

## DEED OF IRREVOCABLE UNDERTAKING

To: Sunray Investments Luxembourg S.à r.l. (“**Bidco**”)  
20 Avenue Monterey, L-2163 Luxembourg

and

Stock Spirits Group PLC (“**Stock Spirits**”)  
Solar House, Mercury Park,  
Wooburn Green, Buckinghamshire,  
HP10 0HH, United Kingdom

12 August 2021

Dear Sirs

### **Recommended Cash Acquisition of Stock Spirits**

I, the undersigned, understand that Bidco is considering the Acquisition (as defined below).

In connection with the Acquisition, I agree to give certain representations, warranties and undertakings as set out in this deed. The undertakings in this deed are given by me in my capacity as a registered holder of, and/or as a beneficial owner of (or as a person able to control or procure the exercise of all rights attaching to, including voting rights and rights to procure the transfer of), ordinary shares in Stock Spirits and not in my capacity as a director of Stock Spirits.

### **1. Interpretation**

In this deed, each of the following words and expressions shall have the following meanings:

**“Acquisition”** means: (i) the proposed acquisition by Bidco (or any of its affiliates) of the entire issued and to be issued ordinary share capital of Stock Spirits substantially on the terms, and subject to the conditions, set out in the Announcement, which acquisition may (subject to and in accordance with the terms of the Co-operation Agreement) be implemented by way of a Scheme or an Offer (each as defined below), and, if made by an affiliate of Bidco, all references to “Bidco” shall be deemed to refer to that affiliate; and (ii) shall include any revision or variation in the terms of any acquisition as referred to in paragraph (i) which represents, in the reasonable opinion of

Stock Spirits' financial advisers, no diminution in the value of the Scheme or Offer (as the case may be);

<b>“Announcement”</b>	means the announcement to be released by Bidco pursuant to Rule 2.7 of the Code substantially on the terms, and subject to the conditions, included in the form of announcement set out in Appendix 2 to this deed (subject to the inclusion of any other alternative or additional terms and conditions as may be required to comply with the Code (and/or any other applicable law or regulation) and/or as agreed by Bidco and Stock Spirits in writing);
<b>“Co-operation Agreement”</b>	means the co-operation agreement in relation to the Acquisition entered into on or around the date of this deed;
<b>“Code”</b>	means the City Code on Takeovers and Mergers;
<b>“Companies Act”</b>	means the Companies Act 2006, as amended from time to time;
<b>“Court Meeting”</b>	means any meeting of holders of shares in Stock Spirits convened by the High Court of Justice in England and Wales pursuant to paragraph section 896 of the Companies Act (including any adjournment thereof);
<b>“Existing Shares”</b>	means the number of ordinary shares of 10 pence each in the capital of Stock Spirits set out in the first column of the table in Appendix 1, Part 1 to this deed;
<b>“General Meeting”</b>	means any general meeting of Stock Spirits (including any adjournment thereof);
<b>“Offer”</b>	means a takeover offer within the meaning of section 974 of the Companies Act;
<b>“Options”</b>	means the options and awards over ordinary shares of 10 pence each in the capital of Stock Spirits set out in the second column of the table in Appendix 1, Part 2 to this deed;
<b>“Panel”</b>	means The Panel on Takeovers and Mergers;
<b>“Regulatory Information Service”</b>	means an information service authorised from time to time by the Financial Conduct Authority for the purpose of disseminating regulatory announcements;

**“Scheme”** means a court-sanctioned scheme of arrangement under Part 26 of the Companies Act between Stock Spirits and the holders of its ordinary shares; and

**“Shares”** means: (i) the Existing Shares; and (ii) any shares in the capital of Stock Spirits of which I become the registered holder and/or beneficial owner (or in relation to which I become able to control the exercise of all rights attaching to, including voting rights and rights to procure the transfer of) after the date of this deed (whether in connection with the grant, vesting or exercise of Options or otherwise).

## 2. Condition

All obligations under this deed are conditional on the release of the Announcement via a Regulatory Information Service at or before 8:00 a.m. (London time) on the date of this deed, or such other time and date as may be agreed by Bidco and Stock Spirits (and, where required by the Code, as approved by the Panel) (the **“Condition”**).

## 3. Representations and Warranties

I hereby irrevocably and unconditionally represent and warrant to Bidco and Stock Spirits that:

- (A) I am the registered holder and/or beneficial owner of (or am otherwise able or authorised to control the exercise of all rights attaching to, including voting rights and rights to procure the transfer of) the Existing Shares free of all encumbrances and/or third party rights of any kind whatsoever;
- (B) save as set out in Appendix 1 to this deed, I am not interested in, or otherwise able to control the exercise of any rights attaching to, any shares or other securities (or any options or other rights to subscribe for, purchase or otherwise acquire any such securities) of Stock Spirits; and
- (C) I have full power and authority and the right; (i) to enter into this deed; (ii) to perform the obligations in accordance with its terms; (iii) to exercise (or procure the exercise of) all voting rights attaching to the Existing Shares; and (iv) otherwise to take all necessary actions (or procure they are taken) to approve the Scheme in respect of the Existing Shares and to transfer (free from all liens, equities, charges, encumbrances, options, rights of pre-emption, and any other third party rights and interests of any nature) the Existing Shares.

## 4. General Undertakings

- 4.1 I hereby irrevocably and unconditionally undertake to Bidco and Stock Spirits that I shall not, and (if relevant) shall procure that the registered holder shall not, and (if relevant) I shall not instruct the registered holder to, prior to the earliest of the Scheme becoming effective, lapsing

or being withdrawn (or, if applicable, the Offer becoming or being declared unconditional in all respects, lapsing or being withdrawn) and the termination of this deed pursuant to paragraph 9:

- (A) (other than in connection with the Acquisition) sell, transfer, charge, encumber, grant any option over or otherwise dispose of (or permit the sale, transfer, charging, creation of any encumbrance or option over or other disposition of) all or any of the Shares or interest in such Shares except, subject to paragraph 4.3:
- (i) where the Shares disposed have been acquired by me as result of the grant, vesting or exercise of Options and such action is undertaken to cover my liability for tax and employee National Insurance or other social security contributions arising as a result of or otherwise in respect of the grant, vesting or exercise of any Options; and/or
  - (ii) where such action: (a) involves the sale or transfer of Shares to one or more of my close relatives (as defined in the Code) and/or related trusts; or (b) in any other case, is undertaken as part of my *bona fide* tax planning with the prior written consent of Bidco, not to be unreasonably withheld, conditioned or delayed;
- (B) acquire any shares in the capital of Stock Spirits or any interests therein, save for in connection with the grant, vesting or exercise of any Options;
- (C) in relation to the Shares:
- (i) requisition, or join in requisitioning, any general or class meeting of Stock Spirits for the purposes of voting on any resolution;
  - (ii) (other than in connection with the Acquisition) exercise, or, where applicable, procure the exercise of, any voting rights attaching to the Shares in favour of any resolution (which shall include any resolution to approve an acquisition of any shares in Stock Spirits by a third party) to be proposed at a General Meeting or Court Meeting;
  - (iii) (other than in connection with the Acquisition) accept, in respect of the Shares, any offer or other transaction made in competition with the Acquisition; or
- in each case, which would or could reasonably be expected to:
- (a) result in any condition to the Acquisition not being fulfilled; and/or
  - (b) impede or frustrate the Acquisition in any way;
- (D) (other than in connection with the Acquisition) enter into any agreement or arrangement (or permit any agreement or arrangement to be entered into) or incur any obligation (or permit any obligation to arise):

- (i) in relation to, or operating by reference to, the Shares;
- (ii) to do all or any of the acts prohibited by paragraphs 4.1(A) to 4.1(C); or
- (iii) which would or might preclude me from complying with my obligations under this deed,

and references in this paragraph 4.1(D) to any agreement, arrangement or obligation shall include any such agreement, arrangement or obligation whether or not subject to any conditions or which is to take effect upon or following Scheme becoming effective, lapsing or being withdrawn (or, if applicable, the Offer becoming or being declared unconditional in all respects, lapsing or being withdrawn) or upon or following the termination of this deed.

