202.0</b>                     |

**Consolidated statement of changes in equity**  
**for the three month period ended 31 December 2020**

|   | Share capital | Share premium | Capital redemption reserve | Merger relief reserve | Other reserves <sup>1</sup> | Retained losses | Total parent equity | NCI         | Total equity |
|---|---------------|---------------|----------------------------|-----------------------|-----------------------------|-----------------|---------------------|-------------|--------------|
|   | £m            | £m            | £m                         | £m                    | £m                          | £m              | £m                  | £m          | £m           |
| <b>At 1 October 2019</b>                              | 4.8           | 461.2         | 1.2                        | -                     | 12.9                        | (152.1)         | 328.0               | 87.6        | 415.6        |
| Profit for the period                                 | -             | -             | -                          | -                     | -                           | 10.9            | 10.9                | 0.9         | 11.8         |
| Other comprehensive (expense) / income for the period | -             | -             | -                          | -                     | (29.0)                      | 2.4             | (26.6)              | (7.1)       | (33.7)       |
| Share buyback   | -             | -             | -                          | -                     | -                           | (1.7)           | (1.7)               | -           | (1.7)        |
| Capital contributions from NCI                        | -             | -             | -                          | -                     | -                           | -               | -                   | 2.9         | 2.9          |
| Dividends paid to NCI                                 | -             | -             | -                          | -                     | -                           | -               | -                   | (13.0)      | (13.0)       |
| Transactions with NCI                                 | -             | -             | -                          | -                     | -                           | -               | -                   | 22.5        | 22.5         |
| Other movements                                       | -             | -             | -                          | -                     | -                           | (2.1)           | (2.1)               | 4.2         | 2.1          |
| Share-based payments                                  | -             | -             | -                          | -                     | -                           | 2.5             | 2.5                 | -           | 2.5          |
| Tax on share-based payments                           | -             | -             | -                          | -                     | -                           | 0.3             | 0.3                 | -           | 0.3          |
| <b>At 31 December 2019</b>                            | <b>4.8</b>    | <b>461.2</b>  | <b>1.2</b>                 | <b>-</b>              | <b>(16.1)</b>               | <b>(139.8)</b>  | <b>311.3</b>        | <b>98.0</b> | <b>409.3</b> |
| <b>At 1 October 2020</b>                              | <b>5.8</b>    | <b>472.7</b>  | <b>1.2</b>                 | <b>206.9</b>          | <b>3.1</b>                  | <b>(559.6)</b>  | <b>130.1</b>        | <b>71.9</b> | <b>202.0</b> |
| Loss for the period                                   | -             | -             | -                          | -                     | -                           | (155.2)         | (155.2)             | (5.1)       | (160.3)      |
| Other comprehensive income / (expense) for the period | -             | -             | -                          | -                     | 5.3                         | (1.1)           | 4.2                 | (3.4)       | 0.8          |
| Dividends paid to NCI                                 | -             | -             | -                          | -                     | -                           | -               | -                   | (0.8)       | (0.8)        |
| Share-based payments                                  | -             | -             | -                          | -                     | -                           | 0.6             | 0.6                 | -           | 0.6          |
| Tax on share based payments                           | -             | -             | -                          | -                     | -                           | (0.2)           | (0.2)               | -           | (0.2)        |
| <b>At 31 December 2020</b>                            | <b>5.8</b>    | <b>472.7</b>  | <b>1.2</b>                 | <b>206.9</b>          | <b>8.4</b>                  | <b>(715.5)</b>  | <b>(20.5)</b>       | <b>62.6</b> | <b>42.1</b>  |

<sup>1</sup> At 31 December 2019 and 31 December 2020, the other reserves include the translation reserve and cash flow hedging reserve.

**Consolidated cash flow statement**  
for the three month period ended 31 December 2020

|   | Notes | Period ended<br>31 December<br>2020<br>£m | Period ended<br>31 December<br>2019<br>£m |
|---|-------|---|---|
| <b>Cash flows from operating activities</b>                               |       |   |   |
| Cash flow from operations   | 6     | (18.1)                                    | 53.7                                      |
| Tax received / (paid)   |       | 0.5                                       | (14.3)                                    |
| <b>Net cash flows from operating activities</b>                           |       | <b>(17.6)</b>                             | 39.4                                      |
| <b>Cash flows from investing activities</b>                               |       |   |   |
| Dividends received from associates  |       | -   | 1.3                                       |
| Interest received   |       | 0.3                                       | 0.6                                       |
| Purchase of property, plant and equipment                                 |       | (11.9)                                    | (47.5)                                    |
| Purchase of other intangible assets                                       |       | (0.5)                                     | (4.0)                                     |
| Acquisitions, net of cash and cash equivalents acquired                   |       | -   | (7.7)                                     |
| <b>Net cash flows from investing activities</b>                           |       | <b>(12.1)</b>                             | (57.3)                                    |
| <b>Cash flows from financing activities</b>                               |       |   |   |
| Share buyback   |       | -   | (1.7)                                     |
| Repayment of borrowings   |       | (0.3)                                     | (0.3)                                     |
| Drawdown on revolving credit facility                                     |       | 50.0                                      | -   |
| Repayment of revolving credit facility                                    |       | -   | (10.0)                                    |
| Receipt of USPP debt  |       | -   | 101.8                                     |
| Payment of lease liabilities – principal                                  |       | (28.5)                                    | (64.9)                                    |
| Payment of lease liabilities – interest                                   |       | (6.9)                                     | (7.4)                                     |
| Interest paid excluding interest on lease liabilities                     |       | (9.0)                                     | (5.6)                                     |
| Dividends paid to non-controlling interests                               |       | (0.8)                                     | (13.0)                                    |
| Capital contribution from non-controlling interests                       |       | -   | 2.9                                       |
| <b>Net cash flows from financing activities</b>                           |       | <b>4.5</b>                                | 1.8                                       |
| <b>Net (decrease) / increase in cash and cash equivalents</b>             |       | <b>(25.2)</b>                             | (16.1)                                    |
| Cash and cash equivalents at beginning of the period                      |       | 185.0                                     | 233.3                                     |
| Effect of exchange rate fluctuations on cash and cash equivalents         |       | (4.8)                                     | (7.1)                                     |
| <b>Cash and cash equivalents at end of the period</b>                     |       | <b>155.0</b>                              | 210.1                                     |
| <b>Reconciliation of net cash flow to movement in net debt</b>            |       |   |   |
| Net (decrease) / increase in cash in the period                           |       | (25.2)                                    | (16.1)                                    |
| Cash inflow from receipt of USPP debt                                     |       | -   | (101.8)                                   |
| Cash outflow / (inflow) from movements in Revolving Credit Facility       |       | (50.0)                                    | 10.0                                      |
| Cash (inflow) / outflow from other changes in debt                        |       | 0.3                                       | 0.3                                       |
| Change in net debt resulting from cash flows, excluding lease liabilities |       | (74.9)                                    | (107.6)                                   |
| Translation differences   |       | 11.8                                      | 19.3                                      |
| Other non-cash changes  |       | (25.9)                                    | (1.0)                                     |
| <b>Increase in net debt excluding lease liabilities in the period</b>     |       | <b>(89.0)</b>                             | (89.3)                                    |
| <b>Net debt at beginning of the period</b>                                |       | <b>(691.3)</b>                            | (483.4)                                   |
| <b>Net debt excluding lease liabilities at end of the period</b>          |       | <b>(780.3)</b>                            | (572.7)                                   |
| Finance leases derecognised upon transition to IFRS 16                    |       | -   | (1.2)                                     |
| Lease liabilities   |       | (1,276.6)                                 | (1,431.7)                                 |
| <b>Net debt including lease liabilities at end of the period</b>          |       | <b>(2,056.9)</b>                          | (2,003.2)                                 |

**Notes**

**1 Basis of preparation and accounting policies**

**1.1 Basis of preparation**

The condensed consolidated quarterly financial statements of SSP Group plc (the Group) have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. The annual consolidated financial statements

of the Group are prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. These condensed consolidated quarterly financial statements do not comprise statutory accounts within the meaning of Section 435 of the Companies Act 2006, and should be read in conjunction with the Annual Report and Accounts for the year ended 30 September 2020. Those accounts were reported upon by the Group's auditors and will be delivered to the registrar of companies at the end of March 2021. The report of the auditors was unqualified, however, it noted that there was a material uncertainty that may cast significant doubt on the Group's and the parent Company's ability to continue as a going concern. The report did not contain statements under Section 498 (2) or (3) of the Companies Act 2006. The comparative figures for the three months ended 31 December 2019 are not the Group's statutory accounts for that financial year.

These financial statements are presented in Sterling and unless stated otherwise, rounded to the nearest £0.1 million. The financial statements are prepared on the historical cost basis except for the derivative financial instruments which are stated at their fair value.

Except as described below, the accounting policies adopted in the preparation of these condensed consolidated quarterly financial statements to 31 December 2020 are consistent with the accounting policies applied by the Group in its consolidated financial statements as at, and for the year ended, 30 September 2020 as required by the Disclosure and Transparency Rules of the UK's Financial Conduct Authority.

## **1.2 Going concern**

These financial statements are prepared on a going concern basis.

The Board has reviewed the Group's trading forecasts, incorporating the impact on SSP of Covid-19, as part of the Group's adoption of the going concern basis, in which context the Directors have reviewed cash flow forecasts prepared for a period of 18 months from the date of approval of these financial statements, with a number of different scenarios considered. Having carefully reviewed these forecasts, the Directors have concluded that it is appropriate to adopt the going concern basis of accounting in preparing these financial statements for the reasons set out below.

As at 31 January 2021, the Group had £940.8 million in borrowings outstanding under its borrowing arrangements, including (i) US private placement notes of £326.9 million with maturities between October 2025 and July 2031 and (ii) a facilities agreement with a maturity of 15 July 2022 comprising (a) two term facilities totalling £378.8 million, both of which are fully drawn and (b) a syndicated bank revolving credit facility of £150.0m, of which £50.0 million had been drawn. The Group has also secured access to the UK Covid Corporate Financing Facility ("CCFF"), a joint Bank of England and HM Treasury lending facility under which it could draw up to £300.0 million until February 2022, and at the end of January it had drawn £125.0 million under this facility. The Group has also drawn down on a number of smaller local government backed facilities amounting to £60.1 million. At 31 January 2021, the Group had available liquidity of approximately £421.3 million, including cash of approximately £135.6 million, committed undrawn CCFF and revolving credit facilities totalling £275.0 million, as well as smaller undrawn local government-backed facilities totalling £10.7 million.

In making the going concern assessment, the Directors have considered forecast cash flows and the liquidity available over the period to 30 September 2022. In doing so they assessed a number of scenarios, including a base case scenario and a severe but plausible downside scenario (the 'reasonable worst case scenario').

This reasonable worst case scenario reflects a pessimistic view of the travel markets for the remainder of the current financial year, assuming significant restrictions on non-essential travel until the summer, followed by a modest recovery in domestic travel and no recovery in international travel during the final quarter, with overall Group sales reaching 29% of 2019 levels by September 2021. The reasonable worst case scenario then assumes a gradual recovery during the 2022 financial year, but at a much slower pace than envisaged in the base case, with Group sales reaching approximately half of 2019 levels by March 2022 and approximately 75% by September 2022.

Under its reasonable worst case scenario the Group would, without the further action set out below, breach its maximum Adjusted Net Debt covenant at the 30 June 2021 test date, and furthermore, under its reasonable worst case scenario the Group would have insufficient liquidity to repay the CCFF when that liability falls due in February 2022.

Accordingly, against a backdrop of ongoing uncertainty in the short and medium term trading outlook for the Group, the Directors believe that the most appropriate course of action is to further strengthen the Group's balance sheet and available liquidity by pursuing a fully-underwritten Rights Issue to raise gross proceeds of £474.9 million. Conditional on the completion of the Rights Issue, the Board has already secured an extension until January 2024 of our existing bank facilities that were due to mature in July 2022, as well as waivers and modifications of existing covenants under those facilities. Agreement has also been secured from the Group's US Notes noteholders to these waivers and modifications of existing covenants, again conditional on the completion of the Rights Issue.

Following the successful completion of the Rights Issue, the Group would have to comply with two financial covenants during the next 18 months ending September 2022, each tested monthly, with the first of these based on the Group demonstrating a minimum level of liquidity and the second based on the Group not exceeding a maximum level of Adjusted Net Debt. In both its base case and its reasonable worst case scenarios, the Group would have headroom against each of these covenant tests at all testing dates during the next 18 months.

In adopting the going concern basis of preparation, the Directors took account of the fact that they intend to complete the Rights Issue in April 2021, and that they had secured the necessary extension of bank facilities and associated covenant waivers and modifications, conditional on the Rights Issue completing as planned. Nevertheless, the Directors recognise that there are risks that the Rights Issue does not proceed in line with the expected timetable or at all, or that insufficient shareholders will vote in favour of the resolutions to enable the Rights Issue to occur. Furthermore, while the Rights Issue is fully underwritten, that underwriting is subject to customary conditions which would allow the underwriters not to acquire new shares in certain circumstances. As such, the successful completion of the Rights Issue represents a material uncertainty that may cast significant doubt on the Group's and the Company's ability to continue as a going concern, and that it therefore may be unable to realise its assets and discharge its liabilities in the normal course of business.

After reviewing the most recent projections and the sensitivity analysis and having carefully considered the material uncertainty concerning the completion of the Rights Issue, the Directors believe that it is appropriate to prepare the financial statements on the going concern basis. The financial statements do not contain any adjustments that would be necessary if that basis were inappropriate.

### **Changes in accounting policies and disclosures**

The accounting policies adopted are consistent with the prior year.

### **New accounting standards not yet adopted by the Group**

The following amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements

- Amendments to references to the conceptual framework in IFRS standards
- Amendments to IFRS 3 'Definition of a business'
- Amendments to IAS 1 and IAS 8 'Definition of material'
- Classification of liabilities as current or non-current (Amendments to IAS 1)
- Sale of Contribution of Assets between an investor and its Associate or Joint Venture (amendments to IFRS 10 and IAS 28)
- IFRS 14 'Regulatory Deferral Accounts'
- IFRS 17 'Insurance Contracts'
- Onerous Contracts - Cost of fulfilling a Contract (Amendments to IAS 37)
- Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)

## 2 Segmental reporting

SSP operates in the food and beverage travel sector, mainly at airports and railway stations.

Management monitors the performance and strategic priorities of the business from a geographic perspective, and in this regard has identified the following four key “reportable segments”: the UK, Continental Europe, North America and Rest of the World (RoW). The UK includes operations in the United Kingdom and the Republic of Ireland; Continental Europe includes operations in the Nordic countries and in Western and Southern Europe; North America includes operations in the United States and Canada; and RoW includes operations in Eastern Europe, the Middle East, Asia Pacific, India and South America. These segments comprise countries which are at similar stages of development and demonstrate similar economic characteristics.

The Group’s management assesses the performance of the operating segments based on revenue and underlying operating profit. Interest income and expenditure are not allocated to segments, as they are managed by a central treasury function, which oversees the debt and liquidity position of the Group. The non-attributable segment comprises costs associated with the Group’s head office function and depreciation of central assets.

|  | UK<br>£m | Continental<br>Europe<br>£m | North<br>America<br>£m | RoW<br>£m | Non-<br>attributable<br>£m | Total<br>£m |
|--|----------|-----------------------------|------------------------|-----------|----------------------------|-------------|
| <b>Three-month period ended<br/>31 December 2020</b> |          |                             |                        |           |                            |             |
| Revenue  | 30.3     | 68.0                        | 26.1                   | 18.3      | -                          | 142.7       |
| Underlying operating loss                            | (23.5)   | (48.3)                      | (20.4)                 | (17.6)    | (9.1)                      | (118.9)     |
| Non-underlying operating (costs)/profit              | (0.5)    | (15.7)                      | (0.6)                  | 2.9       | (2.0)                      | (15.9)      |
| Operating loss                                       | (24.0)   | (64.0)                      | (21.0)                 | (14.7)    | (11.1)                     | (134.8)     |
| <b>Three-month period ended<br/>31 December 2019</b> |          |                             |                        |           |                            |             |
| Revenue  | 209.7    | 244.8                       | 140.4                  | 98.4      | -                          | 693.3       |
| Underlying operating profit / (loss)                 | 20.9     | 0.7                         | 9.5                    | 7.9       | (10.4)                     | 28.6        |
| Non-underlying operating costs                       | (0.4)    | (0.1)                       | -                      | -         | -                          | (0.5)       |
| Operating profit / (loss)                            | 20.5     | 0.6                         | 9.5                    | 7.9       | (10.4)                     | 28.1        |

The following amounts are included in underlying operating profit or loss:

|  | UK<br>£m | Continental<br>Europe<br>£m | North<br>America<br>£m | RoW<br>£m | Non-<br>attributable<br>£m | Total<br>£m |
|--|----------|-----------------------------|------------------------|-----------|----------------------------|-------------|
| <b>Three-month period ended<br/>31 December 2020</b> |          |                             |                        |           |                            |             |
| Depreciation and amortisation                        | (16.7)   | (46.3)                      | (16.1)                 | (17.8)    | (1.8)                      | (98.7)      |
| <b>Three-month period ended<br/>31 December 2019</b> |          |                             |                        |           |                            |             |
| Depreciation and amortisation                        | (19.6)   | (45.9)                      | (20.9)                 | (20.3)    | (1.8)                      | (108.5)     |



A reconciliation of underlying operating profit or loss to profit or loss before and after tax is provided as follows:

|  | <b>Period ended<br/>31 December 2020</b> | Period ended<br>31 December 2019 |
|--|--|----------------------------------|
|  | <b>£m</b>                                | £m                               |
| Underlying operating (loss) / profit     | <b>(118.9)</b>                           | 28.6                             |
| Non-underlying operating costs (note 4)  | <b>(15.9)</b>                            | (0.5)                            |
| Share of profit / (loss) from associates | <b>0.5</b>                               | (0.6)                            |
| Finance income                           | <b>0.4</b>                               | 0.6                              |
| Finance expense                          | <b>(17.4)</b>                            | (13.9)                           |
| Non-underlying finance expense (note 5)  | <b>(27.5)</b>                            | (0.8)                            |
| <b>(Loss) / profit before tax</b>        | <b>(178.8)</b>                           | 13.4                             |
| Taxation                                 | <b>18.5</b>                              | (1.6)                            |
| <b>(Loss) / profit after tax</b>         | <b>(160.3)</b>                           | 11.8                             |

### 3 Earnings / (loss) per share

Basic earnings / (loss) per share is calculated by dividing the result for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. Diluted earnings / (loss) per share is calculated by dividing the result for the period attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period adjusted by potentially dilutive outstanding share options.

Underlying earnings / (loss) per share is calculated the same way except that the result for the period attributable to ordinary shareholders is adjusted for specific items as detailed below:

|  | <b>Period ended<br/>31 December 2020</b> | Period ended<br>31 December 2019 |
|--|--|----------------------------------|
|  | <b>£m</b>                                | £m                               |
| (Loss) / Profit attributable to ordinary shareholders            | <b>(155.2)</b>                           | 10.9                             |
| <i>Adjustments:</i>  |  |                                  |
| Non-underlying operating costs                                   | <b>15.9</b>                              | 0.5                              |
| Non-underlying finance costs                                     | <b>27.5</b>                              | 0.8                              |
| Tax effect of adjustments  | <b>(6.4)</b>                             | 0.7                              |
| Underlying (loss) / profit attributable to ordinary shareholders | <b>(118.2)</b>                           | 12.9                             |
| Basic weighted average number of shares                          | <b>537,596,432</b>                       | 445,743,212                      |
| Dilutive potential ordinary shares                               | <b>-</b>                                 | 2,781,093                        |
| Diluted weighted average number of shares                        | <b>537,596,432</b>                       | 448,524,305                      |
| <i>Earnings / (loss) per share (p):</i>                          |  |                                  |
| - Basic  | <b>(28.9)</b>                            | 2.4                              |
| - Diluted  | <b>(28.9)</b>                            | 2.4                              |
| <i>Underlying earnings / (loss) per share (p):</i>               |  |                                  |
| - Basic  | <b>(22.0)</b>                            | 2.9                              |
| - Diluted  | <b>(22.0)</b>                            | 2.9                              |

The number of ordinary shares in issue as at 31 December 2020 was 537,596,432 which excludes treasury shares (31 December 2019: 447,356,585). The Company also holds 263,499 ordinary shares in treasury (31 December 2019: 263,499).

Potential ordinary shares can only be treated as dilutive when their conversion to ordinary shares would decrease earnings per share or increase loss per share. As the Group has recognised a loss for the period ended 31 December 2020, none of the potential ordinary shares are considered to be dilutive.

#### 4 Operating costs

|   | <b>Period ended<br/>31 December 2020<br/>£m</b> | Period ended<br>31 December 2019<br>£m |
|---|---|--|
| <i>Cost of food and materials:</i>            |   |  |
| Cost of inventories consumed in the period    | (41.6)  | (200.2)                                |
| <i>Labour cost:</i>                           |   |  |
| Employee remuneration                         | (76.9)  | (206.5)                                |
| <i>Overheads:</i>                             |   |  |
| Depreciation of property, plant and equipment | (23.2)  | (26.5)                                 |
| Depreciation of right-of-use assets           | (73.2)  | (80.1)                                 |
| Amortisation of intangible assets             | (2.3)   | (1.9)                                  |
| Non-underlying operating costs                | (15.9)  | (0.5)                                  |
| Profit on lease disposal                      | 1.0   | -                                      |
| Rentals payable under leases                  | (7.9)   | (68.2)                                 |
| Other overheads                               | (37.5)  | (81.3)                                 |
|   | (277.5)   | (665.2)                                |

#### Non-underlying operating costs

The non-underlying operating costs in the three-month period ended 31 December 2020 are shown below.

|  | <b>Period ended<br/>31 December 2020<br/>£m</b> | Period ended<br>31 December 2019<br>£m |
|--|---|--|
| Impairment of goodwill                                   | (3.1)   | -                                      |
| Impairment of property, plant and equipment              | (6.9)   | -                                      |
| Impairment of right-of-use assets                        | (15.5)  | -                                      |
| IFRS 16 rent credit                                      | 20.0  | -                                      |
| Restructuring and other expenses                         | (9.9)   | -                                      |
| Amortisation of intangible assets arising on acquisition | (0.5)   | (0.5)                                  |
| Total non-underlying operating costs                     | (15.9)  | (0.5)                                  |

#### Impairment of goodwill

Goodwill is not amortised but is tested annually for impairment, by calculating the value in use of groups of cash-generating units to determine the recoverable amount. Due to the continued reduction in short-term trading resulting from Covid-19, and its impact on the value in use for each CGU, goodwill impairments of £3.1 million have been recognised during the period.