4.2 I shall notify Bidco (in writing) immediately of any acquisition of shares in the capital of Stock Spirits or any interests therein acquired by me in connection with the grant, vesting or exercise of any Options.

4.3 If the circumstance in paragraph 4.1(A)(ii) applies, I will procure that:

- (A) notification of such proposed sale, transfer, charge, encumbrance, grant of any option over or other disposition of Shares is provided to you in writing as soon as reasonably practicable and, in any event, no less than three days before its completion; and
- (B) at completion of any such sale, transfer, charge, encumbrance, grant of any option over or other disposition of Shares, the transferee or beneficiary of the transferee signs and delivers to Bidco a deed on substantially the same terms as those set out herein (mutatis mutandis).

## 5. Undertaking to vote in favour of the Scheme

I hereby irrevocably and unconditionally undertake to each of Bidco and Stock Spirits, if the Acquisition is implemented by way of the Scheme, that:

- (A) I shall exercise, or, where applicable, procure the exercise of, all voting rights attaching to my Shares to vote in favour of all resolutions (whether or not amended and whether put on a show of hands or a poll) which are proposed at any General Meeting or at any Court Meeting and which are required for the purposes of, or in connection with, the implementation of the Scheme (the “**Resolutions**”);
- (B) I shall exercise, or, where applicable, procure the exercise of, all voting rights attaching to the Shares to requisition or join in the requisitioning of any General Meeting for the purposes of voting on the Resolutions, or to require Stock Spirits to give notice of any such meeting, in each case, only in accordance with Bidco’s instructions;
- (C) for the purpose of voting on any one or more of the Resolutions, I shall:

- (i) if required by Bidco, execute and submit (or procure the execution and submission of) all relevant forms of proxy or proxy instructions in respect of my Shares to validly appoint any person nominated by Bidco to attend and vote on the Resolutions at the General Meeting and/or Court Meeting (as applicable); and
  - (ii) not (and if relevant I shall not cause or instruct the registered holder) to revoke or amend any form of proxy or CREST proxy instructions executed and submitted in accordance with paragraph 5(C)(i); and
- (D) without prejudice to paragraph 5(C), and in the absence of any such requirement by Bidco, I shall, after the posting of the circular to be sent to shareholders of Stock Spirits containing an explanatory statement in respect of the Scheme (the “**Scheme Document**”) (and without prejudice to any right I have to attend and vote in person at the Court Meeting and the General Meeting to be held in connection with the Scheme), return, or procure the return of, if applicable, the signed forms of proxy enclosed with the Scheme Document (completed and signed and voting in favour of the resolutions to implement the Acquisition) in accordance with the instructions printed on those forms of proxy and, if applicable, in respect of any Shares held in uncertificated form, make a valid proxy appointment and give valid proxy instructions (voting in favour of the Resolutions), as soon as possible and in any event within ten days after the posting of the Scheme Document (and further, I shall not (and if relevant I shall not cause or instruct the registered holder to) revoke or amend any form of proxy or proxy instructions executed and submitted in accordance with this paragraph 5(D)).

## 6. Offer alternative

I hereby irrevocably and unconditionally represent and warrant (in the case of paragraph 6(A)) and undertake (in the case of paragraphs 6(B) and 6(C)) to each of Bidco and Stock Spirits, in the event that Bidco has elected (in accordance with and subject to the applicable terms of the Co-operation Agreement) to exercise its right to implement the Acquisition by way of an Offer, that:

- (A) upon the Offer being made, I will be able to accept or, where applicable, procure the acceptance of the Offer in respect of the Shares and to transfer (free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature) the Shares;
- (B) I shall, as soon as possible and in any event within ten days after the posting of the formal document containing the Offer (the “**Offer Document**”) (or, in respect of any shares allotted to me and/or acquired by me after the posting of the Offer Document, within ten days of such allotment or acquisition) duly accept or procure acceptance of the Offer in accordance with its terms in respect of the Shares and, in respect of any Shares held in certificated form, shall forward the relevant share certificate(s) to the Bidco or its nominated representative (or a form of indemnity acceptable to the directors of Stock Spirits in respect of any lost certificate(s)) at the time of acceptance and, in

respect of any Shares held in uncertificated form, shall take any action which may be required by the Bidco or its nominated representative; and

- (C) notwithstanding that the terms of the Offer Document will confer rights of withdrawal on accepting shareholders, I shall not (and if relevant I shall not cause or instruct the registered holder to) withdraw any acceptance of the Offer in respect of the Shares or any of them and shall procure that no rights to withdraw any acceptance in respect of such Shares are exercised.

## **7. Publicity**

7.1 I consent to:

- (A) the issue of an announcement incorporating references to me and to this deed substantially on the terms, and subject to the conditions, set out in the Announcement; and

- (B) this deed being disclosed to the Panel.

7.2 I understand that, if the Acquisition proceeds, this deed will be made available for inspection during the offer period (as defined in the Code) and that particulars of it will be contained in the Scheme Document or the Offer Document (as the case may be).

## **8. Power of Attorney**

I hereby irrevocably and by way of security for my obligations hereunder appoint each of Bidco and any director of Bidco to be my attorney to execute on my behalf proxy forms for any Court Meeting or General Meeting (or forms of acceptance to be issued with the Offer Document in respect of the Shares) (as applicable) and to sign, execute and deliver any documents and to do all acts and things as may be necessary for the performance of my obligations under this deed.

## **9. Termination**

9.1 For the avoidance of doubt, nothing in this deed shall oblige Bidco to announce or proceed with the Acquisition.

9.2 However, this deed shall terminate and have no further force and effect if:

- (A) the Condition has not been satisfied;
- (B) where Bidco has elected (in accordance with and subject to the terms of the Co-operation Agreement) to exercise its right to implement the Acquisition by way of an Offer, the Offer Document is not posted within 28 days of the publication of the announcement made in accordance with the requirements of paragraph 8 of Appendix 7 of the Code (or such other date as the Panel may require);

(C) on the earlier of:

- (i) the Long Stop Date (as defined in the Announcement); and
- (ii) the date on which the Acquisition (whether implemented by way of a Scheme or an Offer) is withdrawn or lapses in accordance with its terms or (if the Acquisition is implemented by way of a Scheme) otherwise becomes incapable of ever becoming effective,

in each case, other than in circumstances where the Acquisition is withdrawn or lapses as a result of Bidco electing (in accordance with and subject to the applicable terms of the Co-operation Agreement) prior to such applicable date, to exercise its right to implement the Acquisition by way of an Offer and announcing the same in accordance with the requirements of paragraph 8 of Appendix 7 of the Code, and such Offer has not lapsed or been withdrawn;

- (D) any competing offer for the entire issued and to be issued ordinary share capital of Stock Spirits is made and becomes or is declared unconditional in all respects (if implemented by way of an Offer) or becomes effective (if implemented by way of a Scheme); or
- (E) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Acquisition and no new, revised or replacement Scheme or Offer is announced by Bidco (or any affiliate) pursuant to and in accordance with Rule 2.7 of the Code at the same time.