#### Impairment of property, plant and equipment and right-of-use assets

The impact of Covid-19 and national restrictions imposed in response to the pandemic continue to be considered as an impairment trigger. As a result, the impact on the recoverable amounts of all CGUs have been calculated and reviewed against the carrying value of assets held. This has resulted in impairments of £6.9 million for property, plant and equipment and £15.5 million for right-of-use assets during the period.

#### IFRS 16 rent credit

During the period, the Group successfully negotiated several rent waivers with clients, totalling £20.0m, as part of its response to the Covid-19 pandemic. The Group applies the practical expedient issued as a part of the Amendment to IFRS 16 to record this as a reduction in rent expense and an exceptional item within the consolidated income statement.

### Restructuring and other expenses

As a result of the impact of Covid-19, the Group has recognised a charge of £9.9 million relating to its restructuring programmes carried out across the Group during the period. The charge primarily relates to redundancy costs. It also includes some costs related to the exit from certain contracts and one-off finance projects.

### Amortisation of intangible assets

Underlying operating profit excludes non-cash accounting adjustments relating to the amortisation of intangible assets arising on acquisition of the SSP business in 2006.

## 5 Finance income and expense

|  | <b>Period ended<br/>31 December 2020</b> | Period ended           |
|--|--|------------------------|
|  | <b>£m</b>                                | 31 December 2019<br>£m |
| <i>Finance income</i>  |  |                        |
| Interest income  | <b>0.4</b>                               | 0.6                    |
| Total finance income   | <b>0.4</b>                               | 0.6                    |
| <i>Finance expense</i>   |  |                        |
| Total interest expense on financial liabilities measured at amortised cost | <b>(8.9)</b>                             | (4.5)                  |
| Lease interest expense   | <b>(6.9)</b>                             | (7.4)                  |
| Non-underlying finance costs   | <b>(27.5)</b>                            | (0.8)                  |
| Net change in fair value of cash flow hedges utilised in the period        | <b>(0.7)</b>                             | (0.3)                  |
| Unwind of discount on provisions   | <b>(0.1)</b>                             | (0.1)                  |
| Net interest expense on defined benefit pension obligations                | -  | (0.1)                  |
| Net foreign exchange losses  | -  | (0.6)                  |
| Other  | <b>(0.8)</b>                             | (0.9)                  |
| Total finance expense  | <b>(44.9)</b>                            | (14.7)                 |

### Non-underlying finance costs

The non-underlying finance costs in the three-month period ended 31 December 2020 includes expense arising as a result of amendments and extensions of borrowings under IFRS 9.

|   | <b>Period ended<br/>31 December 2020</b> | Period ended           |
|---|--|------------------------|
|   | <b>£m</b>                                | 31 December 2019<br>£m |
| Debt modification loss                  | <b>(30.3)</b>                            | -                      |
| Effective interest rate gain / (charge) | <b>4.2</b>                               | (0.8)                  |
| Retrospective USPP interest charge      | <b>(1.4)</b>                             | -                      |
| Total non-underlying finance costs      | <b>(27.5)</b>                            | (0.8)                  |

On 15 December 2020, as part of the Group's debt refinancing, non-substantial modifications to the bank facilities and US Notes debts occurred which resulted in a one-off loss of £30.3 million. Furthermore, as part of the US Notes December modification, margin rates were increased retrospectively from 7 August 2020 resulting in additional backdated interest charges of £1.4 million. An effective interest rate gain of £4.2 million was recognised in the period.

## 6 Cash flow from operations

|  | Period ended<br>31 December 2020 | Period ended<br>31 December 2019 |
|--|----------------------------------|----------------------------------|
|  | £m                               | £m                               |
| (Loss) / profit for the period   | (160.3)                          | 11.8                             |
| <i>Adjustments for:</i>  |                                  |                                  |
| Depreciation of property, plant and equipment                          | 23.2                             | 26.5                             |
| Depreciation of right-of-use assets                                    | 73.2                             | 80.1                             |
| Amortisation of intangible assets                                      | 2.8                              | 2.4                              |
| Profit on disposal of lease  | (1.0)                            | -                                |
| IFRS 16 rent credit  | (20.0)                           | -                                |
| Impairments  | 25.5                             | -                                |
| Share-based payments   | 0.6                              | 2.5                              |
| Finance income   | (0.4)                            | (0.6)                            |
| Finance expense  | 44.9                             | 14.7                             |
| Share of (profit) / loss of associates                                 | (0.5)                            | 0.6                              |
| Taxation   | (18.5)                           | 1.6                              |
|  | <b>(30.5)</b>                    | 139.6                            |
| Decrease / (increase) in trade and other receivables                   | 19.9                             | 16.7                             |
| Decrease / (increase) in inventories                                   | 3.4                              | (1.8)                            |
| (Decrease) / increase in trade and other payables including provisions | (10.9)                           | (100.8)                          |
| Cash flow from operations  | <b>(18.1)</b>                    | 53.7                             |

## 7 Fair value measurement

Certain of the Group's financial instruments are held at fair value.

The fair values of financial instruments held at fair value have been determined based on available market information at the balance sheet date, and the valuation methodologies detailed below:

- the fair values of the Group's borrowings are calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date; and
- the derivative financial liabilities relate to interest rate swaps. The fair values of interest rate swaps have been determined using relevant yield curves and exchange rates as at the balance sheet date.

### Carrying value and fair values of certain financial instruments

The following table shows the carrying value of financial assets and financial liabilities.

|  | As at<br>31 December 2020<br>£m | As at<br>30 September 2020<br>£m |
|--|---------------------------------|----------------------------------|
| <b>Financial assets measured at amortised cost</b>                     |                                 |                                  |
| Cash and cash equivalents  | 155.0                           | 185.0                            |
| Trade and other receivables  | 149.7                           | 155.1                            |
| <b>Total financial assets measured at amortised cost</b>               | <b>304.7</b>                    | 340.1                            |
| <b>Non-derivative financial liabilities measured at amortised cost</b> |                                 |                                  |
| Bank loans   | (463.7)                         | (411.3)                          |
| Covid Corporate Financing Facility (CCFF)                              | (124.1)                         | (123.9)                          |
| US Private Placement notes   | (347.5)                         | (341.1)                          |
| Lease liabilities  | (1,276.6)                       | (1,349.3)                        |
| Trade and other payables   | (368.7)                         | (380.0)                          |
| <b>Total financial liabilities measured at amortised cost</b>          | <b>(2,580.6)</b>                | (2,605.6)                        |
| <b>Derivative financial liabilities</b>                                |                                 |                                  |
| Interest rate swaps  | (4.5)                           | (5.1)                            |
| <b>Total derivative financial liabilities</b>                          | <b>(4.5)</b>                    | (5.1)                            |

Financial assets and liabilities in the Group's consolidated balance sheet are either held at fair value, or their carrying value approximates to fair value, with the exception of loans, which are held at amortised cost. The fair value of total borrowings excluding lease liabilities estimated using market prices at 31 December 2020 was £918.5 million (30 September 2020: £885.4 million).

All of the financial assets and liabilities measured at fair value are classified as level 2 using the fair value hierarchy whereby inputs, which are used in the valuation of these financial assets, and liabilities and have a significant effect on the fair value, are observable either directly or indirectly. There were no transfers during the period.

## **8 Post balance sheet events**

On 17 March 2021, the Group expects to announce a proposed equity raise of £475 million, subject to shareholder approval, structured as a Rights Issue. The Rights Issue is intended to strengthen the Group's balance sheet by reducing net debt and improve the Group's liquidity headroom taking into account the scheduled maturity of the CCFF and, under the reasonable worst case scenario, continued cash usage. In addition, in March 2021, SSP Financing Limited secured an agreement, conditional on the Rights Issue, from its lending group of banks and US private placement note holders to extend their waiver of the net debt cover and interest cover financial covenants up to the testing period covering the twelve months to 30 September 2023; extend the maturity date of its Term Facility A, Term Facility B and Revolving Credit Facility to 15 January 2024 and deferred the required instalment repayments under Term Facility A to the extended maturity date. Please refer to the Going Concern section in Note 1.2 for further details.

## **9 Other information**

Related party relationships exist with the Group's subsidiaries, associates, key management personnel, pension schemes and employee benefit trusts. A full explanation of the Group's related party relationships is provided on page 147 of the Annual Report and Accounts 2020.

There are no material transactions with related parties or changes in the related party transactions described in the last annual report that have had, or are expected to have, a material effect on the financial performance or position of the Group in the three-month period ended 31 December 2020.

## **10 Forward looking statement**

This announcement contains forward-looking statements. These forward-looking statements include all matters that are not historical facts. Statements containing the words "believe", "expect", "intend", "may", "estimate", "anticipate"; "will"; "plans", "aims", "projects"; "may"; "would"; "could"; "should" or, in each case, their negative and words of similar meaning are forward-looking. Forward-looking statements include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; and (ii) business and management strategies and the expansion and growth of the Company's operations. By their nature, forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions because they relate to events that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that the Group's actual financial condition, performance, results of operations and cash flows, and the development of the industry in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this document or other disclosures made by us or on the Group's behalf, including as a result of the macroeconomic and other impacts of Covid-19, economic and business cycles, the terms and conditions of the Company's financing arrangements, foreign currency rate fluctuations, competition in the Company's principal markets, acquisitions or disposals of businesses or assets and trends in the Company's principal industries.

In addition, even if the Group's financial condition, results of operations and cash flows, and the development of the industry in which we operate are consistent with the forward-looking statements in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. The forward-looking statements contained in this announcement speak only as of the date of this announcement. Except where required to do so under applicable law or regulatory obligations, the Company and its Directors expressly disclaim any undertaking or obligation to update or publicly revise any forward looking statements whether as a result of new information, future events or otherwise.

**PART 14**  
**UNAUDITED PRO FORMA FINANCIAL INFORMATION**

**Section A – Unaudited Pro Forma Statement of Net Assets**

The unaudited pro forma statement of net assets and accompanying notes (the “**pro forma financial information**”) set out below has been prepared to illustrate the effect of the Rights Issue on the Group’s consolidated net assets as at 31 December 2020 as if the Rights Issue had been undertaken at that date.

The unaudited pro forma statement of net assets, which has been produced for illustrative purposes only, by its nature addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position or results. Such information may not, therefore, give a true picture of the Group’s financial position or results of operations nor is it indicative of its future results.

The unaudited pro forma statement of net assets is presented on the basis of the accounting policies adopted by the Group in preparing the financial statements for the year ended 30 September 2020.

The unaudited pro forma statement of net assets has been prepared on the basis set out in the notes below and in accordance with Annex 20 of the Prospectus Regulation.

The unaudited pro forma statement does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. Shareholders should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this Part 14.

|                                     | <i>Net assets of the<br/>Group at<br/>31 December<br/>2020<sup>(1)</sup></i> | <u>Adjustments</u><br>Net proceeds<br>from the Rights<br>Issue <sup>(2)</sup> | <i>Pro forma net assets<br/>of the Group at<br/>31 December 2020<sup>(3)</sup></i> |
|-------------------------------------|--|---|--|
|                                     |  | ( <i>£ millions</i> )   |  |
| <b>Non-current assets</b>           |  |   |  |
| Property, plant and equipment       | 408.3  |   | 408.3  |
| Goodwill and intangible assets      | 721.3  |   | 721.3  |
| Right-of-use assets                 | 1,160.0  |   | 1,160.0  |
| Investments in associates           | 12.0   |   | 12.0   |
| Deferred tax assets                 | 63.0   |   | 63.0   |
| Other receivables                   | 70.4   |   | 70.4   |
|                                     | <u>2,435.0</u>   |   | <u>2,435.0</u>   |
| <b>Current assets</b>               |  |   |  |
| Inventories                         | 20.1   |   | 20.1   |
| Tax receivable                      | 12.8   |   | 12.8   |
| Trade and other receivables         | 107.4  |   | 107.4  |
| Cash and cash equivalents           | <b>155.0</b>   | 456.1   | <b>611.1</b>   |
|                                     | <u><b>295.3</b></u>  | <u><b>456.1</b></u>   | <u><b>751.4</b></u>  |
| <b>Total assets</b>                 | <u><b>2,730.3</b></u>  | <u><b>456.1</b></u>   | <u><b>3,186.4</b></u>  |
| <b>Current liabilities</b>          |  |   |  |
| Short-term borrowings               | (177.9)  |   | (177.9)  |
| Trade and other payables            | (387.7)  |   | (387.7)  |
| Tax payable                         | (18.0)   |   | (18.0)   |
| Lease liabilities                   | (289.2)  |   | (289.2)  |
| Provisions                          | (12.1)   |   | (12.1)   |
|                                     | <u>(884.9)</u>   |   | <u>(884.9)</u>   |
| <b>Non-current liabilities</b>      |  |   |  |
| Long-term borrowings                | (757.4)  |   | (757.4)  |
| Post-employment benefit obligations | (19.5)   |   | (19.5)   |
| Lease Liabilities                   | (987.4)  |   | (987.4)  |
| Other Payables                      | (4.5)  |   | (4.5)  |
| Provisions                          | (18.7)   |   | (18.7)   |
| Derivative financial liabilities    | (4.5)  |   | (4.5)  |
| Deferred tax liabilities            | (11.3)   |   | (11.3)   |
|                                     | <u>(1,803.3)</u>   |   | <u>(1,803.3)</u>   |
| <b>Total liabilities</b>            | <u>(2,688.2)</u>   |   | <u>(2,688.2)</u>   |
| <b>Net assets</b>                   | <u><b>42.1</b></u>   | <u><b>456.1</b></u>   | <u><b>498.2</b></u>  |

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**Notes:**

- (1) The net assets of the Group as at 31 December 2020 have been extracted without material adjustment from the unaudited financial information for the Group for the three-month period ended 31 December 2020.
- (2) The adjustment in Note 2 reflects the net proceeds of the Rights Issue receivable by the Company of £456.1 million (being gross proceeds of £474.9 million less estimated fees and expenses relating to the Rights Issue of £18.8 million).
- (3) No adjustment has been made to reflect the trading results of the Group since 31 December 2020 or any other change in its financial position in this period.

## SECTION B – ACCOUNTANTS’ REPORT ON THE PRO FORMA FINANCIAL INFORMATION

The Directors  
SSP Group plc  
Jamestown Wharf  
32 Jamestown Road  
London  
NW1 7HW

17 March 2021

Ladies and Gentlemen

### **SSP Group plc**

We report on the pro forma statement of net assets (the ‘Pro forma financial information’) set out in Section A of Part 14 of the prospectus dated 17 March 2021. This report is required by Section 3 of Annex 20 of the UK version of Commission Delegated Regulation (EU) 2019/980 (the ‘PR Regulation’) and is given for the purpose of complying with that section and for no other purpose.

### **Opinion**

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of SSP Group plc.

### **Responsibilities**

It is the responsibility of the directors of SSP Group plc to prepare the Pro forma financial information in accordance with Annex 20 of the PR Regulation.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro forma financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex 1 of the PR Regulation, consenting to its inclusion in the prospectus.

### **Basis of Preparation**

The pro forma financial information has been prepared on the basis described in Section A of Part 14 of the prospectus dated 17 March 2021, for illustrative purposes only, to provide information about how the issue of new ordinary shares might have affected the financial information presented on the basis of the accounting policies adopted by SSP Group plc in preparing the financial statements for the period ended 30 September 2020.

### **Basis of Opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom (the ‘FRC’). We are independent, and have fulfilled our other ethical responsibilities, in accordance with the relevant ethical requirements of the FRC’s Ethical Standard as applied to Investment Circular Reporting Engagements.



The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of SSP Group plc.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of SSP Group plc.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

**Declaration**

For the purposes of Prospectus Regulation Rule 5.3.2R (2)(f) we are responsible for this report as part of the prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

KPMG LLP

## PART 15 TAXATION

### 1. UK TAXATION

The following statements are intended only as a general guide to certain UK tax considerations and do not purport to be a complete analysis of all potential UK tax consequences of acquiring, holding or disposing of New Shares, Nil Paid Rights or Fully Paid Rights. Prospective acquirers of New Shares, Nil Paid Rights or Fully Paid Rights are advised to consult their own professional advisers concerning the tax consequences of the acquisition, ownership and disposition of such shares or rights. The following statements are based on current UK tax law and what is understood to be the current published practice of HM Revenue & Customs as at the date of this Prospectus, both of which may change at any time, possibly with retroactive effect. They apply only to Shareholders who are resident, and in the case of individuals domiciled, for tax purposes in (and only in) the UK, who hold their Shares as an investment (other than where a tax exemption applies, for example where the Shares are held in an individual savings account or a pension arrangement), and who are the absolute beneficial owners of both their Shares and any dividends paid on them. The tax position of certain categories of Shareholders who are subject to special rules is not considered and it should be noted that they may incur liabilities to UK tax on a different basis to that described below. This includes persons acquiring their New Shares in connection with employment, dealers in securities, insurance companies, collective investment schemes charities, exempt pension funds, temporary non-residents and non-residents carrying on a trade, profession or vocation in the UK.

**The statements summarise the current position and are intended as a general guide only. Prospective acquirers of New Shares, Nil Paid Rights or Fully Paid Rights who are in any doubt about their tax position or who may be subject to tax in a jurisdiction other than or in addition to the United Kingdom are strongly recommended to consult their own professional advisers.**

#### Taxation of Chargeable Gains

##### *UK tax resident Shareholders*

##### *New Shares acquired pursuant to the Rights Issue*

For the purposes of UK taxation of chargeable gains (“CGT”), the issue of New Shares to existing Shareholders who take up their rights should be regarded as a reorganisation of the share capital of the Company. Accordingly, to the extent that an existing Shareholder takes up all or part of his or her entitlement under the Rights Issue, he or she should not be treated as making a disposal of all or part of his or her holding of Existing Shares and no liability to CGT should arise. Instead, the New Shares acquired and the Existing Shares in respect of which they are issued should, for CGT purposes, be treated as the same asset and as having been acquired at the same time as the Existing Shares. The amount paid for the New Shares will be added to the base cost of the Existing Shares when computing any gain or loss on any subsequent disposal.

##### *Disposals*

If a Shareholder sells or otherwise disposes or is deemed to dispose of all or some of the New Shares allotted to him or her, or of his or her rights to acquire New Shares, or if he or she allows or is deemed to have allowed his or her rights to lapse and receives a cash payment in respect of them, he or she may, depending on his or her circumstances and subject to any available exemption or relief, incur a liability to CGT.

If a Shareholder disposes of all or part of his or her Nil Paid Rights, or allows or is deemed to allow them to lapse and receives a cash payment, then if the proceeds are “small” as compared to the value of the Existing Shares in respect of which the rights arose, the Shareholder should not generally be treated as making a disposal for CGT purposes. Instead, the proceeds will be deducted from the base cost of his or her holding of Existing Shares for the purpose of computing any chargeable gain or allowable loss on a subsequent disposal. HM Revenue & Customs currently regards a receipt as “small” if its amount or value does not exceed 5.0% of the value of the Existing Shares or is £3,000 or less, whether or not it would also fall within the 5.0% test. This treatment will not apply where such proceeds are greater than the base cost of the holding of Existing Shares for CGT purposes.

#### Taxation of Dividends

##### *Withholding tax on dividends*

The Company is not required to withhold tax at source when paying a dividend in respect of New or Existing Shares.

### ***Direct tax on dividends paid to UK resident individual Shareholders***

Under current UK tax rules specific rates of tax apply to dividend income. These include a nil rate of tax (the “nil rate band”) for the first £2,000 of non-exempt dividend income in any tax year and special rates of tax for dividend income that exceeds the nil rate band. For these purposes “dividend income” includes UK and non UK source dividends and certain other distributions in respect of shares.

An individual Shareholder who is resident for tax purposes in the UK and who receives a dividend from the Company will not be liable to UK tax on the dividend to the extent that (taking account of any other non-exempt dividend income received by the Shareholder in the same tax year) that dividend falls within the nil rate band.

To the extent that (taking account of any other non-exempt dividend income received by the Shareholder in the same tax year) the dividend exceeds the nil rate band (and subject to any other available allowances, such as the personal allowance described below), it will be subject to income tax at 7.5% to the extent that it falls below the threshold for higher rate income tax. To the extent that (taking account of other non-exempt dividend income received in the same tax year) it falls over the threshold for higher rate income tax then the dividend will be taxed at 32.5% to the extent that it is within the higher rate band, or 38.1% to the extent that it is within the additional rate band.

An individual Shareholder may (depending on his or her circumstances) be entitled to claim certain allowances which have the effect of reducing his or her taxable income. For example, an individual Shareholder may be entitled to claim the personal allowance of up to £12,500 (for the 2020/2021 tax year). Any such personal allowance is in addition to the nil rate band and can be applied against taxable dividend income in the same way as for other income.