## 10. Secrecy

10.1 Unless prohibited by applicable law or regulation, I shall:

- (A) keep secret the proposals in relation to the Acquisition, including the proposed terms and conditions of the Acquisition; and
- (B) the existence and terms of this deed,

in each case, until the Announcement is released (provided that I may disclose the same to Bidco and Stock Spirits (and, in each case, its affiliates and its advisers), in which case I shall use reasonable efforts to ensure that they observe secrecy on the same terms set out above).

10.2 I understand that the information you have given to me in relation to the Acquisition must be kept confidential until the Announcement is released or the information has otherwise become generally available. To the extent that any such information is inside information for the purposes of the Criminal Justice Act 1993 or the Market Abuse Regulation (EU) No 596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018), I will comply with the applicable restrictions in those enactments on dealing in securities and disclosing inside information.

10.3 My obligations in this paragraph 10 shall survive the termination of this deed.

**11. Miscellaneous**

- 11.1 The obligations and provisions set out in this deed apply equally to the persons from whom I am to procure either votes in favour of the Resolutions (if the Acquisition is implemented by way of the Scheme) or acceptances of the Offer (if the Acquisition is implemented by way of an Offer) and I shall procure the observance by such persons of the terms hereof as if they were each specifically a party hereto.
- 11.2 Without prejudice to any other rights or remedies that Bidco may have, I recognise and acknowledge that if I should fail to perform my obligations in accordance with this deed, damages may not be an adequate remedy and that Bidco shall be entitled to the remedies of injunction, specific performance and other equitable relief.
- 11.3 This deed shall be governed by and construed in accordance with English law. Any matter, claim or dispute, whether contractual or non-contractual, arising out of or in connection with this deed is to be governed by and determined in accordance with English law and shall be subject to the exclusive jurisdiction of the English courts.

**Appendix 1**  
**Existing Shares and Options**

*Part 1*  
*Existing Shares*

<b>1. Number of ordinary shares of 10 pence in Stock Spirits</b>	<b>2. Exact name(s) of registered holder as appearing on the register of members</b>	<b>3. Beneficial owner</b>
60,000	Agneta Maloney	Agneta Maloney

*Part 2*  
*Options*

<b>1. No. of Options</b>	<b>2. Date of grant</b>	<b>3. Vesting Date</b>	<b>4. Exercise price</b>
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**Appendix 2  
Announcement**

## OFFER FOR STOCK SPIRITS GROUP PLC

### *THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION*

*Not for release, publication or distribution, in whole or in part, in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction*

**For immediate release**

**12 August 2021**

**RECOMMENDED CASH OFFER  
of  
STOCK SPIRITS GROUP PLC  
by  
SUNRAY INVESTMENTS LUXEMBOURG S.À R.L.**

#### **Summary**

- The board of directors of Sunray Investments Luxembourg S.à r.l. (“*Bidco*”), a company to be owned as of the Effective Date by certain funds (“*CVC Funds*”) advised by affiliates of CVC Advisers Limited, and the board of directors of Stock Spirits Group PLC (“*Stock Spirits*”) announce that they have reached agreement on the terms of a recommended cash offer by which the entire issued and to be issued ordinary share capital of Stock Spirits will be acquired by Bidco.
- Under the terms of the Offer, each Scheme Shareholder will receive:

**for each Stock Spirits Share, 377 pence in cash**

valuing Stock Spirits’ existing issued and to be issued ordinary share capital at approximately £767 million on a fully diluted basis.
- The price of 377 pence per Stock Spirits Share represents:
  - a premium of approximately 41 per cent. to the Closing Price of 268 pence per Stock Spirits Share at the close of business on 11 August 2021, the last business day before this announcement; and
  - a premium of approximately 42 per cent. to the volume-weighted average price of 266 pence per Stock Spirits Share for the three-month period ended on 11 August 2021, the last business day before this announcement.
- If, after the date of this announcement and prior to the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Stock Spirits Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Offer at such date by an amount up to the amount of such dividend and/or distribution and/or return of capital. In such circumstances, Stock Spirits Shareholders would be entitled to retain any such dividend and/or other distribution and/or other return of capital.

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

- The directors of Bidco believe that, as a leader in the Central and Eastern European alcoholic beverages sector, Stock Spirits is an attractive business with significant future growth potential. Stock Spirits benefits from a portfolio of established brands trading in key segments of the market and a strong track record of product innovation. An important consideration to the directors of Bidco is Stock Spirits' record of operating in a socially-responsible and sustainable manner. Stock Spirits' management team has significant experience operating in Stock Spirits' key geographies and has developed a strategy for the business focused on premiumisation, the development of brands and products appealing to younger adults and women, and responsible alcohol consumption.
- Bidco believes that Stock Spirits' future growth potential will be realised by supporting management's existing strategy and also investing in strategic inorganic opportunities, while at all times managing the evolving regulatory environment across its core markets. Bidco believes that significant investment will be necessary to help build a scaled and diversified business.
- Bidco believes that the future development of Stock Spirits will be best served as a private business, operating with an appropriately leaner central overhead, with rapid access to capital and with the benefits of a longer-term investment approach. Bidco believes that Stock Spirits will benefit from the support of CVC, a long-standing investor in Central and Eastern Europe. CVC has a proven track record and deep expertise operating in the region's consumer sector, underpinned by a history of responsible ownership and job creation.

## **Recommendation**

- The directors of Stock Spirits, who have been so advised by J.P. Morgan Cazenove and Numis as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing their financial advice to the directors of Stock Spirits, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the directors of Stock Spirits. Numis is providing independent financial advice to the directors of Stock Spirits for the purposes of Rule 3 of the Code.
- Accordingly, the directors of Stock Spirits intend unanimously to recommend to Stock Spirits Shareholders to vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of the 837,243 Stock Spirits Shares which they hold and which they control (or can procure the control of) the voting rights (representing approximately 0.419 per cent. of the issued ordinary share capital of Stock Spirits on 11 August 2021, the last business day before this announcement). Further details of these irrevocable undertakings, including the circumstances in which they cease to be binding, are set out in Appendix 3 to this announcement.

## **Timetable and Conditions**

- It is intended that the Offer will be implemented by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act.

- The Scheme Document, containing further information about the Offer and notices of the Court Meeting and General Meeting, together with the Forms of Proxy, will be sent to Stock Spirits Shareholders and (for information only) participants in the Stock Spirits Share Schemes as soon as reasonably practicable and in any event within 28 days of this announcement (unless the Panel agrees otherwise). An expected timetable of principal events will be included in the Scheme Document.
- The Offer is expected to become effective between early December 2021 to early January 2022, subject to the satisfaction (or, where applicable, waiver) of the Conditions and further terms set out in Appendix 1 to this announcement.