For the purposes of determining which of the taxable bands dividend income falls into, and for the purpose of the application of the personal allowance (if any), dividend income is treated as the highest part of a Shareholder’s income. In addition, dividends within the nil rate band which would (if there was no nil rate band) have fallen within the basic or higher rate bands will use up those bands respectively for the purposes of determining whether the threshold for higher rate or additional rate income tax is exceeded.

### ***Direct tax on dividends paid to UK resident corporate Shareholders***

It is likely that most dividends paid on the Shares to a UK resident corporate Shareholder would fall within one or more of the classes of dividend qualifying for exemption from corporation tax. However, it should be noted that the exemptions are not comprehensive and are also subject to anti-avoidance rules. Shareholders within the charge to corporation tax should consult their own professional advisers.

### **UK Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

#### ***The Rights Issue***

*The statements in this section are intended as a general guide to the current United Kingdom stamp duty and SDRT position. Investors should also note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.*

No stamp duty or SDRT will be payable on the issue of New Shares pursuant to the Rights Issue, other than as explained in the paragraphs below.

No stamp duty or SDRT will generally be payable on the issue of Provisional Allotment Letters or the crediting of Nil Paid Rights to accounts in CREST. Where New Shares represented by such documents or rights are registered in the name of the Shareholder entitled to such shares, or New Shares are credited in uncertificated form to CREST accounts, no liability to stamp duty or SDRT will generally arise.

A purchaser of rights to New Shares represented by Provisional Allotment Letters (whether nil or fully paid) or of Nil Paid Rights or Fully Paid Rights held in CREST on or before the latest time for registration of renunciation will not generally be liable to pay stamp duty, but the purchaser will normally be liable to pay SDRT at the rate of 0.5% of the value or amount of the consideration given. If the purchaser is a company connected with the seller (or a nominee of such a company) SDRT may be chargeable on the higher of (i) the amount or value of the consideration and (ii) the market value of the rights acquired.

Where such a purchase is effected through a stockbroker or other financial intermediary, that person will normally account for the SDRT and should indicate that this has been done in any contract note issued to the purchaser. In other cases, the purchaser of the rights to the New Shares represented by the Provisional Allotment Letter or Nil Paid Rights or Fully Paid Rights held in CREST is liable to pay the SDRT and must account for it to HM Revenue & Customs. In the case of transfers within CREST, any SDRT due should be collected through CREST in accordance with the CREST rules.

No stamp duty or SDRT will be payable on the registration of Provisional Allotment Letters or Nil Paid Rights or Fully Paid Rights, whether by the original holders or their renounees.

### *Subsequent transfers*

Stamp duty at the rate of 0.5%. (rounded up to the next multiple of £5) of the amount or value of the consideration given is generally payable on an instrument transferring Shares. A charge to SDRT will also arise on an unconditional agreement to transfer Shares (at the rate of 0.5%. of the amount or value of the consideration payable). However, if within six years of the date of the agreement becoming unconditional an instrument of transfer is executed pursuant to the agreement, and stamp duty is paid on that instrument, any SDRT already paid will be refunded (generally, but not necessarily, with interest) provided that a claim for payment is made, and any outstanding liability to SDRT will be cancelled. The liability to pay stamp duty or SDRT is generally satisfied by the purchaser or transferee. An exemption from stamp duty is available on an instrument transferring Shares where the amount or value of the consideration is £1,000 or less, and it is certified on the instrument that the transaction effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate consideration exceeds £1,000.

In cases where Shares are transferred to a connected company (or its nominee) stamp duty or SDRT may be chargeable on the higher of (i) the amount or value of the consideration and (ii) the market value of the Shares.

### *Shares transferred through paperless means including CREST*

Paperless transfers of Shares, such as those occurring within CREST, are generally liable to SDRT, rather than stamp duty, at the rate of 0.5%. of the amount or value of the consideration. CREST is obliged to collect SDRT on relevant transactions settled within the system. The charge is generally borne by the purchaser. Under the CREST system, no stamp duty or SDRT will arise on a transfer of Shares into the system unless such a transfer is made (or deemed to be made) for a consideration in money or money's worth, in which case a liability to SDRT (usually at a rate of 0.5%.) will arise.

In cases where Shares are transferred to a connected company (or its nominee) stamp duty or SDRT may be chargeable on the higher of (i) the amount or value of the consideration and (ii) the market value of the Shares.

### *Shares held through Clearance Systems or Depositary Receipt Arrangements*

Special rules apply where Shares are issued or transferred to, or to a nominee or agent for, either a person whose business is or includes issuing depositary receipts or a person providing a clearance service, under which SDRT or stamp duty may be charged at a rate of 1.5%, with subsequent transfers within the clearance service or transfers of depositary receipts then being free from SDRT or stamp duty. HM Revenue & Customs accept that this charge is in breach of EU law so far as it applies to new issues of shares or transfers that are an integral part of a share issue, and it was confirmed in the Autumn 2017 Budget that the Government intend to continue this approach following Brexit. HM Revenue & Customs' published view is that the 1.5%. SDRT or stamp duty charge continues to apply to other transfers of shares into a clearance service or depositary receipt arrangement, although this has been disputed. Further litigation indicates that certain transfers of legal title to clearance services in connection with listing, but not integral to a new issue of share capital, are also not chargeable. **Accordingly, specific professional advice should be sought before incurring a 1.5%. stamp duty or stamp duty reserve tax charge in any circumstances.**

**The statements in this paragraph apply to any holders of Shares irrespective of their residence, summarise the current position and are intended as a general guide only. Special rules apply to agreements made by, amongst others, intermediaries.**

## **2. US FEDERAL INCOME TAXATION**

The following discussion is a general summary based on present law of certain US federal income tax consequences of the receipt of Nil Paid Rights pursuant to the Rights Issue as well as the exercise, expiration or

disposition of Nil Paid Rights and the acquisition, ownership and disposition of Fully Paid Rights and New Shares. This discussion applies only to US Holders (as defined below) that receive the Nil Paid Rights with respect to Existing Shares, hold the Existing Shares and will hold the Nil Paid Rights, Fully Paid Rights and New Shares, as capital assets and use the US dollar as their functional currency. The discussion is a general summary; it is not a substitute for tax advice. It does not address all tax considerations that may be relevant to a particular US Holder or the tax treatment of US Holders subject to special rules, such as banks or other financial institutions, insurance companies, tax exempt entities, dealers, traders in securities that elect to mark-to-market, regulated investment companies, real estate investment trusts, investors liable for alternative minimum tax, US expatriates, persons that directly, indirectly or constructively own 10% or more of the total combined voting power of the Company's voting stock or of the total value of the Company's equity interests, investors that hold Existing Shares, Nil Paid Rights, Fully Paid Rights or New Shares in connection with a permanent establishment or fixed base outside the United States, or investors that hold Existing Shares, Nil Paid Rights, Fully Paid Rights or New Shares as part of a hedge, straddle, conversion, constructive sale or other integrated financial transaction. This summary also does not address US federal taxes other than the income tax (such as estate or gift taxes) or US state and local, or non-US tax laws or matters.

As used here, a “**US Holder**” means a beneficial owner of Nil Paid Rights, Fully Paid Rights or New Shares that is for US federal income tax purposes (i) a citizen or individual resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof, or the District of Columbia, (iii) a trust subject to the control of one or more US persons and the primary supervision of a US court and (iv) an estate the income of which is subject to US federal income tax without regard to its source.

The US federal income tax treatment of a partner in a partnership (or other entity or arrangement treated as a partnership for US federal income tax purposes) that holds Nil Paid Rights, Fully Paid Rights or New Shares will generally depend on the status of the partner and the activities of the partnership. Partnerships should consult their own tax advisers concerning the US federal income tax consequences to them and their partners of receiving, exercising and disposing of Nil Paid Rights and the acquisition, ownership and disposition of Fully Paid Rights or New Shares.

The Company believes, and the following discussion assumes, that the Company was not a passive foreign investment company (“**PFIC**”) for US federal income tax purposes in its most recent taxable year and will not become a PFIC in its current taxable year or in the foreseeable future.

## **Nil Paid Rights**

### ***Receipt***

While the US federal income tax treatment of the Rights Issue is not free from doubt, the Company intends, to the extent required to do so for US federal income tax purposes, to treat the receipt of Nil Paid Rights as a non-taxable distribution with respect to its Existing Shares for such purposes, and the following discussion assumes that such treatment is correct. If the distribution of Nil Paid Rights were to be treated as a taxable distribution for US federal income tax purposes, a US Holder generally would recognize dividend income equal to the fair market value of the Nil Paid Rights received (likely determined by the price at which the Nil Paid Rights initially trade) and would take a tax basis in the Nil Paid Rights equal to such amount.

If the fair market value of the Nil Paid Rights when distributed is less than 15% of the fair market value of the Existing Shares, the Nil Paid Rights will have a nil tax basis unless the US Holder affirmatively elects to allocate its adjusted tax basis in its Existing Shares to the Nil Paid Rights in proportion to the relative fair market values of the Existing Shares and the Nil Paid Rights on the date the Nil Paid Rights are distributed. A US Holder must make this election in a statement attached to its tax return for the taxable year in which it receives Nil Paid Rights, and such election is irrevocable.

If the fair market value of the Nil Paid Rights when distributed is 15% or more of the fair market value of the Existing Shares, then, except as discussed below under “—*Nil Paid Rights—Expiration*”, a US Holder must allocate its adjusted tax basis in its Existing Shares between the Existing Shares and the Nil Paid Rights distributed in proportion to their relative fair market values on the date Nil Paid Rights are distributed.

### ***Exercise***

A US Holder will not recognise taxable income when it receives Fully Paid Rights by exercising Nil Paid Rights or upon the issuance of New Shares in respect of Fully Paid Rights. A US Holder's tax basis in the Fully Paid

Rights and subsequently the New Shares will equal such US Holder's tax basis, if any, in the Nil Paid Rights exercised plus the US dollar value of the pounds sterling Rights Issue Price at the spot rate on the acquisition date (or, if the Fully Paid Rights or New Shares are treated as securities that are traded on an "established securities market," in the case of cash basis and electing accrual basis taxpayers, the settlement date). A US Holder that holds Fully Paid Rights as a result of the exercise of Nil Paid Rights will be treated as the owner of the New Shares allocated to the Fully Paid Rights. The US federal income tax consequences of a disposition of Fully Paid Rights prior to issuance of New Shares will be the same as a disposition of New Shares as described below under the first paragraph of "*New Shares—Dispositions*".

### ***Disposition***

A US Holder will recognise capital gain or loss on the sale or other disposition of Nil Paid Rights in an amount equal to the difference between its tax basis, if any, in the Nil Paid Rights and the US dollar value of the amount realised from the sale or other disposition. Any gain or loss generally will be treated as arising from US sources. A US Holder's holding period in the Nil Paid Rights will include its holding period in the Existing Shares with respect to which the Nil Paid Rights were distributed.

A US Holder that receives pounds sterling on the sale or other disposition of Nil Paid Rights will realise an amount equal to the US dollar value of the pounds sterling on the date of sale or other disposition (or, if the Nil Paid Rights are treated as securities traded on an "established securities market", in the case of cash basis and electing accrual basis US Holders, the settlement date). A US Holder will recognise exchange gain or loss if the US dollar value of the pounds sterling received at the spot rate on the settlement date differs from the amount realised. A US Holder will have a tax basis in the pounds sterling received equal to its value at the spot rate on the settlement date. Any exchange gain or loss realised on the settlement date or on a subsequent conversion of the pounds sterling into US dollars will be US source ordinary income or loss.

### ***Expiration***

If a US Holder allows Nil Paid Rights to expire without exercising or selling them and receives no payment from the Underwriters on account of the sale of New Shares at a premium over the Rights Issue Price (and the related expenses of procuring purchasers for such New Shares), the Nil Paid Rights should be deemed to have no tax basis. The US Holder therefore should recognise no loss upon the expiration of the Nil Paid Rights. Any tax basis that was allocated by a US Holder from its Existing Shares to the Nil Paid Rights instead will remain with the Existing Shares.

A US Holder that receives a payment from the Underwriters on account of the sale of New Shares at a premium over the Rights Issue Price (and the related expenses of procuring purchasers for such New Shares) will be treated either as having sold the Nil Paid Rights (as described above) or as having exercised the Nil Paid Rights and having sold the New Shares. A US Holder that is treated as having sold the New Shares will recognise a short-term capital gain or loss as described below under "*New Shares—Dispositions*". A US Holder that receives amounts in respect of Nil Paid Rights not taken up should consult its own tax advisers about the US federal income tax treatment of those amounts.

## **New Shares**

### ***Dividends***

The gross amount of any distribution of cash or property with respect to New Shares (other than certain distributions, if any, of additional rights or shares distributed pro rata to all Shareholders) will be included in a US Holder's gross income as ordinary income to the extent of the Company's current and accumulated earnings and profits as determined under US federal income tax laws. The Company does not expect to maintain calculations of earnings and profits for US federal income tax purposes. Therefore, a US Holder should expect that such distribution will generally be treated as a dividend from foreign sources when received. The dividends will not be eligible for the dividends-received deduction generally available to US corporations.

Dividends received by eligible non-corporate US Holders, however, should be taxed at the preferential rates applicable to qualified dividend income if the Company qualifies for the benefits of the income tax treaty between the United States and the United Kingdom (the "**US-UK Treaty**"), which the Company believes it does, and such dividend is paid on New Shares that have been held by such US holder for at least 61 days during the 121-day period beginning 60 days before the ex-dividend date and the Company is not a PFIC in the year of distribution or the preceding year.

Dividends paid in pounds sterling will be included in income in a US dollar amount based on the exchange rate in effect on the date of receipt, whether or not the pounds sterling are converted into US dollars at that time. A US Holder's tax basis in the pounds sterling will equal the US dollar amount included in income. Any gain or loss on a subsequent conversion or other disposition of the pounds sterling for a different US dollar amount generally will be US source ordinary income or loss. If dividends paid in pounds sterling are converted into US dollars on the day they are received, a US Holder generally will not be required to recognise exchange gain or loss in respect of the dividend income.

Dividends received by certain non-corporate US Holders will generally be includible in "net investment income" for purposes of the Medicare contribution tax.

### ***Dispositions***

A US Holder generally will recognise capital gain or loss on the sale or other disposition of New Shares equal to the difference between the US dollar value of the amount realised and the US Holder's tax basis in the New Shares. The US Holder's amount realised will include the gross amount of the proceeds from the sale or other disposition. Any gain or loss generally will be treated as arising from US sources. The gain or loss will be long term capital gain or loss if the US Holder's holding period in the New Shares exceeds one year. The holding period of any New Shares acquired will not include that of the corresponding Nil Paid Rights and instead will begin with and include the date of exercise of the underlying Nil Paid Rights (unless the Existing Shares with respect to which the Nil Paid Rights were distributed were PFIC shares in the hands of the US Holder, in which case the holding period in the New Shares would include such US Holder's holding period in the Nil Paid Rights). Long term capital gains of non-corporate US Holders are subject to preferential tax rates. Deductions for capital loss are subject to significant limitations.

The initial tax basis of a US Holder's New Shares will be the US dollar amount determined in the manner described above under "*—Nil Paid Rights—Exercise*". A US Holder that receives pounds sterling on the sale or other disposition of New Shares will realise an amount equal to the US dollar value of the pounds sterling at the spot rate of exchange on the date of sale or other disposition (or, if the New Shares are traded on an "established securities market", in the case of a cash basis or electing accrual basis US Holder, the settlement date). A US Holder will recognise exchange gain or loss if the US dollar value of the pounds sterling received at the spot rate of exchange on the settlement date differs from the amount realised. A US Holder will have a tax basis in the pounds sterling received equal to its US dollar value at the spot rate on the settlement date. Any exchange gain or loss realised on the settlement date or on a subsequent conversion of the pounds sterling into US dollars will be US source ordinary income or loss.

Capital gains from the sale or other disposition of the New Shares received by certain non-corporate US Holders will generally be includible in "net investment income" for purposes of the Medicare contribution tax.

### **Information Reporting and Backup Withholding**

Dividends on New Shares and proceeds from the sale or other disposition of Nil Paid Rights, Fully Paid Rights or New Shares may be reported to the IRS unless the holder establishes a basis for exemption. Backup withholding may apply to amounts subject to reporting. Any amount withheld may be credited against the holder's US federal income tax liability subject to certain rules and limitations. US Holders should consult with their own tax advisers regarding the application of the US information reporting and backup withholding rules.

Certain non-corporate US Holders are required to report information with respect to investments in New Shares not held through an account with a domestic financial institution. US Holders that fail to report required information could become subject to substantial penalties. Potential investors are encouraged to consult with their own tax advisers about these and any other reporting obligations arising from their investment in New Shares.

**THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR SHAREHOLDER. SHAREHOLDERS SHOULD BE WARNED THAT THE TAX LEGISLATION OF THEIR COUNTRY OF CITIZENSHIP, DOMICILE OR RESIDENCY MAY HAVE AN IMPACT ON THE RECEIPT, EXERCISE, EXPIRATION OR DISPOSITION OF NIL PAID RIGHTS AND ON INCOME RECEIVED FROM AN INVESTMENT IN THE NEW SHARES. EACH SHAREHOLDER IS URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES TO IT OF THE RIGHTS ISSUEANCE IN LIGHT OF THE SHAREHOLDER'S OWN CIRCUMSTANCE.**

**PART 16**  
**ADDITIONAL INFORMATION**

**1 RESPONSIBILITY**

The Directors, whose names appear on page 135 of this Prospectus and the Company accept responsibility for the information contained in this Prospectus. To the best of the knowledge of the Directors and the Company, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import.

**2 INCORPORATION AND REGISTERED OFFICE**

The Company was incorporated and registered in England and Wales under the Companies Act 1985 as a private company limited by shares and under the name HACKREMCO (NO. 2347) LIMITED on 9 March 2006 with registered number 5735966. On 5 April 2006, the Company was renamed Sapling Holdco 1 Limited and, on 16 October 2006, the Company was renamed SSP Group Limited. The Company was re-registered as a public company limited by shares and renamed SSP Group plc on 4 July 2014 with its registered office situated in England and Wales. Its LEI number is 213800QGNIWTFMENJ24.

The Company's registered and head office is at Jamestown Wharf, 32 Jamestown Road, London, NW1 7HW, United Kingdom and its telephone number is +44 (0)207 543 3300.

**3 SHARE CAPITAL**

Immediately prior to the publication of this Prospectus, the share capital of the Company was £5,833,610, comprised of 537,659,932 Existing Shares of 1<sup>17/200</sup> pence each, all of which were fully paid or credited as fully paid. The Existing Shares in the share capital of the Company have a nominal value of 1<sup>17/200</sup> pence each and are listed on the premium listing segment of the Official List and admitted to trading on the London Stock Exchange's main market for listed securities.

As of 1 October 2017, the first day covered by the historical financial information incorporated by reference into this Prospectus, the Company's issued Share capital comprised 475,226,453 Shares with a nominal value of 1<sup>17/200</sup> pence each. The following table shows the changes in the share capital of the Company which occurred from 1 October 2017 to 16 March 2021 (being the latest practicable date prior to the date of this Prospectus):

|  | <u>Number of Existing Shares</u> |
|--|----------------------------------|
| <b>At 1 October 2017</b> .....   | <b>475,226,453</b>               |
| Ordinary shares issued in the year .....   | 4,246,082                        |
| Effect of the share consolidation .....  | (15,464,269)                     |
| <b>At 30 September 2018</b> .....  | <b>464,008,266</b>               |
| Ordinary shares issued in the year .....   | 3,083,380                        |
| Effect of the share consolidation .....  | (22,239,126)                     |
| <b>At 30 September 2019</b> .....  | <b>444,852,520</b>               |
| Ordinary shares issued as part of the March equity placement .....                                     | 86,499,459                       |
| Ordinary shares issued as part of the June equity placement .....                                      | 3,475,388                        |
| Ordinary shares issued in relation to the Group's share incentive plans .....                          | 3,032,564                        |
| Effect of the share buyback .....  | (263,499)                        |
| <b>At 30 September 2020</b> .....  | <b>537,596,432</b>               |
| Ordinary shares issued in relation to the Group's share incentive plans .....                          | 63,500                           |
| <b>At 16 March 2021 (being the latest practicable date prior to the date of this Prospectus)</b> ..... | <b>537,659,932</b>               |

As at 16 March 2021 (being the latest practicable date prior to the date of this Prospectus), the issued and fully paid ordinary share capital of the Company was as follows:

|              | <u>Issued and fully paid</u> |                   |
|--------------|------------------------------|-------------------|
|              | <u>Shares</u>                | <u>Amount (£)</u> |
| Shares ..... | 537,659,932                  | 5,833,610         |



The issued and fully paid ordinary share capital of the Company immediately following completion of the Rights Issue, assuming that the maximum number of New Shares is issued, is expected to be as follows:

|              | <u>Shares</u> | <u>Nominal value<br/>(£)</u> |
|--------------|---------------|------------------------------|
| Shares ..... | 795,736,696   | 8,633,743.15                 |

The Company remains subject to the continuing obligations of the Listing Rules with regard to the issue of securities for cash and the provisions of section 561 of the Companies Act (which confer on Shareholders rights of pre-emption in respect of the allotment of equity securities which are, or are to be, paid up in cash) apply to the issues of Shares by the Company which are not the subject of the disapplication approved by the Shareholders in a general meeting of the Company.

Subject to Admission and pursuant to the Rights Issue, 258,076,764 New Shares will be issued at a price of 184 pence per New Share. This will result in the issued ordinary share capital of the Company increasing by approximately 48.0%. Qualifying Shareholders who take up their pro rata entitlement in full will suffer no dilution to their interests in the Company as a result of the Rights Issue. Shareholders who do not or are not permitted to take up any of their rights to acquire the New Shares will be diluted by 32.4% as a result of the Rights Issue (assuming no options granted under the Share Schemes are exercised between 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus) and the Rights Issue).

The New Shares which are the subject of the Rights Issue will be provisionally allotted (nil paid) to all Shareholders on the register on the Record Date by a resolution of a committee of the Board and created in accordance with the laws of England.

The New Shares will have the same rights in all respects as the Existing Shares (including the right to receive all dividends or other distributions declared after the date of issue of the New Shares).

The New Shares will trade under ISIN GB00BGBN7C04 and the SEDOL number of the New Shares is BGBN7C0. The ISIN for the Nil Paid Rights is GB00BNKBD935 and the ISIN for the Fully Paid Rights is GB00BNKBD53.

The Company holds 263,499 Shares in treasury, representing approximately 0.05% of the Company's current issued share capital (excluding treasury shares) as at 16 March 2021, being the latest practicable date before the publication of this Prospectus.

## **4 ARTICLES OF ASSOCIATION**

The Articles of Association of the Company (the “**Articles**”) are also available for inspection and include provisions to the following effect:

### **4.1 Share rights**

Subject to the provisions of the Companies Act, and without prejudice to any rights attached to any existing shares or class of shares: (i) any share may be issued with such rights or restrictions as the Company may by ordinary resolution determine or, subject to and in default of such determination, as the Board shall determine; and (ii) shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder and the Board may determine the terms, conditions and manner of redemption of such shares provided that it does so prior to the allotment of those shares.

### **4.2 Voting rights**

Subject to any rights or restrictions attached to any shares, on a show of hands every member who is present in person or by proxy shall have one vote and on a poll every member present in person or by proxy shall have one vote for every share of which he or she is the holder.

No member shall be entitled to vote at any general meeting or at a separate meeting of the holders of any class of shares, either in person or by proxy, in respect of a share unless all moneys presently payable by him or her in respect of that share have been paid.

If at any time the Board is satisfied that any member, or any other person appearing to be interested in shares held by such member, has been duly served with a notice under section 793 of the Companies Act and is in

default for the prescribed period in supplying to the Company the information thereby required, or, in purported compliance with such a notice, has made a statement which is false or inadequate in a material particular, then the Board may, in its absolute discretion at any time thereafter by notice to such member direct that, in respect of the shares in relation to which the default occurred, the member shall not be entitled to attend or vote either personally or by proxy at a general meeting or at a separate meeting of the holders of that class of shares or on a poll.

#### **4.3 Dividends and other distributions**

Subject to the provisions of the Companies Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the Board. Except as otherwise provided by the rights and restrictions attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid, but no amount paid on a share in advance of the date on which a call is payable shall be treated for these purposes as paid on the share.

Subject to the provisions of the Companies Act, the Board may pay interim dividends if it appears to the Board that they are justified by the profits of the Company available for distribution.

If the share capital is divided into different classes, the Board may also pay, at intervals determined by it, any dividend payable at a fixed rate if it appears to the Board that the profits available for distribution justify the payment. If the Board acts in good faith it shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

The Board may, if authorised by an ordinary resolution of the Company, offer any holder of shares the right to elect to receive shares, credited as fully paid, by way of scrip dividend instead of cash in respect of the whole (or some part, to be determined by the Board) of all or any dividend.

Any dividend which has remained unclaimed for 12 years from the date when it became due for payment shall, if the Board so resolves, be forfeited and cease to remain owing by the Company.

Except as provided by the rights and restrictions attached to any class of shares, the holders of the Company's shares will under general law be entitled to participate in any surplus assets in a winding up in proportion to their shareholdings. A liquidator may, with the sanction of a special resolution and any other sanction required by the Insolvency Act 1986, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members.

#### **4.4 Variation of rights**

Rights attached to any class of shares may be varied or abrogated with the written consent of the holders of three-quarters in nominal value of the issued shares of the class (excluding any shares of that class held as treasury shares), or the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the class.

#### **4.5 Lien and forfeiture**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys payable to the Company (whether presently or not) in respect of that share. The Company may sell, in such manner as the Board determines, any share on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within 14 clear days after notice has been sent to the holder of the share demanding payment and stating that if the notice is not complied with the share may be sold.

Subject to the terms of allotment, the Board may from time to time make calls on the members in respect of any moneys unpaid on their shares. Each member shall (subject to receiving at least 14 clear days' notice) pay to the Company the amount called on his or her shares. If a call or any instalment of a call remains unpaid in whole or

in part after it has become due and payable, the Board may give the person from whom it is due not less than 14 clear days' notice requiring payment of the amount unpaid together with any interest which may have accrued and any costs, charges and expenses incurred by the Company by reason of such non-payment. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

#### **4.6 Transfer of shares**

A member may transfer all or any of his or her certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve. An instrument of transfer shall be signed, or authenticated in any other manner acceptable to the Board and permitted by law, by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee. An instrument of transfer need not be under seal.

The Board may, in its absolute discretion, refuse to register the transfer of a certificated share which is not a fully paid share, provided that the refusal does not prevent dealings in shares in the Company from taking place on an open and proper basis. The Board may also refuse to register the transfer of a certificated share unless the instrument of transfer:

- (a) is lodged, duly stamped (if stampable), at the office or at another place appointed by the Board accompanied by the certificate for the share to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer;
- (b) is in respect of one class of share only; and
- (c) is in favour of not more than four transferees.

If the Board refuses to register a transfer of a share in certificated form, it shall send the transferee notice of its refusal within two months after the date on which the instrument of transfer was lodged with the Company.

No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to a share.

Subject to the provisions of the CREST Regulations, the Board may permit the holding of shares in any class of shares in uncertificated form and the transfer of title to shares in that class by means of a relevant system and may determine that any class of shares shall cease to be a participating security.

#### **4.7 Alteration of share capital**

The Articles do not restrict the Company's ability to increase, consolidate or sub-divide its share capital. Therefore, subject to the Companies Act, the Company may by ordinary resolution increase, consolidate or sub-divide its share capital.

#### **4.8 Purchase of own shares**

The Articles do not restrict the Company's ability to purchase its own shares. Therefore, subject to the Companies Act and without prejudice to any relevant special rights attached to any class of shares, the Company may purchase any of its own shares of any class in any way and at any price (whether at par or above or below par).

#### **4.9 General meetings**

The Board shall convene and the Company shall hold general meetings as annual general meetings in accordance with the requirements of the Companies Act. The Board may call general meetings whenever and at such times and places as it shall determine. The Articles permit the Board to take advantage of section 360A of the Companies Act to hold general meetings by electronic means.

#### **4.10 Directors**

##### **4.10.1 Appointment of directors**

Unless otherwise determined by ordinary resolution, the number of Directors shall be not less than two but shall not be subject to any maximum in number. Directors may be appointed by ordinary resolution of Shareholders or by the Board.

#### **4.10.2 *No share qualification***

A Director shall not be required to hold any shares in the capital of the Company by way of qualification.

#### **4.10.3 *Annual retirement of Directors***

At every annual general meeting all the Directors at the date of notice convening the annual general meeting shall retire from office. A retiring Director shall be eligible for appointment.

#### **4.10.4 *Remuneration of Directors***

The emoluments of any Director holding executive office for his or her services as such shall be determined by the Board and may be of any description.

The ordinary remuneration of the Directors who do not hold executive office for their services (excluding amounts payable under any other provision of the Articles) shall not exceed in aggregate £1 million per annum or such higher amount as the Company may from time to time by ordinary resolution determine. Subject thereto, each such Director shall be paid a fee for that service (which shall be deemed to accrue from day to day) at such rate as may from time to time be determined by the Board.

In addition to any remuneration to which the Directors are entitled under the Articles, they may be paid all travelling, hotel and other expenses properly incurred by them in connection with their attendance at meetings of the Board or committees of the Board, general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties.

The Board may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any past or present Director or employee of the Company or any of its subsidiary undertakings or any body corporate associated with, or any business acquired by, any of them, and for any member of his or her family or any person who is or was dependent on him or her.

#### **4.10.5 *Permitted interests of Directors***

Subject to the provisions of the Companies Act, and provided that he or she has disclosed to the Board the nature and extent of his or her interest (unless the circumstances referred to in section 177(5) or section 177(6) of the Companies Act apply, in which case no such disclosure is required), a Director notwithstanding his or her office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) may act by himself or herself or for his or her firm in a professional capacity for the Company (otherwise than as auditor), and he or she or his or her firm shall be entitled to remuneration for professional services as if he or she were not a Director;
- (c) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is (directly or indirectly) interested as a shareholder or otherwise or with which he or she has such relationship at the request or direction of the Company; and
- (d) shall not, by reason of his or her office, be accountable to the Company for any remuneration or other benefit which he or she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate the acceptance, entry into or existence of which has been approved by the Board pursuant to Article 149 of the Articles (subject, in any case, to any limits as conditions to which such approval was subject) or which he or she is permitted to hold or enter into by virtue of paragraph (a), (b) or (c) above.

#### **4.10.6 *Restrictions on voting***

A Director shall not vote on any resolution of the Board or committee of the Board concerning a matter in which he or she has an interest which can reasonably be regarded as likely to give rise to a conflict

with the interests of the Company, unless his or her interest arises only because the resolution concerns one or more of the following matters:

- (a) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or her or any other person at the request of, or for the benefit of, the Company or any of its subsidiary undertakings;
- (b) the giving of a guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiary undertakings for which the Director has assumed responsibility (in whole or part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;
- (c) a contract, arrangement, transaction or proposal concerning an offer of shares, debentures or other securities of the Company or any of its subsidiary undertakings for subscription or purchase, in which offer he or she is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which he or she is to participate;
- (d) a contract, arrangement, transaction or proposal concerning any other body corporate in which he or she or any person connected with him or her is interested, directly or indirectly, and whether as an officer, shareholder, creditor or otherwise, if he or she and any persons connected with him or her do not to his or her knowledge hold an interest (as that term is used in sections 820 to 825 of the Companies Act) representing 1% or more of either any class of the equity share capital (excluding any shares of that class held as treasury shares) of such body corporate (or any other body corporate through which his or her interest is derived) or of the voting rights available to members of the relevant body corporate (any such interest being deemed for the purpose of the Articles to be likely to give rise to a conflict with the interests of the Company in all circumstances);
- (e) a contract, arrangement, transaction or proposal for the benefit of employees of the Company or of any of its subsidiary undertakings which does not award him or her any privilege or benefit not generally accorded to the employees to whom the arrangement relates; and
- (f) a contract, arrangement, transaction or proposal concerning any insurance which the Company is empowered to purchase or maintain for, or for the benefit of, any Directors or for persons who include Directors.

#### **4.10.7 Indemnity of officers**

Subject to the provisions of the Companies Act, but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every Director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the assets of the Company against any liability incurred by him or her for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company, provided that the Articles shall be deemed not to provide for, or entitle any such person to, indemnification to the extent that it would cause the Articles, or any element of them, to be treated as void under the Companies Act.

## **5 DIRECTORS AND SENIOR MANAGERS**

Set out below are the directorships and partnerships held by the Directors and Senior Managers (other than, where applicable, directorships held in subsidiaries of the Company), in at least the five years prior to the date of this Prospectus:

| <u>Name</u>          | <u>Current directorships / partnerships</u>  | <u>Past directorships / partnerships</u>   |
|----------------------|--|--|
| Carolyn Jane Bradley | - B&M European Value Retail S.A.; Majid Al Futtaim Retail LLC; Marston's PLC; The Mentoring Foundation; Cancer Research UK | - Dunnhumby Ltd; Incorporated Society of British Advertisers Limited; Tesco Freetime Limited; The Drinkaware Trust; Delamare One Limited; Tesco.com Limited; Legal & General Group plc |
| Michael Clasper      | - Coats Group plc; Bioss International Ltd   | - BAA plc; Terra Firma Capital Partners Limited; Procter & Gamble Limited; Serco Group plc; ITV plc  |

| <u>Name</u>               | <u>Current directorships / partnerships</u>   | <u>Past directorships / partnerships</u>   |
|---------------------------|---|--|
| Jonathan Owen Davies      | - Assura plc  | - Safeway plc  |
| Ian Dyson                 | - ASOS plc; Intercontinental Hotels Group plc   | - Punch Taverns plc (now Punch Taverns Limited); Spirit Pub Company plc (now Spirit Pub Company Limited); Betfair Group Limited (formerly Betfair Group plc); Marks & Spencer Group plc; The Rank Group plc; Hilton International Co; Misys plc; Forte Group plc; Flutter Entertainment plc (previously known as Paddypower Betfair plc) |
| Timothy Ralph Henry Lodge | - Arco Limited; An African Canvas (UK) Limited; Serco Group plc; Cordwainers livery company | - Aryzta AG; certain subsidiaries of Cofco International Group   |
| Simon Smith               | - N/A   | - WH Smith   |
| Judith Mihajlovich Vezmar | - Ascential plc   | - Rhythmone plc (formerly Blinkx plc); Rightmove Group Limited (formerly Rightmove plc)  |

There is no family relationship between any of the Company's Directors or Senior Managers.

As at the date of this Prospectus, none of the Directors and the Senior Managers has at any time within the past five years:

- (a) save as disclosed in the table above, been a director or partner of any companies or partnerships; or
- (b) had any convictions in relation to fraudulent offences (whether spent or unspent); or
- (c) been adjudged bankrupt or has entered into any individual voluntary arrangements; or
- (d) been a director of any company at the time of or within a 12-month period preceding any receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with such company's creditors generally or with any class of creditors of such company; or
- (e) has been partner of any partnership at the time of or within a 12-month period preceding any compulsory liquidation, administration or partnership voluntary arrangement of such partnership; or
- (f) had his or her assets for the subject of any receivership; or
- (g) been partner of any partnership at the time of or within a 12-month period preceding any assets thereof being the subject of a receivership; or
- (h) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or
- (i) ever been disqualified by a court from acting as a director or other officer of any company or from acting in the management or conduct of the affairs of any company.

Save for their capacities as persons legally and beneficially interested in Shares, there are:

- (a) no potential conflicts of interest between any duties to the Company of the Directors and the Senior Managers and their private interests and/or other duties; and
- (b) no arrangements or understandings with major Shareholders, members, suppliers or others, pursuant to which any Director or the Senior Managers was selected.

## **6 DIRECTORS' AND SENIOR MANAGERS' INTERESTS**

The interests of the Directors and Senior Managers, and their immediate families, in the share capital of the Company (all of which, unless otherwise stated, are beneficial) on the date of this Prospectus and as they are expected to be immediately following the Rights Issue including as a percentage of the Enlarged Share Capital (assuming anticipated full or partial take up by the Directors and Senior Managers of their entitlements under the

Rights Issue, a theoretical ex-rights price of 293.3 pence, an implied premium over the Rights Issue price of 109.3 pence and no options granted under the Share Schemes between 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus) and the Rights Issue), are as follows:

| Name                             | Shares beneficially held <sup>(1)</sup> at<br>16 March 2021 |                        | Shares beneficially held <sup>(1)</sup> immediately<br>following the Rights Issue <sup>(2)</sup> |                        |
|----------------------------------|---|------------------------|--|------------------------|
|                                  | No.   | %<br>(to nearest 0.1%) | No.  | %<br>(to nearest 0.1%) |
| <b>Directors/Senior Managers</b> |   |                        |  |                        |
| Mike Clasper                     | 71,000  | 0.0%                   | 105,080  | 0.0%                   |
| Simon Smith                      | 870,031   | 0.2%                   | 1,162,046  | 0.1%                   |
| Jonathan Davies                  | 1,218,719   | 0.2%                   | 1,556,069  | 0.2%                   |
| Ian Dyson                        | 33,776  | 0.0%                   | 49,988   | 0.0%                   |
| Carolyn Bradley                  | 5,756   | 0.0%                   | 8,518 <sup>(3)</sup>   | 0.0%                   |
| Judy Vezmar                      | 0   | -                      | 0 <sup>(4)</sup>   | 0.0%                   |
| Tim Lodge                        | 17,000  | 0.0%                   | 25,160   | 0.0%                   |

**Notes:**

- (1) Including shares held in the SIP.
- (2) Assuming anticipated full or partial take up by the indicated Director or Senior Manager of their entitlements under the Rights Issue, a theoretical ex-rights price of an implied premium over the Rights Issue price of 109.3 pence and no options granted under the Share Schemes between 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus) and the Rights Issue.
- (3) Excluding the up to c. £10,000 worth of Shares Carolyn Bradley has informed the Company that she intends to acquire in market purchases prior to the Record Date. She has further confirmed to the Company that she intends to take up her rights in full in respect of such additional Shares.
- (4) Excluding the up to c. £55,000 worth of Shares Judy Vezmar has informed the Company that she intends to acquire in market purchases prior to the Record Date. She has further confirmed to the Company that she intends to take up her rights in part in respect of such Shares.

The Directors and the Senior Managers have the same voting rights as all other Shareholders.

Details of the Directors' and Senior Managers' non-beneficial interests in the Shares subject to options and awards under the SSP Performance Share Plan as at 16 March 2021 are set out below:

| Name                             | Number of Shares over<br>which options granted | Grant date       | Exercise between        |
|----------------------------------|--|------------------|-------------------------|
| <b>Directors/Senior Managers</b> |  |                  |                         |
| Simon Smith                      | 127,581  | 22 November 2018 | 22 November 2021 - 2028 |
| Simon Smith                      | 74,571   | 3 June 2019      | 3 June 2022 - 2029      |
| Simon Smith                      | 205,533  | 21 November 2019 | 21 November 2022 - 2029 |
| Jonathan Davies                  | 86,311   | 22 November 2018 | 22 November 2021 - 2028 |
| Jonathan Davies                  | 21,081   | 16 May 2019      | 16 May 2022 - 2029      |
| Jonathan Davies                  | 110,893  | 21 November 2019 | 21 November 2022 - 2029 |

Other than as disclosed in this paragraph 6 and paragraph 10 of this Part 16, there are no other persons to whom any capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option.

No Director has or has had any interest in any transactions which are or were unusual in their nature or conditions or are or were significant to the business of the Group or any of its subsidiary undertakings and which were effected by the Group or any of its subsidiaries during the current or immediately preceding financial year or during an earlier financial year and which remain in any respect outstanding or unperformed.

There are no outstanding loans or guarantees granted or provided by any member of the Group to or for the benefit of any of the Directors.

Save as set out in this Part 16, it is not expected that any Director will have any interest in the share or loan capital of the Company following the Rights Issue and there is no person to whom any capital of any member of the Group is under option or agreed unconditionally to be put under option.

## 7 INTERESTS OF MAJOR SHAREHOLDERS

Insofar as is known to the Company, the name of each person who, directly or indirectly, has an interest in 3.0% or more of the Company's issued share capital, and the amount of such person's interest, as at 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus) are as follows:

| Name  | Shares     |                  |
|---|------------|------------------|
|   | No.        | % <sup>(1)</sup> |
| APG Asset Management Limited  | 49,743,251 | 9.25%            |
| BlackRock, Inc.   | 41,105,622 | 7.65%            |
| Parvus Asset Management Europe Limited  | 26,643,375 | 4.96%            |
| Marathon Asset Management LLP   | 24,167,130 | 4.49%            |
| Schroders plc   | 23,720,071 | 4.41%            |
| Artemis Investments Management LLP  | 22,621,923 | 4.21%            |
| JP Morgan Asset Management (UK) Limited and JP Morgan Investment Management Inc | 17,000,000 | 3.16%            |

### Notes:

(1) The per cent. of the Company's voting rights has been updated from the TR-1 previously submitted to the Company to reflect the latest share capital number, in particular, after the placing in 2020 and share consolidation in 2018 and 2019.

Insofar as is known to the Company, the Company is not directly or indirectly owned or controlled by another corporation, any foreign government, or any other natural or legal person, severally or jointly.

None of the major Shareholders referred to above has different voting rights from other Shareholders.

Insofar as is known to the Company, immediately following the Rights Issue, the interests of those persons set out above with an interest in 3.0% or more of the Company's issued share capital, and the amount of such persons' interests, including as a percentage of the Enlarged Share Capital (assuming full take up by such persons of their entitlements under the Rights Issue and no options granted under the Share Schemes are exercised between 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus) and the Rights Issue), will be as follows:

| Name  | Shares     |       |
|---|------------|-------|
|   | No.        | %     |
| APG Asset Management Limited  | 73,620,011 | 9.25% |
| BlackRock, Inc.   | 60,836,320 | 7.65% |
| Parvus Asset Management Europe Limited  | 39,432,195 | 4.96% |
| Marathon Asset Management LLP   | 35,767,352 | 4.49% |
| Schroders plc   | 35,105,705 | 4.41% |
| Artemis Investments Management LLP  | 33,480,446 | 4.21% |
| JP Morgan Asset Management (UK) Limited and JP Morgan Investment Management Inc | 25,160,000 | 3.16% |

## 8 DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

The Directors and their functions are set out in Part 5 "*Directors, Company Secretary and Advisers*". Upon joining the Group and from time to time thereafter, each of the Executive Directors enter into new service agreements and each of the Non-Executive Directors enter into new letters of appointment with the Company.

### Executive Directors

Executive Directors have rolling service contracts. None of the existing service contracts for Executive Directors makes any provision for termination payments, other than for payment in lieu of notice.

Simon Smith and Jonathan Davies's payment in lieu of notice would be calculated by reference to the base salary in respect of any unexpired portion of the notice period. This payment can be made in instalments over the notice period and can be reduced where alternative employment is commenced during the notice period.



The Executive Directors' service contracts contain provisions relating to salary, car allowance, pension arrangements, medical insurance, life insurance, business travel insurance, company car, holiday and sick pay, and the reimbursement of reasonable out of pocket expenses incurred by the Executive Directors while on company business.