#### **Information on Bidco and CVC**

- Bidco is a newly incorporated vehicle to be owned as of the Effective Date by CVC Funds and has been incorporated for the purposes of the Offer.
- CVC is a leading private equity and investment advisory firm with a network of 24 offices throughout the US, Europe and Asia, with US\$115 billion of assets under management. Since its founding in 1981, CVC has secured commitments in excess of US\$162 billion from some of the world's leading institutional investors across its private equity and credit strategies. CVC Funds are invested in over 90 companies worldwide, which have combined annual sales of approximately US\$100 billion and employ more than 450,000 people. Having operated for more than 12 years across Central and Eastern Europe, CVC Funds are currently invested in businesses in the region with combined annual sales of approximately US\$4.2 billion, and which employ 7,500 people.

#### **Comments on the Offer**

- Commenting on today's announcement, István Szőke, Managing Partner at CVC said:  
*“Stock Spirits is a high quality business with strong brands, established market positions and significant growth potential and we are delighted that our proposal has been recommended by the Stock Spirits Directors. CVC Funds are a long-standing investor in Central and Eastern Europe and we look forward to working with Stock Spirits management team to help drive its continued development, both by supporting the existing strategy and by investing in inorganic growth opportunities.”*
- Commenting on today's announcement, David Maloney, Chairman of Stock Spirits said:  
*“The directors of Stock Spirits are confident in the long-term prospects of the Stock Spirits Group and believe that the Offer reflects our strong position and represents compelling value for Stock Spirits Shareholders. Stock Spirits continues to deliver an extremely resilient performance and has an even more loyal and engaged consumer base for its outstanding brands. We believe that CVC's support for our existing strategy and the investment that it intends to make in order to grow our business means that this Offer will benefit all of Stock Spirits' stakeholders. We are therefore unanimously recommending the Offer to Stock Spirits Shareholders.”*

**This summary should be read in conjunction with, and is subject to, the full text of the following announcement (including its Appendices). The Offer will be subject to the**

**Conditions and certain further terms set out in Appendix 1 and to the full terms and conditions to be set out in the Scheme Document. Appendix 2 contains the sources and bases of certain information contained in this summary and the following announcement. Appendix 3 contains details of the irrevocable undertakings received by Bidco. Appendix 4 contains the definitions of certain terms used in this summary and the following announcement.**

The person responsible for making this announcement on behalf of Stock Spirits is Sally Kenward, Company Secretary.

### **Enquiries**

#### **CVC**

Carsten Huwendiek                      **Tel: 020 7420 4240**

#### **Citi (Financial Adviser and Corporate Broker to Bidco)**

Sian Evans                                      **Tel: 020 7986 4000**

Peter Brown (Corporate Broking)

#### **Tulchan Communications (PR Adviser to Bidco)**

Jonathan Sibun                              **Tel: 020 7353 4200**

Simon Pilkington

Will Palfreyman

#### **Stock Spirits**

Paul Bal    **Tel: 016 2864 8500**

#### **J.P. Morgan Cazenove (Joint Financial Adviser to Stock Spirits)**

Dwayne Lysaght                              **Tel: 020 7742 4000**

Jeannette Smits van Oyen

Jonty Edwards

#### **Numis (Joint Financial Adviser to Stock Spirits)**

Luke Bordewich                              **Tel: 020 7260 1000**

Stuart Ord

Tom Jacob

#### **Powerscourt (PR Adviser to Stock Spirits)**

Rob Greening                                      **Tel: 020 7250 1446**

Lisa Kavanagh

Bethany Johannsen

Freshfields Bruckhaus Deringer LLP and Clifford Chance LLP are acting as legal advisers to CVC and Bidco in connection with the Offer. Slaughter and May is acting as legal adviser to Stock Spirits in connection with the Offer.

### **Further information**

*This announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Stock Spirits in any jurisdiction in contravention of applicable law. The Offer will be made solely by means of the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Offer including details of how to vote in respect of the Offer. Any vote in respect of the Scheme or other response in relation to the Offer should be made only on the basis on the information contained in the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document). This announcement does not constitute a prospectus or a prospectus equivalent document.*

*Please be aware that addresses, electronic addresses and certain other information provided by Stock Spirits Shareholders, persons with information rights and other relevant persons for the receipt of communications from Stock Spirits may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

*Citi, which is authorised in the UK by the PRA and regulated by the FCA and PRA, is acting exclusively for Bidco and no one else in connection with the Offer and will not be responsible to anyone other than Bidco for providing the protections afforded to clients of Citi nor for providing advice in relation to the Offer or any other matters referred to in this announcement. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this announcement, any statement contained herein, the Offer or otherwise.*

*J.P. Morgan Cazenove, which is authorised in the UK by the PRA and regulated in the UK by the PRA and the FCA, is acting as financial adviser exclusively for Stock Spirits and no-one else in connection with the Offer and will not regard any other person as a client in relation to the Offer and will not be responsible to anyone other than Stock Spirits for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Offer or any other matters referred to in this announcement.*

*Numis, which is authorised and regulated in the UK by the FCA, is acting exclusively for Stock Spirits and no-one else in connection with the Offer and will not be responsible to anyone other than Stock Spirits for providing the protections afforded to clients of Numis nor for providing advice in relation to the Offer or any other matters referred to in this announcement.*

### **Overseas jurisdictions**

*The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in*

*the United Kingdom to vote their Stock Spirits Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law, the Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of England.*

*Copies of this announcement and formal documentation relating to the Offer will not be and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Offer. If the Offer is implemented by way of Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

#### ***Additional information for United States investors***

*The Offer is being made to acquire the securities of an English company by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to disclosure requirements and practices applicable in the UK to schemes of arrangement, which are different from the disclosure requirements of the United States tender offer rules. The financial information included in this announcement and the Scheme documentation, if any, has been or will have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of United States companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. If Bidco exercises its right to implement the acquisition of the Stock Spirits Shares by way of a Takeover Offer, such offer will be made in compliance with applicable United States securities laws and regulations.*

*The receipt of cash pursuant to the Offer by a United States holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable transaction for United States federal income tax purposes and under applicable United States state and local, as well as foreign and other, tax laws. Each Stock Spirits Shareholder is urged to consult his*

*independent professional adviser immediately regarding the tax consequences of the Offer applicable to him.*

*It may be difficult for United States holders to enforce their rights and claims arising out of the United States federal securities laws, since Bidco and Stock Spirits are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. United States holders may not be able to sue a non-United States company or its officers or directors in a non-United States court for violations of United States securities laws. Further, it may be difficult to compel a non-United States company and its affiliates to subject themselves to a United States court's judgement.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Bidco or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Stock Spirits Shares outside of the United States, other than pursuant to the Offer, until the date on which the Offer and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

#### ***Forward looking statements***

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Offer, and other information published by Bidco and Stock Spirits contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and Stock Spirits about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Offer on Bidco and Stock Spirits, the expected timing and scope of the Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Bidco and Stock Spirits believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Stock Spirits can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the Conditions, as well as additional factors, such as: changes in the global political, economic, business and competitive environments; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals; legal or regulatory developments and changes, including, but not limited to, changes in environmental and health and safety*

regulations; government actions; foreign exchange rate and interest rate fluctuations; changes in tax rates; weak, volatile or illiquid capital and/or credit markets; market position of the companies comprising the Stock Spirits Group; earnings; financial position; cash flows; return on capital and operating margins; anticipated investments; the ability of Bidco or the Stock Spirits Group to obtain capital/additional finance; an unexpected decline in revenue or profitability; retention of senior management; the maintenance of labour relations; fluctuations in commodity prices and other input costs; operating and financial restrictions as a result of financing arrangements; changes in consumer habits and preferences including a reduction in demand by customers; competitive product and pricing pressures; future business combinations or disposals; success of business and operating initiatives; and changes in the level of capital investment.

Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Stock Spirits, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA), neither Bidco or Stock Spirits is under any obligation, and Bidco and Stock Spirits expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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

No statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Bidco or Stock Spirits, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Bidco or Stock Spirits, as appropriate.

#### **Dealing disclosure requirements**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30pm (London Time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities

*exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

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

*A copy of this announcement and the documents required to be published by Rule 26 of the Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Bidco's website at [www.cvc-sunray-offer-2021.com](http://www.cvc-sunray-offer-2021.com) and Stock Spirits' website at [www.stockspirits.com/investors/default.aspx](http://www.stockspirits.com/investors/default.aspx). For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this announcement.*

*Stock Spirits Shareholders may request a hard copy of this announcement and any information incorporated into it by reference to another source in hard copy form by writing to Stock Spirits Group PLC, Solar House, Mercury Park, Wooburn Green, Buckinghamshire, HP10 0HH or by calling Steve Weatherley, Group General Counsel, on +44 (0)7593 656 787, or Sally Kenward, Company Secretary, on +44 (0)7867 433 592 during normal business hours. A hard copy of the announcement will not be sent unless so requested. Stock Spirits Shareholders may also request that all future documents, announcements and information sent in relation to the Offer should be sent in hard copy form, again by writing to the address set out above or by calling the telephone number above.*

***THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION***

*Not for release, publication or distribution, in whole or in part, in or into any jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction*

**For immediate release**

**12 August 2021**

**RECOMMENDED CASH OFFER  
of  
STOCK SPIRITS GROUP PLC  
by  
SUNRAY INVESTMENTS LUXEMBOURG S.À R.L.**

**1. Introduction**

The board of directors of Sunray Investments Luxembourg S.à r.l. ("***Bidco***"), a company newly incorporated under the laws of Luxembourg and owned as of the Effective Date by certain funds ("***CVC Funds***") advised by affiliates of CVC Advisers Limited, and the board of directors of Stock Spirits Group PLC ("***Stock Spirits***") announce that they have reached agreement on the terms of a recommended cash offer by which the entire issued and to be issued ordinary share capital of Stock Spirits will be acquired by Bidco.

**2. The Offer**

Under the terms of the Offer, which will be subject to the Conditions and further terms set out in Appendix 1 to this announcement and the full terms and conditions be set out in the Scheme Document, Scheme Shareholders at the Scheme Record Time will be entitled to receive:

**for each Scheme Share, 377 pence in cash**

The Offer values Stock Spirits' entire issued and to be issued share capital at approximately £767 million on a fully diluted basis.

The price of 377 pence per Scheme Share represents:

- a premium of approximately 41 per cent. to the Closing Price of 268 pence per Stock Spirits Share at the close of business on 11 August 2021, the last business day before this announcement; and
- a premium of approximately 42 per cent. to the volume-weighted average price of 266 pence per Stock Spirits Share for the three-month period ended on 11 August 2021, the last business day before this announcement.

If, after the date of this announcement and prior to the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Stock Spirits Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Offer at such date by an amount up to the amount of such dividend and/or distribution and/or return of capital. In such

circumstances, Stock Spirits Shareholders would be entitled to retain any such dividend and/or other distribution and/or other return of capital.

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

The directors of Bidco believe that, as a leader in the Central and Eastern European alcoholic beverages sector, Stock Spirits is an attractive business with significant future growth potential. Stock Spirits benefits from a portfolio of established brands trading in key segments of the market and a strong track record of product innovation. An important consideration to the directors of Bidco is Stock Spirits' record of operating in a socially-responsible and sustainable manner. Stock Spirits' management team has significant experience operating in Stock Spirits' key geographies and has developed a strategy for the business focused on premiumisation, the development of brands and products appealing to younger adults and women, and responsible alcohol consumption.

Bidco believes that Stock Spirits' future growth potential will be realised by supporting management's existing strategy and also investing in strategic inorganic opportunities, while at all times managing the evolving regulatory environment across its core markets. Bidco believes that significant investment will be necessary to help build a scaled and diversified business.

Bidco believes that the future development of Stock Spirits will be best served as a private business, operating with a leaner central overhead, with rapid access to capital and with the benefits of a longer-term investment approach. Bidco believes that Stock Spirits will benefit from the support of CVC, a long-standing investor in Central and Eastern Europe. CVC has a proven track record and deep expertise operating in the region's consumer sector, underpinned by a history of responsible ownership and job creation.

### **4. Recommendation**

The directors of Stock Spirits, who have been so advised by J.P. Morgan Cazenove and Numis as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing their financial advice to the directors of Stock Spirits, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the directors or Stock Spirits. Numis is providing independent financial advice to the directors of Stock Spirits for the purposes of Rule 3 of the Code.

Accordingly, the directors of Stock Spirits intend unanimously to recommend to Stock Spirits Shareholders to vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting, as they have irrevocably undertaken to do in respect of the Stock Spirits Shares which they hold and which they control (or can procure the control of) the voting rights (representing approximately 0.419 per cent.

of the issued ordinary share capital of Stock Spirits on 11 August 2021, the last business day before this announcement).

## 5. Background to and reasons for the recommendation

### *Performance of Stock Spirits*

Stock Spirits has achieved strong performance across its business over the last five years, creating significant shareholder value since the current senior management team has been in place. In the four financial periods since 31 December 2016, Stock Spirits has grown revenues by €80 million (7.4 per cent. CAGR) and EBITDA by €19 million (8.9 per cent. CAGR), with a margin improvement of 19.8 per cent. to 20.8 per cent; in the same period, Stock Spirits paid ordinary dividends to shareholders totalling €67.2 million, invested €78.0 million in capital investment<sup>1</sup> and acquisitions and reduced leverage to below 1.0x EBITDA, a reflection of robust cash generation over the period. Stock Spirits has also reversed recent market share decline in its largest consumer market of Poland and the share price has increased by approximately 73 per cent. from 155 pence on 29 July 2016 to 268 pence as at 11 August 2021.

The directors of Stock Spirits believe that the Stock Spirits Group's strong financial performance has been driven by the successful implementation of its strategy introduced in March 2018 and, more recently, its Planet, People and Processes ESG strategy. The strategy introduced in March 2018 focused on the four strategic priorities listed below:

- Premiumisation: in 2020, 35 per cent. of the Stock Spirits Group's revenue came from premium brands – up from 19 per cent. in 2016 and surpassing the initial target set of 30 per cent. This highlights the Stock Spirits Group's strength in innovation and new product development, as well as its world-class brand partners.
- Increased appeal to millennial customers: Stock Spirits continues to address the evolving trends of millennials, a recent example of this being the successful launch of flavoured vodka “Żołądkowa Gorzka Rzeńska” in Poland which appeals to the growing expectations of taste, freshness, lower ABV (alcohol by volume) and lower sugar content that young adult drinkers seek.
- Use of digital marketing: Stock Spirits has significantly expanded its digital marketing capabilities through a combined IT and digital strategy and a common digital marketing architecture. This enabled the Stock Spirits Group to target 87 per cent. of its consumers using digital campaigns in the financial year ending 30 September 2020.
- Strategic M&A opportunities to deliver sustainable and valuable growth across its operations: the Stock Spirits Group continues to seek accretive and value-enhancing M&A opportunities, with the acquisitions of Bartida in Czech

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<sup>1</sup> Refers to net capital investment, including proceeds from the sale of property, plant and equipment.

Republic and Distillerie Franciacorta in Italy in 2019 being recent examples – both of which are performing above expectations.

Stock Spirits remains focussed on three key markets on which the overall performance of the business is dependent – Poland (57 per cent. of sales for the year ended 30 September 2020 at constant currency), the Czech Republic (26 per cent.) and Italy (9 per cent.). Over the last five years, Stock Spirits has successfully navigated and delivered against challenges in the Polish market arising from both market conditions and regulatory changes as described below:

- In the period following the initial public offering of Stock Spirits in 2013, market conditions deteriorated with significant levels of price competition and market distress, which impacted the financial performance of all market participants including Stock Spirits. Despite these challenges, Stock Spirits was able to strengthen its position in Poland and continues to do so as market conditions have now normalised and support a more stable and robust operational and financial performance.
- There have been excise tax increases on the spirits segment in 2010, 2014, 2019 and 2021 in relation to both spirits in general and small format bottles which has required management to take action to respond and mitigate possible impacts. Based on the successful management of the recent excise tax increases, the Stock Spirits Directors remain confident in Stock Spirits' ability to respond to any such future excise tax increases. In particular, the small format tax introduced in January 2021 in Poland is a recent regulatory challenge which Stock Spirits believes will be offset through management actions and changing consumer behaviour following COVID-19.

Stock Spirits has demonstrated significant resilience across the business through the COVID-19 pandemic. The decline in the on-trade channel due to lockdowns, particularly in the Czech Republic and Italy, were significantly offset by continuing strong performance in the off-trade channel as consumers shifted to consume products at home. Furthermore, Stock Spirits' portfolio of well-known and trusted local brands performed well as consumers reverted to familiar and trusted brands in uncertain times. The strength of the business during the COVID-19 pandemic ensured that no employees were furloughed or made redundant, and the Stock Spirits Group is well-placed to benefit from the post-pandemic recovery.

Stock Spirits has been growing its position in its main geographies, and in its largest market (Poland), Stock Spirits has increased volume, revenue and EBITDA (on a constant currency basis) during the first half of the financial year ending September 2021, despite excise tax increases described above. This resilient financial performance, combined with Stock Spirits' ongoing investment in its brands and infrastructure, means that Stock Spirits is well-placed to capitalise on the continued reopening of on-trade channels and an expected return to normality in the second half of the financial year ending September 2021. In the longer-term, Stock Spirits is

confident that it will emerge from the pandemic with an even more loyal and engaged consumer base and closer customer and supplier relationships.

Stock Spirits' improving and consistent performance has delivered attractive returns for all stakeholders over the last five years. At the same time, this improving performance has not been fully reflected in Stock Spirits' equity valuation and has not seen any material re-rating to reflect this improved performance and outlook. Against this background, the Stock Spirits Directors are recommending the Offer to Stock Spirits Shareholders, reflecting the substantial premium over the recent trading valuation and share price of Stock Spirits Shares.

#### *Bidco's Offer*

While the Stock Spirits Directors did not solicit an offer for Stock Spirits, the Stock Spirits Directors regularly consider options for improving shareholder value. The Offer of £767 million follows CVC having made five separate unsolicited proposals to Stock Spirits over recent months. Having rejected the previous proposals, which were not at a level which the Stock Spirits Directors felt reflected an appropriate valuation of Stock Spirits, its market position and prospects, Stock Spirits and CVC entered into a Confidentiality Agreement following CVC's fifth proposal.

Having carefully considered the Offer of £767 million, together with advisers, the Stock Spirits Directors have concluded that the Offer more appropriately reflected the valuation of Stock Spirits, its market positions and prospects, taking into account a number of factors, including the following:

- the current strength and resilience of the business and medium-term value creation potential against the near-term risks specific to the business; and
- the opportunity for Stock Spirits Shareholders to realise their investment for cash at a fair and reasonable value and at a substantial premium to the undisturbed share price.

The Offer represents:

- a premium of approximately 41 per cent. to the share price of 268 pence per Stock Spirits Share as at 11 August 2021 (being the last business day before the date of this announcement);
- a premium of approximately 42 per cent. to the volume-weighted average price of 266 pence per Stock Spirits Share for the three-month period ended 11 August 2021 (being the last business day before the date of this announcement);
- a premium of approximately 20 per cent. to Stock Spirits' all-time high share price of 315 pence as at 9 June 2014; and
- a premium of approximately 77 per cent. to the volume-weighted average price of 213 pence per Stock Spirits Share for the 12 month period prior to the commencement of the COVID-19 pandemic (up to 21 February 2020).

In addition to the financial terms of the Offer, in its evaluation of Bidco as a suitable owner of the Stock Spirits business from the perspective of all stakeholders, the Stock Spirits Directors have also taken into account Bidco's intentions for the business, management, employees and other stakeholders of Stock Spirits. In particular the Stock Spirits Directors note Bidco's confirmation that it views Stock Spirits as a high quality business with excellent growth and development prospects, that it supports and will continue to invest in Stock Spirits' existing strategy and that it places great importance on the skills and experience of Stock Spirits' employees for the successful implementation of Bidco's plans. The Stock Spirits Directors also note Bidco's confirmation of the significant investment and longer payback periods that this will require. Bidco has also confirmed that an important consideration for them has been Stock Spirits' record of operating in a socially-responsible and sustainable manner.

Accordingly, following careful consideration of the above factors, the Stock Spirits Directors believe that the Stock Spirits Shareholders should have the opportunity to approve the Offer, as the Stock Spirits Directors intend to do so in respect of their Stock Spirits Shares, and unanimously recommend the Offer to Stock Spirits Shareholders.