The following service contracts in respect of Executive Directors who were in office during the year are rolling service contracts and therefore have no end date:

|                           | <u>Date of commencement of contract</u> | <u>Notice period for Director</u> | <u>Notice period for Company</u> |
|---------------------------|---|-----------------------------------|----------------------------------|
| Simon Smith . . . . .     | 1 June 2019                             | 9 months                          | 12 months                        |
| Jonathan Davies . . . . . | 15 July 2014                            | 9 months                          | 12 months                        |

Service contracts for new Executive Directors will be limited to nine months' notice for the Director and 12 months' notice for the Company.

### **Chair**

The terms of the Chair's appointment broadly reflect the terms of the three-year appointments of the Non-Executive Directors.

The Chair's appointment can be terminated at any time by giving one month's notice in writing and the Company may also terminate the appointment with immediate effect, at any time, in accordance with the Articles of Association of the Company.

The Chair receives no benefits from the office other than fees and reimbursement of expenses incurred in performance of their duties, including any tax due on the expenses. The Chair is not eligible to participate in Group pension arrangements.

### **Non-Executive Directors**

The terms of appointment of the Non-Executive Directors are as follows:

All Non-Executive Directors have been appointed on an initial term of three years, subject to renewal thereafter, and all are subject to annual re-election by the Group's shareholders.

The Non-Executive Directors have letters of appointment which can be terminated at any time upon written notice, resignation or in accordance with the Articles of Association of the Company. Non-Executive Directors receive no benefits from their office other than fees and reimbursement of expenses incurred in performance of their duties, including any tax due on the expenses. They are not eligible to participate in Group pension arrangements.

|                           | <u>Effective date of appointment letter</u> | <u>Current term expires</u> |
|---------------------------|---|-----------------------------|
| Mike Clasper . . . . .    | 1 November 2019                             | 31 October 2022             |
| Carolyn Bradley . . . . . | 1 October 2018                              | 30 September 2021           |
| Ian Dyson . . . . .       | 15 July 2014                                | 14 July 2023                |
| Judy Vezmar . . . . .     | 1 August 2020                               | 31 July 2023                |
| Tim Lodge . . . . .       | 1 October 2020                              | 30 September 2023           |

Directors' service contracts are kept for inspection by shareholders at the Company's registered office.

## **9 DIRECTORS' AND SENIOR MANAGERS' REMUNERATION**

The Directors' remuneration policy of the Company is intended to help recruit and retain executives who can execute the Group's strategy by rewarding them with appropriate compensation and benefit packages. The Directors' remuneration policy seeks to align the interests of the Directors with the performance of the Company and the interests of its shareholders. The Group's incentive arrangements are designed to reward performance against key financial and strategic performance objectives. The Group's aim is to reward its management for delivering sustainable long-term performance and support the retention of critical talent.

In addition to the options and awards under the Share Schemes disclosed in paragraph 10 of this Part 16, the amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to Directors of the Company for services in all capacities to the Group (including subsidiaries where applicable) by any person for the year ended 30 September 2020 was as follows:

| Name                       | Position                                  | Salary<br>and fees | Benefits | Pension | Total |
|----------------------------|---|--------------------|----------|---------|-------|
| (£'000)                    |   |                    |          |         |       |
| Mike Clasper <sup>1</sup>  | Chair                                     | 144                | -        | -       | 144   |
| Simon Smith                | Chief Executive Officer                   | 563                | 27       | 130     | 720   |
| Jonathan Davies            | Chief Financial Officer                   | 405                | 17       | 98      | 520   |
| Carolyn Bradley            | Senior Independent Non-Executive Director | 62                 | -        | -       | 62    |
| Ian Dyson                  | Independent Non-Executive Director        | 54                 | -        | -       | 54    |
| Per Utnegaard <sup>2</sup> | Independent Non-Executive Director        | 44                 | 4        | -       | 48    |
| Judy Vezmar <sup>3</sup>   | Independent Non-Executive Director        | 7                  | -        | -       | 7     |
| Tim Lodge <sup>4</sup>     | Independent Non-Executive Director        | -                  | -        | -       | -     |
| Vagn Sørensen <sup>5</sup> | Independent Non-Executive Director        | 81                 | -        | -       | 81    |

**Notes:**

- (1) Mike Clasper was appointed to the Board on 1 November 2019 and became Chair on 26 February 2020. Amounts shown reflect fees paid for the period of the year that he was a Director.
- (2) Per Utnegaard retired from the Board with effect from 28 February 2021.
- (3) Judy Vezmar was appointed to the Board on 1 August 2020. Fees shown reflect fees paid for the period of the year that she was a director.
- (4) Tim Lodge was appointed to the Board on 1 October 2020. From this date Tim has received the base Board Member fee of £51,000 per annum. Tim did not receive any remuneration in respect of the 2020 financial year.
- (5) Vagn Sørensen did not stand for re-election at the 2020 AGM. Amounts shown reflect fees paid for the period of the year that he was a director.

In addition to the options and awards under the Share Schemes disclosed in paragraph 10 of this Part 16, details of the remuneration for the Senior Managers as at 30 September 2020 is described in the Directors' Remuneration Report of the Annual Report for the year ended 30 September 2020, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

In April 2020, due to the Coronavirus pandemic, it was agreed by the Remuneration Committee that the Directors would take a 30% reduction to their fee, beginning April 2020, and it was further agreed that the 30% reduction would continue until the end of August. As trading conditions began to improve towards the end of the financial year, and the Group was able to return more colleagues to work, the Committee considered it appropriate to continue the reduction but at a lower level of 10% for September and October 2020, after which point they have returned to full pay.

Save as disclosed in this Part 16, none of the members of the administrative, management, or supervisory bodies' service contracts with the Company or any of its subsidiaries provide for benefits upon termination of employment.

## 10 SHARE SCHEMES

The Group currently operates the following employee share plans which provide for the grant of awards or options over Shares to employees of the Group.

### Executive and employee share plans

The Company operates the following executive and employee share plans: a performance share plan ("**PSP**"), a UK share incentive plan ("**UK SIP**") and an international share incentive plan ("**ISIP**"). The PSP and UK SIP were adopted by the Board on 26 June 2014 with the ISIP rules adopted on 17 September 2015. The PSP, UK SIP and ISIP were introduced following the IPO of the Group in 2014 for the purpose of incentivising and motivating employees.

The Company's Remuneration Committee has proposed to replace the PSP with a new restricted share plan ("**RSP**") under which the Executive Directors will receive a more modest award subject to performance underpins. The RSP was approved by the Board on 20 January 2021 and is subject to shareholder approval at the 2021 AGM. The Remuneration Committee intends to make the first award under the RSP after the release of the 2021 half year results (subject to shareholder approval of the plan).

### *Details of Executive awards*

The Remuneration Committee has made the following awards to the current Executive Directors:

#### *PSP*

Awards under the PSP have been made to Simon Smith in respect of Ordinary Shares with a value of 200% of his annual basic salary and to Jonathan Davies in respect of Ordinary Shares with a value of 150% of his annual basic salary. Both Simon Smith and Jonathan Davies have interests in unvested PSP awards of 407,685 and 218,285 as at 12 March 2021.

The vesting of the PSP awards is subject to two types of performance condition:

- (i) 25% of the Ordinary Shares under the PSP award will be subject to the achievement by the Company of a relative total shareholder return (“**TSR**”) target measured against a comparator group of approximately 31 companies, with 25% of the Ordinary Shares in this tranche vesting for median performance and 100% of the Ordinary Shares in this tranche vesting for upper quartile performance (with vesting on a straight line basis between these points). All relevant share prices for TSR purposes will be averaged over the three-month period following the beginning and end of the performance period; and
- (ii) vesting of the remaining 75% of the Ordinary Shares under the PSP award are subject to the achievement by the Company of earnings per share (“**EPS**”) targets set by the Board. The current EPS target relates to the achievement of compound annual growth rates determined by the Board.

#### *UK SIP*

The Company invites all employees of its UK businesses who meet certain eligibility criteria to apply to purchase Ordinary Shares up to a £1,800 annual limit and receive matching Ordinary Shares (on a 1:2 basis for financial year 2020) on those purchased under the rules of the UK SIP. Any matching Ordinary Shares awarded will be forfeitable upon cessation of employment unless limited circumstances apply (as set out below). Both Simon Smith and Jonathan Davies participate in the UK SIP.

#### *ISIP*

In 2015, the Company adopted rules to govern the ISIP and invite eligible employees in certain countries to apply to purchase Ordinary Shares and receive matching Ordinary Shares on broadly similar terms as applicable to UK employees under the UK SIP.

### **Details of executive and employee share plans**

The principal features of the executive and employee share plans are summarised below.

#### *PSP*

##### (a) *Overview of the PSP*

The PSP was adopted by the Board on 26 June 2014. The PSP is a discretionary executive share plan. Under the PSP, the remuneration committee (the “**Committee**”) may, within certain limits and subject to any applicable performance conditions, grant to eligible employees (i) nil cost options over Ordinary Shares (“**PSP Options**”) and/or (ii) conditional awards (i.e. a conditional right to acquire Ordinary Shares) (“**PSP Conditional Awards**”) and/or (iii) Ordinary Shares which are subject to restrictions and the risk of forfeiture (“**PSP Restricted Shares**” and, together with PSP Options and PSP Conditional Awards, “**PSP Awards**”).

##### (b) *Eligibility*

All employees (including Executive Directors who are employees) are eligible for selection to participate in the PSP at the discretion of the Committee. The Committee’s current intention is to replace the PSP with RSP under which the Executive Directors will receive a more modest award subject to performance underpins.

(c) *Grant of PSP awards*

The Committee may grant PSP Awards to eligible employees with a maximum total market value in any financial year of up to 200% of the relevant individual's annual basic salary.

PSP Awards may be granted during the 42 days beginning on: (i) the day after the announcement of the Company's results for any period; (ii) any day on which the Committee determines that circumstances are sufficiently exceptional to justify the making of the PSP Award at that time; or (iii) the day after the lifting of any dealing restrictions.

However, no PSP Awards may be granted more than 10 years from the date when the PSP was adopted.

(d) *Dividend Equivalents*

PSP Awards (other than forfeitable shares) may incorporate the right to receive (in cash or shares) the value of dividends that would have been paid on the award shares that vest between the grant and vesting of awards.

(e) *Performance and other conditions*

The Committee imposes performance conditions on the vesting of PSP Awards. Any performance conditions applying to PSP Awards may be varied, substituted or waived if the Committee considers it appropriate, provided the Committee considers that the new performance conditions are reasonable and are not materially less difficult to satisfy than the original conditions (except in the case of waiver).

PSP Awards granted to Executive Directors will vest on the third anniversary of the date of grant and are subject to a two-year holding period.

(f) *Malus and clawback*

The Committee has discretion to adjust the vesting of PSP Awards (over and above its assessment of the vesting conditions) to avoid formulaic outcomes that do not accurately reflect the underlying performance or financial health of the Company, personal performance and/or the experience of the Company's shareholders, employees or other stakeholders.

All Awards will be granted subject to malus and clawback provisions. Malus will be applied during the vesting period in the event of:

- a material misstatement of the Company's audited financial results
- a material failure of risk management by the Company, any member of the Group or a relevant business unit; and/or
- serious reputational damage to the Company, any member of the Group or a relevant business unit as a result of the award holder's misconduct or otherwise.

Clawback will be applied for a period of three years following vesting in the event of:

- a material misstatement of the Company's audited financial result; and/or
- any error or omission made in connection with the calculation, or interpretation, of a performance measure resulting in a greater proportion of an Award vesting, being exercised, settled and/or paid to an award holder, than would have otherwise been the case had the error or omission not occurred.

Malus and clawback will continue to apply to any Awards held by leavers as well as any Awards vested or exercised in connection with a change of control.

(g) *Vesting and exercise*

PSP Awards will normally vest, and PSP Options will normally become exercisable, on the third anniversary of the date of grant of the PSP Award to the extent that any applicable performance conditions have been satisfied and to the extent permitted under any operation of malus. PSP Options will normally remain exercisable for a period determined by the Committee at grant which shall not exceed the 10th anniversary of the date of grant.

(h) *Cessation of employment*

On cessation of employment, any outstanding unvested awards will lapse unless the participant dies or is deemed to be a “good leaver” by the Committee in its discretion. Where the participant is deemed to be a “good leaver”, any outstanding unvested awards will normally continue and will vest at the normal vesting date to the extent the original performance underpins have been satisfied. For Executive Directors, vested awards will normally continue to be subject to the two years post-vesting holding period. Awards will normally, unless the Committee determines that an alternative proportion of the awards should vest, be pro-rated for the portion of the vesting period completed in employment.

The Committee may, in exceptional circumstances, or if the participant dies, decide to allow awards to vest on cessation of employment subject to the Committee’s assessment of performance against the original performance underpins at that time or the Committee’s assessment of the likely satisfaction of the performance underpins over the original performance period. Awards will normally, unless the Committee determines that an alternative proportion of the awards should vest, be pro-rated for the proportional of the vesting period completed in employment.

(i) *Corporate events*

In the event of a takeover, reconstruction, amalgamation or winding-up of the Company, the PSP Awards may vest early. The proportion of the PSP Awards which vest shall be determined by the Committee taking into account, among other factors, the period of time the PSP Award has been held by the participant and the extent to which any applicable performance conditions have been satisfied at that time.

To the extent that PSP Options vest in the event of a takeover, winding-up or reconstruction or amalgamation of the Company they may be exercised for a period of six months measured from the relevant event (or in the case of takeover such longer period as the Committee determines) and will otherwise lapse at the end of that period.

In the event of a demerger, distribution or any other corporate event, the Committee may determine that PSP Awards shall vest. The proportion of the PSP Awards which vest shall be determined by the Committee taking into account, among other factors, the period of time the PSP Award has been held by the participant and the extent to which any applicable performance conditions have been satisfied at that time. PSP Options that vest in these circumstances may be exercised during such period as the Committee determines and will otherwise lapse at the end of that period.

Alternatively, the Committee may (with the consent of the acquiring company) decide that PSP Awards will not vest or lapse on a corporate event but will be replaced by equivalent new awards over shares in the new acquiring company.

(j) *PSP sub-plan*

The PSP has a French sub-plan as adopted by the Committee on 19 November 2018. Under the sub-plan the Company shall not grant PSP Awards to any French participant owning more than 10% of the capital of the Company on the date of grant, or owning 10% after the date of grant, if this percentage is exceeded as a consequence of the awards granted, as prescribed by French law. The French PSP Sub-Plan is otherwise on substantially similar terms to the PSP.

## **RSP**

### (a) *Overview of the RSP*

The RSP was adopted by the Board on 20 January 2021 (subject to shareholder approval of the plan at the 2021 AGM). The RSP is a discretionary executive share plan. Under the RSP, the Committee may, within certain limits and subject to any applicable performance underpins, grant to eligible employees (i) nil cost options over Ordinary Shares and/or (ii) conditional awards (i.e. a conditional right to acquire Ordinary Shares) and/or (iii) Ordinary Shares which are subject to restrictions and the risk of forfeiture (together, “RSP Awards”).

### (b) *Eligibility*

All employees of the Group (including Executive Directors who are employees) are eligible to participate in the RSP, subject to the absolute discretion of the Committee. The Committee’s current intention is that only senior employees will be selected to participate in the RSP.

### (c) *Grant of RSP Awards*

The maximum award that may be made to Executive Directors is up to 100% of annual salary under the rules of the plan in respect of any financial year of the Company, subject to the Committee’s discretion to increase the limit under exceptional circumstances (including, without limitation, grant of buy-out awards). This award limit will automatically increase if the maximum award levels for Executive Directors are increased under the Company’s remuneration policy from time to time.

RSP Awards will normally be subject to a three-year vesting period and for Executive Directors any vested shares will normally be subject to a further post-vest holding period of two years.

RSP Awards may be granted during the 42 days beginning on: (i) the day after the announcement of the Company’s results for any period; (ii) any day on which the Committee determines that circumstances are sufficiently exceptional to justify the making of the RSP Award at that time; or (iii) the day after the lifting of any dealing restrictions.

However, no RSP Awards may be granted more than 10 years from the date when the RSP was adopted.

### (d) *Dividend equivalents*

RSP Awards (other than forfeitable shares) may incorporate the right to receive (in cash or shares) the value of dividends that would have been paid on the award shares that vest between the grant and vesting of awards.

### (e) *Performance and conditions*

RSP Awards will be subject to performance underpins, assessed over a period of three financial years. Underpins are chosen to ensure that appropriate progress is being made towards supporting the long-term financial and non-financial performance of the Group.

The Committee retains the ability to adjust any underpin if any event (e.g. material divestment of a Group business, capital transactions or changes to accounting standards) occurs which cause it to determine that an adjustment or amendment is appropriate so that the underpin achieves its original purpose.

RSP Awards granted to Executive Directors will vest on the third anniversary of the date of grant and be subject to a two-year holding period. If the Company does not meet one or more performance underpins over the relevant vesting period, the Committee would consider whether it was appropriate to adjust (including to zero) the level of pay-out under the award to reflect this.

In assessing the extent to which the performance underpins have been satisfied, the Committee will consider a range of quantitative and qualitative benchmarks to inform its decision. Should any of the underpins not be met, the Committee would consider whether a discretionary reduction in the number of shares vesting was required.

(f) *Malus and clawback*

The Committee has discretion to adjust the vesting of RSP Awards (over and above its assessment of the vesting conditions) to avoid formulaic outcomes that do not accurately reflect the underlying performance or financial health of the Company, personal performance and/or the experience of the Company's shareholders, employees or other stakeholders. When making its assessment, the Committee may also take into consideration share price movements and potential windfall gains.

All Awards will be granted subject to malus and clawback provisions. Malus will be applied during the vesting period in the event of:

- a material misstatement of audited financial results
- a material failure of risk management by the Company, any member of the Group or a relevant business unit; and/or
- serious reputational damage to the Company, any member of the Group or a relevant business unit as a result of the award holder's misconduct or otherwise.

Clawback will be applied for a period of three years following vesting in the event of:

- a material misstatement of audited financial result
- a material failure of risk management by the Company, any member of the Group or a relevant business unit;
- serious reputational damage to the Company, any member of the Group or a relevant business unit as a result of the award holder's misconduct or otherwise; and/or

any error or omission made in connection with the calculation, or interpretation, of a performance measure resulting in a greater proportion of an Award vesting, being exercised, settled and/or paid to an award holder, than would have otherwise been the case had the error or omission not occurred.

Malus and clawback will continue to apply to any Awards held by leavers as well as any Awards vested or exercised in connection with a change of control.

(g) *Vesting and exercise*

RSP Awards will normally vest, and where in the form of options, will normally become exercisable on the third anniversary of the date of grant of the RSP Award to the extent that any applicable performance underpins have been satisfied and to the extent permitted under any operation of malus or clawback. RSP Options will normally remain exercisable for a period determined by the Committee at grant which shall not exceed the 10th anniversary of the date of grant.

(h) *Cessation of employment*

On cessation of employment, any outstanding unvested awards will lapse unless the participant dies or is deemed to be a "good leaver" by the Committee in its discretion. Where the participant is deemed to be a "good leaver", any outstanding unvested awards will normally continue and will vest at the normal vesting date to the extent the original performance underpins have been satisfied. For Executive Directors, vested awards will normally continue to be subject to the two years post-vesting holding period. Awards will normally, unless the Committee determines that an alternative proportion of the awards should vest, be pro-rated for the portion of the vesting period completed in employment.

The Committee may, in exceptional circumstances, or if the participant dies, decide to allow awards to vest on cessation of employment subject to the Committee's assessment of performance against the original performance underpins at that time or the Committee's assessment of the likely satisfaction of the performance underpins over the original performance period. Awards will normally, unless the Committee determines that an alternative proportion of the awards should vest, be pro-rated for the proportional of the vesting period completed in employment.

(i) *Corporate events*

In the event of a takeover, reconstruction, amalgamation or winding-up of the Company, the RSP Awards may vest early. The proportion of the RSP Awards which vest shall be determined by the Committee taking into account, among other factors, the period of time the RSP Award has been held by the participant and the extent to which any applicable performance conditions have been satisfied at that time.

To the extent that RSP Options vest in the event of a takeover, winding-up or reconstruction or amalgamation of the Company they may be exercised for a period of six months measured from the relevant event (or in the case of takeover such longer period as the Committee determines) and will otherwise lapse at the end of that period.

In the event of a demerger, distribution or any other corporate event, the Committee may determine that RSP Awards shall vest. The proportion of the RSP Awards which vest shall be determined by the Committee taking into account, among other factors, the period of time the RSP Award has been held by the participant and the extent to which any applicable performance conditions have been satisfied at that time. RSP Options that vest in these circumstances may be exercised during such period as the Committee determines and will otherwise lapse at the end of that period.

Alternatively, the Committee may (with the consent of the acquiring company) decide that RSP Awards will not vest or lapse on a corporate event but will be replaced by equivalent new awards over shares in the new acquiring company.

(j) *RSP sub-plan*

The RSP has a French sub-plan that was approved by the Committee on 20 January 2021, but which is subject to approval by shareholders at the 2021 AGM. Under the sub-plan the Company shall not grant RSP Awards to any French participant owning more than 10% of the capital of the Company on the date of grant, or owning 10% after the date of grant, if this percentage is exceeded as a consequence of the awards granted, as prescribed by French law. The French RSP Sub-Plan is otherwise on substantially similar terms to the RSP.

### ***The UK SIP***

(a) *Overview of the UK SIP*

The UK SIP was adopted by the Board on 26 June 2014. The UK SIP is an all-employee share ownership plan which has been designed to meet the requirements of Schedule 2 of the Income Tax (Earnings and Pensions) Act 2003 so that Ordinary Shares can be provided to UK employees under the UK SIP in a tax-efficient manner.