## **6. Irrevocable undertakings**

As described above, Bidco has received irrevocable undertakings from the directors of Stock Spirits to vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting (and, if the Offer is subsequently structured as a Takeover Offer, to accept any Takeover Offer made by Bidco in accordance with the terms of the irrevocable undertakings) in respect of the 837,243 Stock Spirits Shares which they hold and which they control (or can procure the control of) the voting rights, representing approximately 0.419 per cent. of the existing issued ordinary share capital on 11 August 2021, the last business day before this announcement. The undertakings from the directors of Stock Spirits will cease to be binding in certain circumstances, including if: (i) the Scheme is withdrawn or lapses (or becomes incapable of being effective); (ii) Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Offer and no new, revised or replacement Offer is announced by Bidco pursuant to and in accordance with Rule 2.7 of the Code at the same time; or (iii) a competing offer for the entire issued and to be issued ordinary share capital is made, and such offer becomes or is declared unconditional (if implemented by way of a takeover offer under Part 28 of the Companies Act) or effective (if implemented by way of a scheme of arrangement under Part 26 of the Companies Act). Further details of these irrevocable undertakings are set out in Appendix 3 to this announcement.

## **7. Information relating to CVC**

CVC is a leading private equity and investment advisory firm with a network of 24 offices throughout the US, Europe and Asia, with US\$115 billion of assets under management. Since its founding in 1981, CVC has secured commitments in excess of US\$162 billion from some of the world's leading institutional investors across its private equity and credit strategies. CVC Funds are invested in over 90 companies worldwide, which have combined annual sales of approximately US\$100 billion and employ more than 450,000 people. Having operated for more than 12 years across

Central and Eastern Europe, CVC Funds are currently invested in businesses in the region with combined annual sales of approximately US\$4.2 billion, and which employ 7,500 people.

#### **8. Information relating to Bidco**

Bidco is a newly incorporated company under the laws of Luxembourg, formed on behalf of, and which will be owned, by CVC Funds as of the Effective Date for the purpose of implementing the Offer. Bidco has not traded prior to the date of this announcement nor has it entered into any obligation other than in connection with the Offer.

#### **9. Information relating to Stock Spirits**

Stock Spirits is one of the leading owners and producers of branded spirits and liqueurs that are principally sold in Central and Eastern Europe and Italy.

Stock Spirits has a portfolio of over 70 own brands and over 70 third party brands, which are distributed in over 50 markets around the world. Its portfolio includes well-established “millionaire” brands including Żółdkowa, Lubelska, Božkov and StockPrestige, local leaders such as Stock84 brandy, Fernet Stockbitters, Keglevich and Limoncè, as well as more recent innovations including Amundsen Expedition vodka and Božkov Republica rum.

Stock Spirits has production facilities in Poland, the Czech Republic, Germany and Italy. In its core markets (Poland, Czech Republic and Italy), Stock Spirits has its own sales force or agents and delivers to its customers using mainly off-trade (i.e. large supermarket chains) but also on-trade channels (i.e. bars, clubs, restaurants and hotels). During the Covid-19 pandemic, Stock Spirits’ strength in the off-trade in its core markets, coupled with its business model built on localised sourcing and manufacturing, enabled it to mitigate the impacts arising from the widespread closure of on-trade channels by shifting to off-trade channels, as Stock Spirits’ products are primarily enjoyed at home. In the long-term, demand for spirits is expected to continue to be positively impacted by the progressive growth in standards of living and disposable income, translating into an expansion of consumer choice.

Stock Spirits is headquartered in Wooburn Green, Buckinghamshire, United Kingdom.

#### **10. Directors, management, employees, pensions and locations**

##### *Bidco’s strategic plans for Stock Spirits*

As set out in paragraph 3, Bidco believes that Stock Spirits is a high quality business, with excellent growth and development prospects, and represents an attractive opportunity to invest in a Central European leader in the alcoholic beverages sector.

Bidco attaches great importance to the skills and experience of Stock Spirits’ employees and operational management and believes they are central to the successful execution of Stock Spirits’ plans. Bidco supports Stock Spirits management’s existing

strategy which focuses on premiumisation, developing brands and products appealing to younger adults and women, as well as responsible alcohol consumption.

Bidco believes that CVC's knowledge of Stock Spirits, the industry, the countries in which Stock Spirits operates and experience in integrating acquisitions makes them ideally placed to support Stock Spirits and capitalise on investment and growth opportunities. Bidco intends to work closely with Stock Spirits' management and employees to continue to invest in their existing strategy, and to enhance marketing, digital and e-commerce capabilities and accelerate scaling inorganically. However, this will require significant investment with longer payback periods, and Bidco believes that, in order to maximise Stock Spirits' future potential, Stock Spirits will be better suited to a private company environment.

Prior to this announcement, consistent with market practice, Bidco has been granted access to Stock Spirits' senior management for the purposes of confirmatory due diligence. However, because of applicable regulatory controls, Bidco has not yet had access to sufficiently detailed operational information to formulate detailed plans regarding the impact of the Offer on Stock Spirits' business, other than its overarching intention to support Stock Spirits management's existing strategy (as outlined above) and growth in existing and new markets (with such growth expected to be achieved through: (i) expansion of sales in existing geographies through extending product categories and innovation; and (ii) expanding into complementary new geographies in Central and Western Europe).

Therefore, following completion of the Offer, Bidco intends to work with Stock Spirits' management to undertake a detailed evaluation of Stock Spirits and its business (the "***Evaluation***"), which will consider both the short and long-term objectives of the business. Bidco expects that this evaluation will be completed within approximately three to six months from the Effective Date. Whilst the parameters of the Evaluation have not yet been finalised, it will involve the following areas:

- evaluating in more detail Stock Spirits' existing strategy, its markets, customers, procurement and delivery;
- considering how best to position the business to grow and compete for greater market share in existing markets and take advantage of opportunities for expansion in new markets in complementary new geographies in Central and Western Europe;
- assessing potential investment opportunities and strategic options that will support Stock Spirits' growth ambitions and overall strategy, including potential acquisitions, in new and existing markets; and
- determining how Stock Spirits' organisational structure and set-up should best be adapted.

The aim of the Evaluation will be to validate the rationale for the Offer by Bidco as set out in paragraph 3 which has been formulated through the senior management meetings held as part of its confirmatory due diligence exercise. The outcomes of the review could include investment in people and assets to grow the business (as detailed above),

as well as efficiencies in operations, to ensure Stock Spirits is operating in line with industry best practice.

The vast majority of Stock Spirits' operations and core business assets have always been located in Central and Eastern Europe. However, in order to become a UK-based public listed company, it needed to establish a formal headquarters in the UK. As a result, Stock Spirits has a limited presence in the UK, with 23 roles based in the UK. Once Stock Spirits ceases to be a publicly listed company, the PLC-related support functions will no longer be required and some other central support functions currently based in the UK may be reduced in scope, become unnecessary or need to be relocated. Subject to completion of the Evaluation, Bidco expects that following the Offer, the location of Stock Spirits' headquarters and central support functions and roles may be moved out of the UK to Central Europe, reflecting Stock Spirits' limited UK presence in contrast with the significance of the operations in Central Europe. These moves may result in increasing certain support capabilities in the regions of Stock Spirits' operations. Aside from these matters, Bidco has not yet formulated a detailed assessment of the expected impacts of the review.

#### *Employees and management*

Bidco attaches great importance to the skill and experience of Stock Spirits' management and employees. Bidco recognises the important contribution they have made to the success of the business to date and the important role they have in its future success.