Under the UK SIP, eligible employees may be: (i) awarded up to £3,600 worth of free Ordinary Shares (“**Free Shares**”) each year; (ii) offered the opportunity to buy Ordinary Shares with a value of up to £1,800 (“**Partnership Shares**”); (iii) given up to one free Ordinary Share (each, a “**Matching Share**”) for every two Partnership Shares bought; and/or (iv) allowed or required to purchase Ordinary Shares using any dividends received on Ordinary Shares held in the UK SIP (“**Dividend Shares**”). The Company may determine that different limits shall apply in the future should the relevant legislation change in this respect.

See above which sets out details of the awards to be made under the UK SIP. The limit applicable to the Partnership Shares is £1,800 per tax year and the Company currently offers Matching Shares at a 1:2 match to Partnership Shares. No Free Shares have been awarded under the UK SIP.

(b) *UK SIP Trust*

The UK SIP operates through a UK-resident trust (the “**UK SIP Trust**”). The trustee of the UK SIP Trust purchases or subscribes for Ordinary Shares that are awarded to or purchased on behalf of participants in the UK SIP. A participant will be the beneficial owner of any Ordinary Shares held on his behalf by the trustee of the UK SIP Trust. Any Ordinary Shares held in the UK SIP Trust will rank equally with Ordinary Shares then in issue.



If a participant ceases to be employed by the Group, he will be required to withdraw his Free Shares, Partnership Shares, Matching Shares and Dividend Shares from the UK SIP Trust (or the Free Shares, Partnership Shares or Matching Shares may be forfeited as described below).

(c) *Eligibility*

Each time that the Company decides to operate the UK SIP, all UK-resident tax-paying employees must be offered the opportunity to participate. Other employees may be permitted to participate. Participants invited to participate must have completed a minimum qualifying period of employment before they can participate, as determined by the Company in relation to any award of Ordinary Shares under the UK SIP, which may be different for each type of award from time to time. That period must not exceed 18 months.

(d) *Free Shares*

Under the rules of the UK SIP, up to £3,600 worth of Free Shares may be awarded to each employee in a tax year. Free Shares must be awarded on the same terms to each employee, but the number of Free Shares awarded can be determined by reference to the employee's remuneration, length of service, number of hours worked and, if the Company so chooses, the satisfaction of performance targets based on business results or other objective criteria. There is a holding period of between three and five years (the precise duration to be determined by the Company) during which the participant cannot withdraw the Free Shares from the UK SIP Trust (or otherwise dispose of the Free Shares) unless the participant leaves employment with the Group.

The Company, at its discretion, may provide that the Free Shares will be forfeited if the participant leaves employment with the Group other than in the circumstances of injury, disability, redundancy, retirement, by reason of a relevant transfer within the meaning of the Transfer of Undertakings (Protection of Employment) Regulations 2006 or if the relevant employment is terminated by an associated company by reason of a change of control or other circumstances ending that company's status as an associated company (each a "**UK SIP Good Leaver Reason**") or on death. Forfeiture can only take place within three years of the Free Shares being awarded.

(e) *Partnership Shares*

The Company may, at its discretion, allow an employee to use pre-tax annual basic salary to buy Partnership Shares. The maximum limit is 10% of pre-tax annual basic salary in any tax year with the maximum aggregated amount that may be deducted being no greater than £1,800. The minimum salary deduction permitted, as determined by the Company, must be no greater than £10 on any occasion. The salary allocated to Partnership Shares can be accumulated for a period of up to 12 months (the "**Accumulation Period**") or Partnership Shares can be purchased out of deductions from the participant's pre-tax annual basic salary when those deductions are made. A participant and the Company may agree to vary the amount of salary deductions and the intervals of those deductions. If there is an Accumulation Period, the number of Ordinary Shares purchased shall be determined by dividing the participant's aggregate pay deducted during the Accumulation Period by the market value of the Partnership Shares.

Once acquired, Partnership Shares may be withdrawn from the UK SIP by the participant at any time within 30 days after the deduction from annual basic salary is made if there is no Accumulation Period or not more than 30 days after the Accumulation Period if one exists.

At the discretion of the Company, Partnership Shares may be subject to compulsory sale provisions on cessation of employment (except for a UK SIP Good Leaver Reason or on death), provided they are offered for sale for a price at least equal to the lower of the market value of the Partnership Shares at the time of their sale or the price paid for those Partnership Shares.

(f) *Matching Shares*

The Company may, at its discretion, offer Matching Shares free to an employee who has purchased Partnership Shares. In the years following the Initial Public Offering of the Group in 2014, the Company has matched Partnership Shares on a 1:2 basis (being one Matching Share for each two Partnership

Shares purchased). If awarded, Matching Shares must be awarded on the same basis to all participants up to a maximum of one Matching Share for every two Partnership Shares purchased (or such other maximum as may be provided by statute). There is a holding period of between three and five years (the precise duration to be determined by the Company) during which the participant cannot withdraw the Matching Shares from the UK SIP Trust unless the participant leaves employment with the Group.

The Company, at its discretion, may provide that the Matching Shares will be forfeited if the participant leaves employment with the Group other than for a UK SIP Good Leaver Reason or on death. Forfeiture can only take place within three years of the Matching Shares being awarded.

(g) *Re-investment of dividends*

The Company may allow or require a participant to re-invest the whole or part of any dividends paid on ordinary shares held in the UK SIP. Dividend Shares must be held in the UK SIP Trust for no less than three years.

Once acquired, on cessation of employment, Dividend Shares may be subject to compulsory sale provisions (except for a UK SIP Good Leaver Reason, or on death), provided that they are offered for sale for a price at least equal to the lower of the market value of the Dividend Shares at the time of their sale or the amount of dividends originally reinvested into the Dividend Shares.

(h) *Corporate events*

In the event of a general offer being made to Shareholders (or a similar takeover event taking place) during a holding period, participants will be able to direct the trustee of the UK SIP Trust as to how to act in relation to their Ordinary Shares held in the UK SIP. In the event of a corporate re-organisation, any Ordinary Shares held by participants may be replaced by equivalent shares in a new holding company.

(i) *Variation of capital*

Ordinary Shares acquired on a variation of share capital of the Company will usually be treated in the same way as the Ordinary Shares acquired or awarded under the UK SIP, in respect of which the rights were conferred and as if they were acquired or awarded at the same time.

***The ISIP***

(a) *Overview of the ISIP*

The rules governing the ISIP were adopted by the Board in 2015 and the terms of the ISIP are broadly similar to those applicable to the UK SIP.

(b) *ISIP sub-plans*

The ISIP has a French sub-plan as approved by the Board on 17 September 2015, 10 July 2017 and 17 July 2019. Under the sub-plan the Company shall not grant Matching Awards to any French participant owning more than 30% of the capital of the company on the date of grant, and when 10% is exceeded the ratio cannot exceed one matching share awarded to five Shares owned, as prescribed by French law.

***Features common to the executive and employee share plans***

(a) *Overall plan limits*

To the extent that New Shares are to be issued to satisfy options or awards under any of the employee share plans:

- (i) no options or awards may be granted under any plan if it would cause the aggregate number of Ordinary Shares issued or issuable pursuant to options or other rights to subscribe for Ordinary

Shares which have been granted in the preceding 10 years under that plan and any other employee share plan operated by the Company to exceed 10% of the Company's issued Ordinary Share capital at the proposed date of grant; and

- (ii) no options or awards may be granted under the PSP or any other discretionary executive share plan (together the “**Executive Share Plans**”) if it would cause the aggregate number of Ordinary Shares issued or issuable pursuant to options or other rights to subscribe for Ordinary Shares which have been granted in the preceding 10 years under any Executive Share Plan operated by the Company to exceed 5% of the Company's issued Ordinary Share capital at the proposed date of grant.

Shares held in treasury will be treated as newly issued for the purpose of this limit for as long as the guidelines published by institutional investor representative bodies recommend otherwise. Ordinary Shares purchased in the market to satisfy awards will not count towards this limit.

(b) *Rights attaching to Ordinary Shares allotted or transferred*

Any Ordinary Shares allotted or transferred under the PSP, RSP, UK SIP and ISIP will rank equally with Ordinary Shares then in issue (except for rights arising by reference to a record date prior to their allotment or transfer).

(c) *Amendments*

The Company may at any time amend the rules of the PSP, RSP, UK SIP and ISIP by resolution of the Company and may amend the UK SIP trust deed by way of a supplemental deed. The prior approval of Shareholders at a general meeting of the Company must be obtained in the case of any amendment to the advantage of participants which is made to the provisions relating to eligibility, persons to whom the award must or may be made, individual or overall limits, the basis for determining a participant's entitlement to and the terms of ordinary shares provided under the share plans, the price payable for UK SIP Shares or ISIP Shares by eligible employees and/or the adjustments that may be made in the event of any variation to the share capital of the Company, save that there are exceptions for any minor amendment to benefit the administration of the share plans, to take account of any change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for participants, the Company and/or its subsidiaries or the trustees of the UK SIP Trust. No modification can be made which would alter, to the disadvantage of any participant, the rights accrued under the share plans.

(d) *Benefits not pensionable*

The benefits received under the PSP, RSP, UK SIP and ISIP are not pensionable.

### **The Company's employee benefit trust**

The Company has established an employee benefit trust (the “**Trust**”) which is constituted by a trust deed which was entered into between the Company and Computershare Trustees (Jersey) Limited (the “**EBT Trustee**”) on 23 January 2018. The Company has the power to appoint and remove the trustee.

The Trust can be used to benefit employees and former employees of the Company and its subsidiaries and certain of their dependants. The EBT Trustee has the power to acquire Ordinary Shares. Any shares acquired may be used for the purposes of the employee share plans operated by the Group from time to time.

The Group may fund the Trust by loan or gift to acquire Ordinary Shares either by market purchase or by subscription. Any awards to subscribe for Ordinary Shares granted to the Trust or Ordinary Shares issued to the Trust will be treated as counting against the dilution limits that apply to the Share Schemes.

The Trust will not make an acquisition of Ordinary Shares if that acquisition would mean that it held more than 5% of the Company's Ordinary Share capital, without prior shareholder approval.

### **Pensions**

The Group operates both defined benefit and defined contribution group personal pension schemes.

In the UK there are two principal defined contribution schemes. The SSP Group Pension under which the relevant employer makes contributions to the scheme equal to a certain percentage of the employee's salary and the UK government sponsored National Employees Savings Trust for the purposes of satisfying its obligations under UK automatic enrolment legislation.

The Group operates a combination of funded and unfunded defined benefit schemes across Europe with an aggregate liability (before deferred tax) of £18.6 million as at 30 September 2020. The Group operates funded defined benefit schemes in the UK and Norway. The UK scheme is closed to new entrants. The Group operates unfunded defined benefit schemes and long service awards in Germany, France and Spain.

## 11 SUBSIDIARIES AND CORPORATE STRUCTURE

### 11.1 Corporate structure

The Company was incorporated and registered in England and Wales under the Companies Act 1985 as a private company limited by shares and under the name HACKREMCO (NO. 2347) LIMITED on 9 March 2006 with registered number 5735966. On 5 April 2006, the Company was renamed Sapling Holdco 1 Limited and, on 16 October 2006, the Company was renamed SSP Group Limited. The Company was re-registered as a public company limited by shares and renamed SSP Group plc on 4 July 2014 with its registered office situated in England and Wales. The Company is the ultimate parent company of the Group, which comprises the Company and its subsidiary undertakings.

### 11.2 Significant subsidiary and associated undertakings

The significant subsidiary and associated undertakings of the Group are set out below. All subsidiary undertakings are wholly owned and operate principally in the country of incorporation or registration unless stated otherwise.

| Name of company                   | Country of incorporation | Nature of business                      |
|-----------------------------------|--------------------------|---|
| Select Service Partner SAS        | France                   | Catering and/or retail concessions      |
| SSP Deutschland GmbH              | Germany                  | Catering and/or retail concessions      |
| Select Service Partner AS         | Norway                   | Catering and/or retail concessions      |
| Select Service Partner S.A.U      | Spain                    | Catering and/or retail concessions      |
| Scandinavian Service Partner AB   | Sweden                   | Catering and/or retail concessions      |
| SSP Financing Limited             | United Kingdom           | Holding and Treasury company            |
| SSP Financing UK Limited          | United Kingdom           | Holding and Management Services company |
| Select Service Partner UK Limited | United Kingdom           | Catering and/or retail concessions      |
| SSP America, Inc.                 | United States            | Catering and/or retail concessions      |

## 12 PENSION SCHEMES

In relation to the last full financial year, save as described in paragraph 9 of this Part 16, there are no amounts set aside or accrued by the Group to provide pension, retirement or similar benefits to current Directors and Senior Managers.

Details of the Group's pension schemes are included in Note 23 of the Annual Report for the year ended 30 September 2020, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus.

## 13 UNDERWRITING ARRANGEMENTS

Pursuant to an underwriting agreement dated 17 March 2021 between the Company, the Underwriters, the Joint Global Coordinators, the Joint Bookrunners and the Co-Lead Managers, the Joint Global Coordinators have agreed severally to procure acquirers for New Shares not taken up under the Rights Issue at a price not less than the total of the Issue Price (plus expenses), failing which, the Underwriters have agreed severally themselves to acquire any such New Shares at the Issue Price.

In consideration of their services under the Underwriting Agreement, and subject to their obligations under the Underwriting Agreement having become unconditional and the Underwriting Agreement not having been terminated, the Company has agreed to pay the Underwriters:

- (a) a base underwriting commission of 2.75% of the aggregate value at the Issue Price of the New Shares; and

- (b) an additional commission of up to 0.25% of the aggregate value at the Issue Price of the New Shares (payable at the discretion of the Company).

The Underwriters will pay any sub-underwriting fees out of such commissions (if and to the extent that sub-underwriters are or have been procured).

The Company shall pay (whether or not the Underwriters' obligations under the Underwriting Agreement become unconditional or the Underwriting Agreement is terminated) the costs and expenses of, or incidental to, the Rights Issue, including (but not limited to) the fees and expenses of its own and the Underwriters' professional advisers, the cost of preparation, advertising, printing and distribution of this document and all other documents connected with the Rights Issue, any charges by CREST and any fees payable to the FCA and the London Stock Exchange.

The obligations of the Underwriters under the Underwriting Agreement are subject to certain conditions, including, amongst others:

- (a) Admission having occurred not later than 8.00 a.m. on 7 April 2021 or such later time and/or date (not later than 13 April 2021) as the Company and the Joint Global Coordinators may agree; and
- (b) the warranties and representations on the part of the Company in the Underwriting Agreement being true and accurate in every respect and not misleading on and as of (i) the date of the Underwriting Agreement, (ii) the date of any supplementary prospectus published prior to Admission, and (iii) immediately prior to Admission, in each case, as though they had been given and made on such date by reference to the facts and circumstances then subsisting.

The Joint Global Coordinators may terminate the Underwriting Agreement in certain circumstances prior to Admission, including following the occurrence of a *force majeure* event and where any statement included in this document is or has become untrue, incorrect or misleading in any material respect.

The Company has given certain customary representation, warranties and indemnities in favour of the Underwriters pursuant to the Underwriting Agreement and the Company has, amongst other things, agreed not to issue any Ordinary Shares or securities convertible into Ordinary Shares during a period of 180 days from the date of settlement of the Underwriters' payment obligations to the Company under the Underwriting Agreement without the prior written consent of the Underwriters (such consent not to be unreasonably withheld or delayed), other than pursuant to the Rights Issue, or the exercise of options under the Employee Share Plans.

## **14 MATERIAL CONTRACTS**

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the Company or another member of the Group within the two years immediately preceding the date of this Prospectus or, in the case of the Underwriting Agreement is expected to be entered into prior to Admission, and are, or may be, material or have been entered into at any time by the Company or any member of the Group and contain provisions under which the Company or any member of the Group has an obligation or entitlement which is, or may be, material to the Company or any member of the Group as at the date of this Prospectus:

### **14.1 Underwriting Agreement**

For a description of the principal terms of the Underwriting Agreement, see paragraph 13.1 of this Part 16.

### **14.2 Subscription and Transfer Agreement and Option Agreement**

In connection with the Rights Issue, the Company, HSBC and SSP Finance (Jersey) Limited have entered into a subscription and transfer agreement and an option agreement, each dated 17 March 2021, in relation to the subscription and transfer of ordinary shares and redeemable preference shares in SSP Finance (Jersey) Limited. Under the terms of these agreements:

- (a) the Company and HSBC have agreed to subscribe for ordinary shares in SSP Finance (Jersey) Limited and enter into certain put and call options in respect of the ordinary shares in SSP Finance (Jersey) Limited subscribed for by HSBC that are exercisable if the Rights Issue does not proceed;

- (b) HSBC, as principal, will apply an amount equal to the proceeds of the Rights Issue (and held by the Receiving Agent) received from (i) Qualifying Shareholders or renounees taking up New Shares under the Rights Issue, and (ii) acquirers of New Shares not taken up by Qualifying Shareholders and renounees under the Rights Issue (less any premium over the Rights Issue Price) to subscribe for redeemable preference shares in SSP Finance (Jersey) Limited (subject to the operation of the set-off mechanics set out in those agreements by virtue of which the relevant commissions and expenses payable in connection with the Rights Issue will be set-off against the amount payable by HSBC); and
- (c) the Company will allot and issue the New Shares to those persons entitled thereto in consideration of HSBC transferring its holdings of redeemable preference shares and ordinary shares in SSP Finance (Jersey) Limited to the Company.

Accordingly, instead of receiving cash as consideration for the issue of the New Shares, at the conclusion of the Rights Issue the Company will own the entire issued ordinary and redeemable preference share capital of SSP Finance (Jersey) Limited whose only asset will be its cash balances, which will represent an amount equivalent to the net proceeds of the Rights Issue plus the aggregate nominal amount received by SSP Finance (Jersey) Limited for the ordinary shares and preference shares issued to the Company and HSBC.

The Company will be able to utilise this amount following redemption of the redeemable preference shares it will hold in SSP Finance (Jersey) Limited and, if required, during any interim period prior to redemption, by procuring that SSP Finance (Jersey) Limited lends the amount to the Company (or one of the Company's subsidiaries). Using this structure for the Rights Issue also has the potential to create distributable reserves for the Company in that the Company is not required to credit its share premium account with the excess of the Rights Issue price over the nominal value of the New Shares issued and will instead be able to credit a merger reserve (on the basis that the proceeds of the Rights Issue are not being used to fund an acquisition). Creating such distributable reserves will facilitate any potential distribution or distributions to Shareholders made by the Company in the future.

Qualifying Shareholders are not party to these arrangements and so will not acquire any direct right against HSBC pursuant to these arrangements. The Company will be responsible for enforcing the obligations of HSBC and SSP Finance (Jersey) Limited thereunder.

### **14.3 Financing Arrangements**

For a description of the Group's financing arrangements, see Part 12 "*Operating and Financial Review—Borrowings*".

## **15 RELATED PARTY TRANSACTIONS**

The related party transactions between the Company and its subsidiaries that were entered into during each of the years ended 30 September 2020, 2019 and 2018 are incorporated into this Prospectus by reference to the Annual Reports for each of the years ended 30 September 2020, 2019 and 2018, as described in Part 17 "*Documentation Incorporated by Reference*" of this Prospectus. During the period from 30 September 2020 to 16 March 2021 (being the latest practicable date prior to the publication of this Prospectus), there were no new related party transactions.

## **16 LITIGATION**

Other than the matter described immediately below, there are no governmental, legal or arbitration proceedings (including such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus, which may have, or have had a significant effect on the Company's and/or the Group's financial position or profitability.

Rail Gourmet Holding AG ("**Rail Gourmet**") may be subject to a legacy claim relating to events in 2001 when Rail Gourmet was owned by the Swissair Group. The Group acquired Rail Gourmet in 2006 from Compass, which had acquired it (and other entities) in 2001 from the Swissair Group (in insolvency). In 2001, proceedings were brought in the Belgian courts against certain members of the Swissair Group by certain shareholders in Sabena (in bankruptcy). The claim relates to allegations that those members of the Swissair Group breached certain commitments relating to their shareholdings in Sabena (the former Belgian national airline). An interim judgement was issued against the relevant Swissair entities in 2011 for EUR 18.3 million and was appealed by them. This appeal is currently pending. Although Rail Gourmet was not named as a defendant in those

proceedings, it has been notified by the relevant Swissair entities that they may seek recourse against it for any amounts for which the Swissair entities are held responsible on the basis that Rail Gourmet is a former member of the Swissair Group. Rail Gourmet denies any liability in relation to these proceedings and has not been notified by the relevant Swissair entities of the legal basis for such recourse against it. Until 2012 Rail Gourmet signed a letter every six months to extend the statute of limitation whilst awaiting developments in the proceedings referred to above. In 2013, however, the letter agreeing to extend the statute of limitation was not signed and Swiss International Air Lines AG as the potentially liable entity for the aforementioned claims filed a debt enforcement request in Switzerland against Rail Gourmet in the amount of more than CHF 9 billion. This request served mainly to interrupt a potential time barring of recourse claims that Swiss International Air Lines AG might have against Rail Gourmet, even though also in connection with such debt enforcement, Swiss International Air Lines AG never specified the legal basis for the potential recourse claims. The debt enforcement against Rail Gourmet was stopped immediately by a formal objection. In 2016, Swiss International Air Lines AG formally withdrew the debt enforcement request. In the following years, Rail Gourmet again agreed to waive the right to invoke the defence of the statute of limitations with respect to potential recourse claims Swiss International Air Lines AG might have against Rail Gourmet so that Swiss International Air Lines AG was not forced to take legal action again to interrupt the statute of limitations. Such waiver statements were signed by Rail Gourmet on a yearly basis, the last one in March 2020. It remains unclear for how long this will go on and there can be no assurance that further enforcement attempts by Swissair entities will not be made.

Since Rail Gourmet is not a party to the Belgian proceedings described above, an assessment of the likely outcome of those proceedings and of the Swissair entities seeking recourse against it is not possible. For the same reasons, as well as the complexities of the proceedings arising out of the Swissair and Sabena bankruptcies, the potential amount that the Swissair entities may be held liable for and ultimately seek recourse for from Rail Gourmet (and other former members of the Swissair Group) is not possible to quantify but may be in excess of the amount of the interim judgement. The Directors believe that a successful claim against Rail Gourmet is unlikely and, even if it were successful, Compass has provided certain indemnity protection in relation to the above claim and proceedings. However, should such a claim for recourse be successful and recovery under the indemnity not be available in full or in part for any reason, the economic viability of Rail Gourmet may be adversely affected. In such circumstances, the Group's business, financial condition and results of operations would be adversely affected up to the extent of the value of Rail Gourmet. Rail Gourmet is the holding company of the Rail Gourmet sub-group (whose only operating company is now Rail Gourmet UK Limited) with consolidated net assets of £81.6 million (excluding associated legacy goodwill) as at 30 September 2020 and consolidated Operating Losses of £0.2 million for the period then ended. Given the uncertainty, no provision has been made by the Group in relation to the above matter.

## **17 WORKING CAPITAL**

In the opinion of the Company, taking into account its available debt facilities and the net proceeds of the Rights Issue, the working capital available to the Group is sufficient for its present requirements (that is, for at least 12 months following the date of this Prospectus).

In making the above Working Capital Statement, the Company, as required by the ESMA Recommendations, has assessed whether there is sufficient margin or headroom to cover a reasonable worst case scenario. The Company's view of that scenario includes certain assumptions regarding the potential impact on the Group of the Coronavirus pandemic. Given the inherent uncertainty as to the severity, extent and duration of the disruption caused by the Coronavirus pandemic and therefore its ultimate impact on the Group, the Company believes that it is appropriate to provide additional disclosure of the key Coronavirus-related assumptions underpinning this scenario, on which the Working Capital Statement is dependent.

In preparing its reasonable worst case scenario, the Group expects government and public responses to the Coronavirus pandemic, including significant restrictions on non-essential travel (particularly international travel), work from home guidance and other social distancing regulations, to result in a continued adverse impact to the Group's financial position and results of operations. The reasonable worst case therefore includes certain Coronavirus-related sensitivities, applied in respect of the following key assumptions:

- during the six months ended 30 September 2021, air and rail passenger numbers, weighted according to the markets in which the Group operates, will average 17% and 18%, respectively, of financial year 2019 numbers; increasing to 41% and 44%, respectively in the six months ending 31 March 2022; and increasing further to 58% and 66%, respectively, in the six months ending 30 September 2022;

- the Group is able to continue to secure waivers for the majority of its fixed MGRs while passenger numbers remain well below pre-pandemic levels, i.e. at least for the next twelve months following the date of this Prospectus, limiting rents to percentage of sales concession fees or securing more flexible arrangements, such as MGRs structured on a ‘per passenger’ basis;
- Group revenue recovers to 29% of pre-pandemic levels (based on financial year 2019) by September 2021, 49% by March 2022 and 74% by September 2022;
- furlough and similar labour and fixed cost support schemes remain in place for the current duration of the announced schemes. Many of these schemes are already planned to run throughout much of 2021, across Europe in particular;
- cash usage is and will continue to be in the range of £25-30 million per month for as long as passenger volumes remain more than 75% down on pre-Coronavirus levels; and
- capital expenditure is limited to essential repair and contractually committed expenditure for the twelve months following the date of this Prospectus.

The Working Capital Statement in this Prospectus has been prepared in accordance with the ESMA Recommendations relating to working capital statements, and the technical supplement to the FCA Statement of Policy published on 8 April 2020 relating to the Coronavirus pandemic.

## **18 NO SIGNIFICANT CHANGE**

Other than as set out in paragraph 5 of Part 6 “*Letter from the Chair of SSP Group plc*” under the heading “*Trading in the 6 month period to 31 March 2021*”, there has been no significant change in the financial position and financial performance of the Group since 31 December 2020, the date to which the latest reviewed financial information in relation to the Group was prepared.

## **19 INDEPENDENT AUDITORS**

The financial statements of the Group as of 30 September 2020, 2019, and 2018, and for the years then ended, incorporated by reference in this Prospectus, have been audited by KPMG LLP, independent auditors, as stated in their report incorporated by reference herein.

## **20 CONSENTS**

KPMG LLP has given and has not withdrawn its written consent to the inclusion in this Prospectus of the report set out in Part 14 “*Unaudited Pro Forma Financial Information*” and has authorised the contents of its report for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Regulation Rules. A written consent under the Prospectus Regulation Rules is different from a consent filed with the SEC under Section 7 of the Securities Act. KPMG LLP has not filed and will not be required to file a consent under Section 7 of the Securities Act.

Each of Goldman Sachs International, Barclays Bank PLC, HSBC Bank plc, J.P. Morgan Securities plc (conducting its UK investment banking activities as J.P. Morgan Cazenove), BNP Paribas, Merrill Lynch International, Mediobanca–Banca di Credito Finanziario S.p.A., Mizuho International plc and MUFG Securities EMEA plc has given and has not withdrawn its written consent to the inclusion in this Prospectus of its name and the references to it in the form and context in which they appear.

## **21 REGULATORY DISCLOSURE**

The following is a summary of the information disclosed in accordance with the Company’s obligations under Regulation (EU) No 596/2014 (Market Abuse Regulation or “**MAR**”) over the last 12 months which is relevant as at the date of this Prospectus:

### **21.1 Financial Disclosure**

On 3 June 2020, the Group announced its financial results for the first half of its 2020 financial year, covering the six months ended 31 March 2020. The Coronavirus pandemic had a significant impact on the Group’s results for the first half of the 2020 financial year. Although the Group had performed well and in line with expectations prior to the onset of the Coronavirus pandemic, the Group began to see a material impact on trading in the Asia Pacific region from the escalation of the Coronavirus in late January and throughout February, following which trading then deteriorated rapidly across the entire Group during March as the impact of the pandemic spread across the world.



The Group announced its rapid and decisive management action to preserve cash and cash liquidity for the duration of the many government restrictions worldwide. These actions included, among others, salary reductions across senior management, the Executive Committee and the Board, minimal discretionary spending and capital investment, suspension of the share buyback programme, a dividend reinvestment equity offering, no 2020 dividend declared, an equity placing completed in March 2020, access to the CCFF and waivers of existing covenant tests until September 2021.

### **21.2 Coronavirus-related Disclosure**

On 25 March 2020, the Group announced that it had seen an unprecedented and rapidly escalating impact of the Coronavirus pandemic on the travel operating environment, particularly with regard to the widespread travel bans imposed by governments and airline capacity reductions across its core markets, which severely impacted passenger numbers. As a result, the Group announced that it was expected to face reduced revenues and operating profit for the six months ended 31 March 2020. The Group also announced that its central planning assumption was that recent trading conditions seen in March 2020 would likely deteriorate further.

In response, the Group outlined the following steps it was taking to prioritise the health and safety of its colleagues and customers, to protect profit and cash and to work closely with its clients to maintain appropriate service levels for its customers:

- taking action to reduce operations, such as by temporarily closing units, reducing operating hours and ceasing its unit opening programme for the second half of the 2020 financial year;
- decreasing labour costs by reducing headcount, commencing temporary lay-offs and implementing significant salary reductions across all senior management, the Group Executive team and Board;
- paying rent on a fully variable basis, as a percentage of the Group's revenue, and negotiating with landlords for further rent relief; and
- reducing discretionary overhead expenditure to the minimum levels necessary to operate the business and aiming to reduce capital expenditure to approximately £10 million for the second half of the 2020 financial year.

Furthermore, the Group announced that it would be suspending its previously announced share buyback of up to £100 million and deferring the payment date of the final dividend of 6.0 pence per ordinary share, as approved by the Group's shareholders at the Group's AGM on 26 February 2020, with a record date of 6 March 2020, to 4 June 2020. The Group also announced that it would not be intending to pay an interim dividend for the first half of the financial year 2020.

Finally, the Group announced that it had agreed a new 18-month committed bank facility of up to £112.5 million representing incremental financing to its existing debt facilities, subject to documentation on terms and conditions in line with such existing facilities and conditional on the Group raising new equity. In the 3 June 2020 announcement, the Group announced that the terms of the £112.5 million bank facility required that any drawings would be repaid as soon as the Group accessed and drew down on the CCFF and therefore this facility was effectively superseded, see "*—Regulatory Disclosure—Financial Disclosure*".

On 1 April 2020, the Group announced that it had secured access to the CCFF, the joint HM Treasury and Bank of England Lending facility, and that it had made a drawdown of funding under the scheme.

On 10 February 2021, the Group responded to press speculation regarding its draw down on the CCFF and the possibility of the Group undertaking an equity raise. The Group outlined its strong liquidity position and that it was strongly placed to capitalise on the recovery of the travel sector. The Group indicated that the £300 million draw down on the CCFF was drawn down in full solely due to the scheme closing for further drawings from March 2021. The Group stated that whilst it was confident in the medium-term recovery of the travel market, there remained significant uncertainty with regard to the Coronavirus pandemic. In that context, the Group stated that it continuously evaluates the merits of a range of funding options, both debt and equity, that would further strengthen its balance sheet.

### **21.3 Other Corporate Actions Disclosure**

On 25 March 2020, the Group announced that it intended to conduct a non-pre-emptive placing of new ordinary shares (the "**First 2020 Placing Shares**") of 1<sup>17/200</sup> pence each in the capital of the Group (the "**First 2020**

**Placing**”). In addition, in conjunction with the First 2020 Placing, the Group announced that certain directors and members of the senior management team of the Group intended to subscribe (the “**First 2020 Subscription**”) for new ordinary shares in the capital of the Group (the “**First 2020 Subscription Shares**”). It was announced that, together, the total number of First 2020 Placing Shares and First 2020 Subscription Shares would not exceed 19.99% of the Group’s existing ordinary share capital.

On 25 March 2020, the Group announced that it had successfully completed the First 2020 Placing and the First 2020 Subscription of 86,499,459 new ordinary shares in the capital of the Group at a price of 250 pence per First 2020 Placing Share, representing approximately 19.3% of the Group’s existing issued ordinary share capital prior to the First 2020 Placing and the First 2020 Subscription and raising gross proceeds of £216 million.

On 3 June 2020, the Group announced that it intended to conduct a non-pre-emptive placing of new ordinary shares (the “**Second 2020 Placing Shares**”) of 1<sup>17/200</sup> pence each in the capital of the Group (the “**Second 2020 Placing**”). Participation in the Second 2020 Placing was to be limited to certain persons who were beneficially entitled to the Group’s 2019 Final Dividend, to allow them to re-invest their entitlement back into the Group. In conjunction, the Group announced that certain directors and members of the senior management team of the Group intend to re-invest (“**Second 2020 Subscription**”) all or part of their entitlement to the 2019 Final Dividend and subscribe for new ordinary shares in the capital of the Group (the “**Second 2020 Subscription Shares**”). The Group also announced that its 2019 Final Dividend of 6.0 pence per ordinary share would be paid on 4 June 2020.

On 3 June 2020, the Group announced that it was launching a retail offer via PrimaryBid of new ordinary shares (the “**Retail Shares**”) of 1<sup>17/200</sup> pence each in the capital of the Group (the “**Retail Offer**”), to give retail investors who were beneficially or legally entitled to the 2019 Final Dividend (“**Retail Entitled Persons**”) the opportunity to re-invest their entitlement to the 2019 Final Dividend in the Group by participating in the Group’s equity issuance alongside the Second 2020 Placing and the Second 2020 Subscription.

On 3 June 2020, the Group announced that it had successfully completed the Second 2020 Placing and the Second 2020 Subscription of 3,475,388 new ordinary shares in the capital of the Group at a price of 315.2 pence per Second 2020 Placing Share, representing approximately 0.7% of the Group’s existing issued ordinary share capital prior to the Second 2020 Placing and Second 2020 Subscription and raising gross proceeds of £11 million.

## 22 MISCELLANEOUS

The total costs and expenses payable by the Company in connection with the Rights Issue (including the listing fees of the FCA and the London Stock Exchange, professional fees and expenses and the costs of printing and distribution of documents) are estimated to amount to approximately £18.8 million.

Each New Share is expected to be issued at a premium of 182.92 pence to its nominal value of 1<sup>17/200</sup> pence.

## 23 DOCUMENTS AVAILABLE FOR INSPECTION

This Prospectus, together with the documents incorporated into it by reference (as set out in Part 17 “*Documentation Incorporated by Reference*”), will be made available to the public, free of charge, at <http://www.foodtravelexperts.com/international>, on request and, subject to Coronavirus restrictions, at the Company’s registered office at Jamestown Wharf, 32 Jamestown Road, London NW1 7HW, United Kingdom.

Copies of the following documents are available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) up to, and for a period of 12 months, following Admission at the offices of Freshfields Bruckhaus Deringer at 100 Bishopsgate, London EC2M 1GT, United Kingdom:

- (a) the articles of association of the Company;
- (b) the consent letter referred to in paragraph 19 of this Part 16;
- (c) the report from KPMG LLP which is set out in Part 14 “*Unaudited Pro Forma Financial Information*”;
- (d) the Provisional Allotment Letter;

- (e) the documents incorporated by reference into this Prospectus as described in Part 17 “*Documentation Incorporated by Reference*”; and
- (f) this Prospectus.

Dated: 17 March 2021

**PART 17**  
**DOCUMENTATION INCORPORATED BY REFERENCE**

The following documentation, which was sent to Shareholders at the relevant time and/or is available as described below, contains information that is relevant to the Rights Issue:

**The Annual Reports and Accounts for each of the years ended 30 September 2020, 2019 and 2018**

These contain the audited historical financial information of the Company for each of the years ended 30 September 2020, 2019 and 2018, respectively, prepared in accordance with IFRS as adopted by the EU, together with audit reports in respect of each such year.

The table below sets out the various sections of the documents referred to above which are incorporated by reference into this Prospectus, so as to provide the information required pursuant to Annex 1 and Annex 11 to the Prospectus Regulation Rules and to ensure that Shareholders and others are aware of all information which, according to the particular nature of the Company and of the New Shares, is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company and of the rights attaching to the New Shares:

| <b>Reference document</b>                          | <b>Information incorporated by reference</b>                   | <b>Page number in reference document</b> |
|--|--|--|
| Annual Report for the year ended 30 September 2020 | Independent auditor's report . . . . .                         | 93                                       |
|  | Consolidated income statement . . . . .                        | 101                                      |
|  | Consolidated statement of other comprehensive income . . . . . | 102                                      |
|  | Consolidated statement of changes in equity . . . . .          | 104                                      |
|  | Consolidated balance sheet . . . . .                           | 103                                      |
|  | Consolidated cash flow statement . . . . .                     | 105                                      |
|  | Notes to the consolidated financial statements . . . . .       | 106                                      |
| Annual Report for the year ended 30 September 2019 | Independent auditor's report . . . . .                         | 74                                       |
|  | Consolidated income statement . . . . .                        | 80                                       |
|  | Consolidated statement of other comprehensive income . . . . . | 81                                       |
|  | Consolidated statement of changes in equity . . . . .          | 83                                       |
|  | Consolidated balance sheet . . . . .                           | 82                                       |
|  | Consolidated cash flow statement . . . . .                     | 84                                       |
|  | Notes to the consolidated financial statements . . . . .       | 85                                       |
| Annual Report for the year ended 30 September 2018 | Independent auditor's report . . . . .                         | 61                                       |
|  | Consolidated income statement . . . . .                        | 65                                       |
|  | Consolidated statement of other comprehensive income . . . . . | 66                                       |
|  | Consolidated statement of changes in equity . . . . .          | 68                                       |
|  | Consolidated balance sheet . . . . .                           | 67                                       |
|  | Consolidated cash flow statement . . . . .                     | 69                                       |
|  | Notes to the consolidated financial statements . . . . .       | 70                                       |

**The Interim Results for the six months ended 31 March 2020**

This contains the reviewed condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2020.

Where these documents make reference to other documents, such other documents are not incorporated into and do not form part of this Prospectus. Parts of the documents incorporated by reference which are not set out above are either not relevant or are covered elsewhere in this Prospectus.

**PART 18**  
**DEFINITIONS AND GLOSSARY**

|  |   |
|--|---|
| “Acts”                                   | has the meaning given in section 2 of the Companies Act 2006  |
| “Adjusted EBITDA”                        | earnings before interest, taxes, depreciation, and amortisation subject to certain agreed adjustments including alignment to accounting standards agreed at the time of the facilities and items which are not considered reflective of the normal trading performance of the business, and are considered exceptional because of their size, nature or incidence |
| “Adjusted Net Debt”                      | borrowings, net of cash and restructuring costs incurred prior to 31 December 2020 and excluding lease liabilities  |
| “Admission”                              | admission of the New Shares, nil paid, to (a) the premium listing segment of the Official List, and (b) trading on the London Stock Exchange’s main market for listed securities  |
| “AGM”                                    | annual general meeting  |
| “Amended Facilities”                     | Existing Facilities, as so amended  |
| “Annual Report”                          | the annual report prepared by the Company   |
| “Articles”                               | the articles of association of the Company which are described in paragraph 4 of Part 16 “ <i>Additional Information</i> ”  |
| “Audit Committee”                        | the committee described in paragraph 5 of Part 11 “ <i>Directors, Senior Management and Corporate Governance</i> ”  |
| “Banks”                                  | the Sponsor, the Joint Global Coordinators, the Joint Bookrunners and Co-Lead Managers  |
| “Board”                                  | the board of directors, from time to time, of the Company   |
| “Business Day”                           | a day (other than a Saturday or Sunday) on which banks are open for general business in London  |
| “CAGR”                                   | compound annual growth rate   |
| “Cashless Take-up”                       | the sale of such number of Nil Paid Rights as will generate sufficient sale proceeds to enable the direct or indirect holder thereof to take up all of their remaining Nil Paid Rights (or entitlements thereto) without being required to provide any further capital  |
| “CCFF”                                   | the Bank of England’s Covid Corporate Financing Facility  |
| “CCSS”                                   | the CREST Courier and Sorting Service established by Euroclear to facilitate, amongst other things, the deposit and withdrawal of securities  |
| “certificated” or “in certificated form” | a share or other security which is not in uncertificated form (that is, not in CREST)   |
| “Chair”                                  | the chair of the Company  |
| “City Code”                              | the City Code on Takeovers and Mergers  |
| “Co-Lead Managers”                       | Mizuho International plc and MUFG Securities EMEA plc   |
| “Companies Act”                          | UK Companies Act 2006   |

|  |   |
|--|---|
| “Company” or “SSP”                           | SSP Group plc, a public limited company incorporated under the laws of England and Wales under the Companies Act  |
| “Corporate Governance Code”                  | the UK Corporate Governance Code issued by the Financial Reporting Council, as amended from time to time  |
| “CREST”                                      | the relevant system (as defined in the CREST Regulations) for the paperless settlement of trades in listed securities in the United Kingdom, of which Euroclear Limited is the operator (as defined in the CREST Regulations)   |
| “CREST Manual”                               | the rules governing the operation of CREST, consisting of the CREST Reference Manual, CREST International Manual, CREST Central Counterparty Service Manual, CREST Rules, Registrars Service Standards, Settlement Discipline Rules, CCSS Operations Manual, Daily Timetable, CREST Application Procedure, CREST Glossary of Terms and CREST Terms and Conditions (all as defined in the CREST Glossary of Terms promulgated by Euroclear on 15 July 1996 and as amended since) |
| “CREST member”                               | a person who has been admitted by Euroclear as a system-member (as defined in the CREST Regulations)  |
| “CREST Regulations”                          | the Uncertificated Securities Regulations 2001 (SI 2001/3755) including any modification or re-enactment of them for the time being in force  |
| “CREST sponsor”                              | a CREST participant admitted to CREST as a CREST sponsor  |
| “CREST sponsored member”                     | a CREST member admitted to CREST as a sponsored member  |
| “C(WUMPO)”                                   | the Companies (Winding up and Miscellaneous Provisions) Ordinance (Cap.32, Laws of Hong Kong) of Hong Kong  |
| “Directors” or “Board”                       | the Executive Directors and Non-Executive Directors of the Company as at the date of this Prospectus  |
| “Disclosure Guidance and Transparency Rules” | the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority   |
| “EBITDAAP”                                   | earnings before interest, taxes, depreciation, amortisation and share of profit of associates   |
| “ESMA”                                       | European Securities and Markets Authority   |
| “EU”   | European Union  |
| “Euroclear”                                  | Euroclear UK & Ireland Limited  |
| “Exchange Act”                               | United States Exchange Act of 1934, as amended  |
| “Excluded Territories”                       | the United States, the Commonwealth of Australia, its territories and possessions, Canada, Japan and the Republic of South Africa   |
| “Executive Directors”                        | the executive directors of the Company as at the date of this Prospectus  |
| “Existing Facilities”                        | the US Notes and Facilities Agreement   |
| “Existing Shares”                            | the existing Shares (excluding treasury shares) in issue immediately preceding the issue of the New Shares  |

|   |  |
|---|--|
| <b>“Ex-Rights Date”</b>                                 | 7 April 2021   |
| <b>“Facilities Agreement”</b>                           | facilities agreement with a maturity of 15 July 2022, comprising two term facilities and a revolving credit facility   |
| <b>“Financial Conduct Authority”</b><br>or <b>“FCA”</b> | the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part 6 of the FSMA   |
| <b>“FSMA”</b>   | the Financial Services and Markets Act 2000, as amended  |
| <b>“Fully Paid Rights”</b>                              | rights to acquire New Shares, fully paid   |
| <b>“Group”</b>  | the Company and its subsidiary undertakings. For purposes of calculating certain operational information, including the number of units or the markets in which it operates, the term “Group” includes the Company, its subsidiary undertakings and its associated undertakings. |
| <b>“Hong Kong”</b>                                      | Hong Kong Special Administrative Region of the People’s Republic of China  |
| <b>“HSBC”</b>   | HSBC Bank plc  |
| <b>“IFRS”</b>   | International Financial Reporting Standards, as adopted by the EU  |
| <b>“IRS”</b>  | US Internal Revenue Service  |
| <b>“ISIN”</b>   | International Securities Identification Number   |
| <b>“Joint Bookrunners”</b>                              | BNP Paribas, Merrill Lynch International, Mediobanca–Banca di Credito Finanziario S.p.A. and the Joint Global Coordinators   |
| <b>“Joint Global Coordinators”</b>                      | Goldman Sachs International, Barclays Bank PLC, HSBC Bank plc and J.P. Morgan Securities plc (conducting its UK investment banking activities as J.P. Morgan Cazenove)   |
| <b>“Latest Practicable Date”</b>                        | 16 March 2021, being the latest practicable date prior to the publication of this Prospectus   |
| <b>“Listing Rules”</b>                                  | the listing rules of the FCA   |
| <b>“liquidity”</b>                                      | cash and, subject to certain exceptions, undrawn amounts on the Group’s Existing Facilities, the local facilities described above and the CCFF facility amount, whether drawn or not   |
| <b>“London Stock Exchange”</b>                          | London Stock Exchange plc  |
| <b>“Major Shareholder”</b>                              | each person having an interest in 3.0% or more of the Company’s issued share capital as at the Latest Practicable Date, together being the “Major Shareholders”  |
| <b>“MAR”</b>  | Market Abuse Regulation (EU) No 596/2014   |
| <b>“MGR”</b>  | minimum annual guaranteed rent   |
| <b>“Money Laundering Regulations”</b>                   | Money Laundering Regulations 2007 (SI 2007/2157)   |
| <b>“MTM Instruction”</b>                                | Many-to-Many instruction   |

|   |   |
|---|---|
| <b>“New Shares”</b>                         | the 258,076,764 new Shares which the Company will allot and issue pursuant to the Rights Issue, including, where appropriate, the Provisional Allotment Letters, the Nil Paid Rights and the Fully Paid Rights                          |
| <b>“Nil Paid Rights”</b>                    | rights to acquire New Shares, nil paid  |
| <b>“Non-Executive Directors”</b>            | the non-executive directors of the Company as at the date of this Prospectus  |
| <b>“OECD”</b>                               | the Organisation for Economic Co-operation and Development  |
| <b>“Official List”</b>                      | the Official List of the FCA  |
| <b>“Overseas Shareholders”</b>              | Shareholders with registered addresses in, or who are located in or citizens, residents or nationals of jurisdictions outside the United Kingdom  |
| <b>“PRA”</b>                                | Prudential Regulation Authority   |
| <b>“Prospectus”</b>                         | the prospectus issued by the Company in respect of the Rights Issue, together with any supplements or amendments thereto  |
| <b>“Prospectus Regulation”</b>              | Prospectus Regulation (EU) 2017/1129 and amendments thereto   |
| <b>“Prospectus Regulation Rules”</b>        | the Prospectus Regulation Rules of the FCA  |
| <b>“Provisional Allotment Letter”</b>       | the provisional allotment letter to be issued to Qualifying non-CREST Shareholders (other than certain Overseas Shareholders)   |
| <b>“QIB”</b>                                | “qualified institutional buyers” within the meaning of Rule 144A under the Securities Act   |
| <b>“Qualifying CREST Shareholders”</b>      | Qualifying Shareholders holding Shares in uncertificated form   |
| <b>“Qualifying non-CREST Shareholders”</b>  | Qualifying Shareholders holding Shares in certificated form   |
| <b>“Qualifying Shareholders”</b>            | Shareholders on the register of members of the Company on the Record Date with the exclusion of persons, subject to certain exceptions, with a registered address or located or resident in the United States or any Excluded Territory |
| <b>“Receiving Agent”</b>                    | Computershare Investor Services PLC or Computershare  |
| <b>“Record Date”</b>                        | close of business on 1 April 2021   |
| <b>“Registrar”</b>                          | Computershare Investor Services PLC or Computershare  |
| <b>“Regulation S”</b>                       | Regulation S under the Securities Act   |
| <b>“Resolutions”</b>                        | the resolutions to be proposed at the general meeting in connection with the Rights Issue, notice of which is set out at the end of this Prospectus   |
| <b>“Revolving Credit Facility” or “RCF”</b> | a syndicated bank revolving credit facility of £150 million   |
| <b>“RoW”</b>                                | Greece, Hungary, Cyprus, Egypt, UAE, Russia (in respect of financial information), Israel, Hong Kong, China, Thailand, Singapore, Australia, Taiwan, Philippines, Malaysia, India and Brazil.   |



|  |   |
|--|---|
| <b>“Rights Issue”</b>                                  | the offer by way of rights to Qualifying Shareholders to acquire New Shares, on the terms and conditions set out in this Prospectus and, in the case of Qualifying non-CREST Shareholders only, the Provisional Allotment Letter  |
| <b>“Rights Issue Price”</b>                            | 184 pence per New Share   |
| <b>“Rule 144A”</b>                                     | Rule 144A under the Securities Act  |
| <b>“SDRT”</b>  | Stamp Duty Reserve Tax  |
| <b>“Securities Act”</b>                                | the United States Securities Act of 1933, as amended  |
| <b>“SEDOL”</b>   | Stock Exchange Daily Official List  |
| <b>“Senior Managers”</b>                               | those individuals identified as such Part 16 <i>“Additional Information”</i>  |
| <b>“SFO”</b>   | the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) of Hong Kong  |
| <b>“Shareholders”</b>                                  | holders of Shares   |
| <b>“Shares” or “Ordinary Shares”</b>                   | ordinary shares of 1 <sup>17</sup> / <sub>200</sub> pence each in the capital of the Company (excluding treasury shares) having the rights set out in the Articles as described in paragraph 3 of Part 16 <i>“Additional Information”</i>   |
| <b>“Share Schemes”</b>                                 | Schemes described in paragraph 10 of Part 16 <i>“Additional Information”</i>  |
| <b>“Special Dealing Service”</b>                       | the dealing service being made available by Computershare Investor Services PLC to Qualified Non-CREST Shareholders who are individuals with a registered address in the United Kingdom or any permitted jurisdiction who wish to sell all of their Nil Paid Rights or to effect a Cashless Take-up |
| <b>“Special Dealing Services Terms and Conditions”</b> | The terms and conditions of the Special Dealing Services entitled <i>“Key information about this Service – Rights Issue Special Dealing Terms and Conditions”</i> and posted to Qualifying Non-CREST Shareholders at the same time as the Provisional Allotment Letter                              |
| <b>“Sponsor”</b>                                       | Goldman Sachs International   |
| <b>“Standby Underwriting Agreement”</b>                | the standby underwriting agreements described in paragraph 13.1 of Part 16 <i>“Additional Information”</i>  |
| <b>“UK” or “United Kingdom”</b>                        | the United Kingdom of Great Britain and Northern Ireland  |
| <b>“uncertificated” or “in uncertificated form”</b>    | recorded on the register of members as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST  |
| <b>“Underwriters”</b>                                  | the Sponsor, the Joint Global Coordinators, the Joint Bookrunners and the Co-Lead Managers  |
| <b>“Underwriting Agreement”</b>                        | the underwriting arrangements described in paragraph 13 of Part 16 <i>“Additional Information”</i>  |
| <b>“United States” or “US”</b>                         | the United States of America, its territories and possessions, any state of the United States and the District of Columbia  |
| <b>“US Notes”</b>                                      | U.S. private placement notes with maturities between October 2025 and July 2031   |

**“VAT”**

(i) within the EU, any tax imposed by any member state in conformity with the directive of the council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition.

**PART 19**  
**NOTICE OF GENERAL MEETING**

# SSP Group plc

(Incorporated and registered in England and Wales under number 5735966)

Notice is hereby given that a General Meeting of SSP Group plc (the *Company*) will be held at the offices of SSP Group plc, Jamestown Wharf, 32 Jamestown Road, London, NW1 7HW at 11.00 a.m. (London time) on 6 April 2021, for the purposes of considering and, if thought fit, passing the following resolutions of which resolution 1 will be proposed as an ordinary resolution and resolution 2 will be proposed as a special resolution:

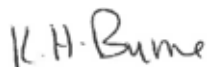
## RESOLUTION 1: ORDINARY RESOLUTION

1. That, subject to and conditional on resolution 2 being passed and admission to listing on the premium listing segment of the Official List of the Financial Conduct Authority and to trading on London Stock Exchange plc's main market for listed securities of the new ordinary shares with a nominal value of  $1^{17}/_{200}$  pence each to be issued by the Company in connection with the issue by way of rights of 258,076,764 new ordinary shares at a price of 184 pence per new ordinary share to qualifying shareholders on the register of members of the Company at close of business on 1 April 2021 (the "**Rights Issue**"), and in addition to all existing authorities, the Directors of the Company be generally and unconditionally authorised, pursuant to and in accordance with section 551 of the Companies Act 2006, to:
  - (a) exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into, shares in the Company up to an aggregate nominal amount of £2,800,132.89 pursuant to or in connection with the Rights Issue, which authority shall expire at the conclusion of the 2022 annual general meeting of the Company; and
  - (b) make an offer or agreement in connection with the Rights Issue which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after expiry of this authority, and the directors of the Company may allot shares and grant rights in pursuance of that offer or agreement as if this authority had not expired.

## RESOLUTION 2: SPECIAL RESOLUTION

2. That, subject to and conditional upon resolution 1 being passed, the terms of the Rights Issue (as described in the Prospectus of which this notice forms part) be and are hereby approved and the Directors of the Company be and are hereby directed to implement the Rights Issue on the basis described in the Prospectus and generally and unconditionally authorised to exercise all the powers of the Company to the extent they determine necessary to implement the Rights Issue.

By order of the Board



**Helen Byrne**

Company Secretary

17 March 2021

Registered Office:

Jamestown Wharf

32 Jamestown Road

London, NW1 7HW

Registered in England and Wales with company number 5735966

## **Notes to the Notice of General Meeting**

### **Entitlement to attend and vote**

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) and section 360B(2) of the Companies Act 2006, only those Shareholders registered in the register of members of the Company at close of business two days prior to the date of the General Meeting (excluding any part of a day which is not a working day, or, in the event of any adjournment, at close of business on the day which is two business days prior to the adjourned meeting) shall be entitled to attend and vote at the General Meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the General Meeting.

### **Attendance and voting in light of Covid-19**

2. The Board is closely monitoring the evolving Covid-19 situation and public health concerns in the UK and elsewhere and will continue to have regard to developments over the coming weeks ahead of the General Meeting. However, under the UK Government's current guidance on social distancing and prohibition on public gatherings, it will not be possible for Shareholders nor proxies to attend the General Meeting in person and as a result the General Meeting will be held as a closed meeting. As a result, neither Shareholders nor proxies (except for the Chair of the meeting) will be able to attend the General Meeting in person. To ensure that the quorum requirements for holding the General Meeting are met, a minimum number of directors will attend the General Meeting. Shareholders and others are unable to attend the General Meeting in person and any Shareholders or proxies (other than the Chair of the meeting) who attempt to attend the General Meeting will be refused entry. Further details relating to the format of, and current restrictions on attendance at, the General Meeting are set out on pages 228 to 234 of the Prospectus. The Board will keep the situation under review and may need to make further changes to the arrangements relating to the General Meeting, including how it is conducted. Shareholders should continue to monitor the Company's website and announcements for any updates in relation to the General Meeting.
3. Shareholders are strongly encouraged to vote on the resolutions to be proposed at the General Meeting. However, in light of the guidance regarding precautions to be taken due to the Covid-19 pandemic, Shareholders are encouraged to appoint the Chair of the meeting as their proxy to ensure that their vote is counted and raise questions in advance of the General Meeting, given they will not be able to attend the General Meeting. All proxies must be returned to the Company's registrars as set out below not later than 11.00 a.m. (UK time) on 1 April 2021.

### **Appointment of proxies**

4. Subject to the comments in note 2 above, if you are a member who is entitled to attend and vote at the General Meeting, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote on your behalf at the General Meeting. A Form of Proxy, which may be used to make such appointment and to give proxy instructions, accompanies this Notice.
5. If you are not a member of the Company but have been nominated by a member of the Company to enjoy information rights, you do not have a right to appoint any proxies under the procedures set out in this "Appointment of proxies" section. Please read the section "Nominated Persons" below.
6. Shareholders are strongly encouraged to appoint the Chair of the meeting as their proxy, which will ensure their votes are cast in accordance with their wishes, even where the Shareholder, or any other person they might appoint as proxy, is unable to attend the meeting in person. Shareholders may appoint one or more persons other than the Chair of the meeting to be their proxy to exercise their rights at the General Meeting and such a proxy need not also be a Shareholder of the Company. However, if you appoint someone other than the Chair of the meeting as your proxy then, currently, your proxy would not be able to attend and vote on your behalf at the meeting.
7. A proxy does not need to be a member of the Company. You may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. To appoint more than one proxy, (an) additional Form(s) of Proxy may be obtained by contacting the Shareholder Helpline on 0370 707 1042 or you may photocopy the Form of Proxy. However, if you appoint someone other than the Chair of the meeting as your proxy then, currently, such proxy would not be able to attend and vote on your behalf at the meeting.

Calls to the Shareholder Helpline number are charged at the standard rate per minute plus network extras. Overseas holders should contact +44 (0)370 707 1042. Lines are open from 8.00 a.m. to 5.30 p.m. Monday to Friday, excluding UK public holidays.

Please indicate in the box next to the proxy holder's name, the number of shares in relation to which he or she is authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given.

All forms must be signed and should be returned together in the same envelope. If you do not have a Form of Proxy and believe that you should have one, please contact the Shareholder Helpline as set out above.

8. Shareholders can:
  - (a) appoint a proxy and give proxy instructions by returning the Form of Proxy by post (see notes 9 and 10 below);
  - (b) register their proxy appointment electronically (see note 11 below);
  - (c) if they hold shares in CREST, register their proxy appointment by utilising the CREST electronic proxy appointment service (see notes 12 to 15 (inclusive) below); or
  - (d) if they are an institutional shareholder, register their proxy appointment through the Proximity Platform (see note 17 below).

#### **Appointment of proxies by post**

9. Except where done electronically (see note 11 below), through CREST (see note 12 to 15 (inclusive) below) or through Proximity (see note 17 below), to be valid any Form of Proxy or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY no later than 11.00 a.m. on 1 April 2021. Computershare has confirmed that currently its offices are able to receive posted proxies.
10. In the case of a Shareholder which is a corporation, the Form of Proxy must be executed by a duly authorised person or under its common seal or in any other manner authorised by its constitution. The power of attorney or authority (if any) should be returned with the Form of Proxy.

#### **Appointment of proxies electronically**

11. Shareholders may appoint a proxy electronically by visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy). You will be asked to enter the Control Number, Shareholder Reference Number (SRN), and PIN shown on your Form of Proxy and agree to certain terms and conditions. To be valid, your proxy appointment and instructions should reach Computershare no later than 11 a.m. on 1 April 2021.

#### **Appointment of proxies through CREST**

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members and those CREST members who have appointed a service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
13. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instruction, as described in the CREST Manual.

The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's agent, Computershare (ID 3RA50), by 11 a.m. on 1 April 2021.

For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the Company's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

14. CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions.

It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

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

#### **Appointment of proxies through Proximity**

16. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proximity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proximity, please go to [www.proximity.io](http://www.proximity.io). Your proxy must be lodged by 11 a.m. on 1 April 2021 in order to be considered valid (or, in the event of any adjournment, not less than 48 hours before the time fixed for the adjourned meeting, provided that no account shall be taken of any part of a day that is not a working day). Before you can appoint a proxy via this process you will need to have agreed to Proximity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.

#### **Appointment of proxies by joint holders**

17. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

#### **Changing proxy instructions**

18. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above.

Please note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions.

Any amended proxy appointment received after the relevant cut-off time will be disregarded.

19. Where you have appointed a proxy using the Form of Proxy and would like to change the instructions using another hard copy Form of Proxy, please contact the Shareholder Helpline on 0370 707 1042. Calls to this number are charged at the standard rate per minute plus network extras.

Overseas holders should contact +44 (0) 370 707 1042. Lines are open from 8.00 a.m. to 5.30 p.m. Monday to Friday, excluding UK public holidays.

However, if you appoint someone other than the Chair of the meeting as your proxy then, currently, such proxy would not be able to attend and vote on your behalf at the meeting.

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

### **Terminating your proxy appointment**

21. Shareholders may terminate a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services PLC at The Pavilions, Bridgwater Road, Bristol, BS99 6ZY or by registering the revocation of your proxy appointment at [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy).
22. The revocation notice must be received by Computershare no later than 11.00 a.m. on 1 April 2021. If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the General Meeting and vote in person.

### **Corporate representatives**

23. Any corporation which is a Shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares. As noted above, the General Meeting will be held as a closed meeting and so any corporate representatives will not be able to attend the General Meeting. Any corporations which are Shareholders are therefore strongly encouraged to appoint the Chair of the meeting as their proxy to ensure that their vote is counted.

### **Nominated Persons**

24. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the Shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. Nominated Persons are advised to contact the Shareholder who nominated them for further information on this and the procedure for appointing any such proxy.
25. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights. Such Nominated Persons are advised to contact the Shareholders who nominated them for further information on this.
26. As noted above, the General Meeting will be held as a closed meeting and so all Shareholders and proxies (other than the Chair of the meeting) who attempt to attend the General Meeting will be refused entry. All Shareholders are therefore strongly encouraged to appoint the Chair of the meeting as their proxy to ensure that their vote is counted.

### **Right to ask questions**

27. Under section 319A of the Companies Act 2006, any Shareholder attending the General Meeting has the right to ask questions at the General Meeting relating to the business of the General Meeting.
28. In light of the General Meeting format preventing Shareholders from attending the General Meeting, Shareholders will be able to raise questions to the Board by sending any questions they may have in connection with the General Meeting as follows:
  - (a) by post addressed to James Shipman, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY; or
  - (b) by email to [cossec@ssp-intl.com](mailto:cossec@ssp-intl.com).
29. Responses to questions received by 11.00 a.m. on 30 March 2021 (and relating to the business of the meeting) will be made available on the Group's website as soon as practicable after that deadline. Please include your Reference Number ("SRN") with your questions. The SRN can be found on your Form of Proxy or Share Certificate.
30. As is the case with shareholder questions at an AGM, the Company does not need to answer any question if (a) to do so would interfere unduly with the preparation for the General Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the General Meeting that the question be answered.

### **Total voting rights**

31. As at 16 March 2021, the latest practicable date prior to the date of this Notice, the Company's issued share capital consisted of 537,659,932 Ordinary Shares (excluding treasury shares) carrying one vote each. 263,499 Ordinary Shares were held in treasury which do not carry voting rights. Therefore, the total number of voting rights in the Company as at 16 March 2021 was 537,659,932.
32. It is proposed that all votes on the Resolutions at the General Meeting will be taken by way of a poll rather than on a show of hands. The Company considers that a poll is more representative of Shareholders' voting intentions because votes are counted according to the number of shares held and all votes tendered are taken into account. The results of the voting will be announced through a Regulatory Information Service and will be published on our website [www.foodtravelexperts.com](http://www.foodtravelexperts.com) as soon as reasonably practicable thereafter.

### **Information available on website**

33. A copy of this Notice, and other information required by section 311A of the Companies Act 2006, can be found on the Company's website [www.foodtravelexperts.com](http://www.foodtravelexperts.com).

### **Communication**

34. Any electronic address provided either in this Notice or any related documents (including the Form of Proxy) may only be used for the limited purposes specified herein and not to communicate with the Company by electronic means or for any other more general purpose.
35. Except as provided above, Shareholders who have general enquiries about the General Meeting should use the following means of communication (no other methods of communication will be accepted):
  - (a) Calling the Shareholder Helpline on 0370 707 1042. Calls to this number are charged at the standard rate per minute plus network extras. Overseas holders should contact +44 (0)370 707 1042. Lines are open from 8.00 a.m. to 5.30 p.m. Monday to Friday, excluding UK public holidays; or
  - (b) Contacting our online Shareholder centre at [www.investorcentre.co.uk](http://www.investorcentre.co.uk)



## Appendix – Definitions

The following definitions apply throughout this Notice of Meeting and the Form of Proxy, unless the context otherwise requires:

“**General Meeting**” the General Meeting of the Company convened for 11.00 a.m. on 6 April 2021 (or any adjournment of it), notice of which is set out in this document;

“**Board**” or “**Directors**” the Directors of the Company;

“**Company**” SSP Group plc (incorporated in England and Wales with registered company number 5735966);

“**Computershare**” Computershare Investor Services plc (incorporated in England and Wales with registered company number 03498808);

“**CREST**” the relevant system (as defined in the Uncertificated Securities Regulations 2001 (as amended)) in respect of which Euroclear is the operator (as defined in the Uncertificated Securities Regulations 2001 (as amended));

“**CREST Manual**” the manual, as amended from time to time, produced by Euroclear describing the CREST system, and supplied by Euroclear to users and participants thereof;

“**Euroclear**” Euroclear UK & Ireland Limited;

“**Form of Proxy**” the form of proxy to be used at the General Meeting, which accompanies the Notice of General Meeting in this document;

“**Notice of General Meeting**” or “**Notice**” the notice convening the General Meeting;

“**Ordinary Shares**” the ordinary shares of 1<sup>17/200</sup> pence each in the capital of the Company;

“**Regulatory Information Service**” any of the services set out in Appendix 3 to the Listing Rules;

“**Resolutions**” the ordinary resolution and special resolution set out on page 1 of this document;

“**Shareholders**” holders of Ordinary Shares in the Company; and

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