As part of the Evaluation referred to above, Bidco will conduct a review of Stock Spirits' existing strategy and growth opportunities. Bidco has not made any decisions in relation to any specific actions that might be taken as a result of the Evaluation. Accordingly, Bidco cannot be certain what impact there will be on the employment of the management and employees of Stock Spirits. However, as referred to above, there will no longer be any need for certain central support functions in the UK that currently support Stock Spirits' status as a publicly listed company and Bidco expects that other central support functions and roles currently in the UK may be removed or relocated. Any reduction in, or relocation of, such roles will be subject to appropriate engagement and consultation with affected employees and any appropriate employee representative bodies in accordance with existing legal obligations. Where appropriate, employees may be offered the opportunity to relocate and any engagement and consultation process would be undertaken sufficiently in advance of any final decisions being taken to implement job reductions so as to ensure compliance with applicable legal obligations.

Bidco's intention is to support Stock Spirits' excellent growth and development prospects and to grow its business over time. Aside from additional roles and employment opportunities in Central Europe this growth may generate over time and the removal or relocation of the PLC-related and central support functions or roles currently in the UK referred to above, Bidco does not expect any material change in headcount or the balance of skills and functions of employees and management of Stock Spirits as a consequence of the Offer or the Evaluation.

Upon completion of the Offer, it is intended that each of the non-executive members of the Stock Spirits board of directors will resign from his or her office as a Director of Stock Spirits.

#### *Existing employment rights and pensions*

Bidco confirms that, following completion of the Offer, it intends to fully safeguard the existing contractual and statutory employment rights, including in relation to pension schemes, of all Stock Spirits management and employees in accordance with applicable law. Bidco further confirms that it does not intend to make any change to the offeree company's existing pension arrangements, including with regard to employer contributions into such schemes and the admission of new members. In addition, it does not envisage a material change in the conditions of employment of the management and employees of Stock Spirits or in the balance of their skills and functions.

#### *Headquarters, locations, fixed assets and research and development*

Following completion of the Offer, Bidco intends for Stock Spirits to operate as a standalone business and continue to invest in Stock Spirits' important new product development, design and packaging and customer research functions in Central Europe. Other than the impact on the UK headquarters and central and support functions referred to above, Bidco has no plans for any material restructurings or change in the locations of Stock Spirits' places of business.

Save as set out above, no material changes are envisaged with respect to the redeployment of Stock Spirits' fixed asset base and, to Bidco's knowledge, Stock Spirits has no research and development function.

#### *Management incentivisation arrangements*

Following the completion of the Offer, Bidco intends to review the management incentive structure of Stock Spirits. Bidco has not entered into, and has not had discussions on any form of incentivisation or other arrangements with members of Stock Spirits' management, but may put in place appropriate incentive arrangements following completion of the Offer (and any discussions with Stock Spirits' management about such incentivisation arrangements will not take place until after completion of the Offer).

#### *Trading facilities*

Stock Spirits is currently listed on the Official List and admitted to trading on the London Stock Exchange. Prior to the Scheme becoming effective, it is intended that a request will be made to the London Stock Exchange to cancel trading in Stock Spirits Shares and to the Financial Conduct Authority to cancel the listing of Stock Spirits from the Official List once the Scheme has become effective and re-register it as a private company.

Stock Spirits' shares are also admitted to trading on the Prague Stock Exchange's Free Market. Prior to the Scheme becoming effective, it is intended that a request will be made to the Prague Stock Exchange to delist Stock Spirits' shares once the Scheme has become effective.

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

## **11. Financing**

The cash consideration payable by Bidco to the Stock Spirits Shareholders under the terms of the Offer will be financed by a combination of: (i) equity capital committed and to be invested by CVC Funds; and (ii) an interim term and revolving facility agreement dated on or around the date of this announcement between Bidco as original borrower and Bank Handlowy w Warszawie S.A. and ING Bank N.V., London Branch as original lenders (collectively, the "*Debt and Equity Finance Arrangements*").

CVC Funds may syndicate part of their equity funding commitments. In addition, other potential investors may acquire indirect minority interests in Bidco during the offer period or after the Scheme becomes effective.

Citi confirms that it is satisfied that resources are available to Bidco to satisfy in full the cash consideration payable under the terms of the Offer.

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

## **12. Stock Spirits Share Schemes**

Participants in the Stock Spirits Share Schemes will be contacted regarding the effect of the Offer on their rights and appropriate proposals will be made to such participants in due course and in accordance with the terms of the Co-operation Agreement. Details of these proposals will be set out in separate letters to be sent to participants in the Stock Spirits Share Schemes.

Details of these proposals will be set out in the Scheme Document.

## **13. Offer-related arrangements**

### *Confidentiality Agreement*

CVC Advisers (Polska) sp. zoo and Stock Spirits have entered into a confidentiality agreement dated 22 June 2021 (the "*Confidentiality Agreement*") (which was supplemented on 1 July 2021) pursuant to which CVC Advisers (Polska) sp. zoo has undertaken, amongst other things, to: (i) subject to certain exceptions, keep information relating to the Offer and the Stock Spirits Group confidential and not to disclose it to third parties (other than certain permitted parties) unless required by law or regulation; and (ii) use such confidential information for the sole purpose of evaluating, negotiating, advising on or implementing the potential Offer. These confidentiality obligations will remain in force until the earlier of completion of the Offer and the date

which is 18 months from the date of the Confidentiality Agreement. The agreement also contains provisions pursuant to which CVC Advisers (Polska) sp. zoo has agreed not to solicit certain employees of the other party, subject to customary carve-outs, for a period of 12 months from the date of the Confidentiality Agreement.

### ***Co-operation Agreement***

Bidco and Stock Spirits have entered into a co-operation agreement dated on or around the date of this announcement (the “*Co-operation Agreement*”) pursuant to which (amongst other things):

- Bidco has agreed to take all steps which are necessary and/or required to secure such clearances as are necessary to satisfy the Conditions set out in paragraphs 3 to 6 of Appendix 1 to this announcement as soon as reasonably practicable and in any event in sufficient time to enable the Effective Date to occur prior to the Long-Stop Date;
- Bidco and Stock Spirits have each agreed to certain undertakings to co-operate and provide each other with reasonable assistance in respect of the filings, submissions and notifications to be made in relation to such clearances; and
- Bidco and Stock Spirits have each agreed to co-operate in relation to certain employee-related matters and matters relating to the Stock Spirits Share Schemes.

The Co-operation Agreement records the parties’ intention to implement the Offer by way of the Scheme, subject to the ability of Bidco in certain circumstances to elect to implement the Offer by way of a Takeover Offer, with the consent of the Panel. The Co-operation Agreement may be terminated by Bidco in certain situations, including if: (i) a third party offer is recommended by the Stock Spirits Directors; (ii) if the Stock Spirits Directors withdraw, amend or qualify their recommendation of the Offer; or (iii) at any time, a third party offer completes, becomes effective or becomes or is declared unconditional. The Co-operation Agreement may also be terminated by either Bidco or Stock Spirits in certain situations, including if: (i) prior to the Long-Stop Date, any Condition has been invoked by Bidco (where the invocation is permitted by the Panel); (ii) subject to certain exceptions, the Offer (whether implemented by way of the Scheme or a Takeover Offer) is withdrawn, terminated or lapses in accordance with its terms and (where required) with the permission of the Panel; (iii) the Scheme is not approved at the Court Meeting and/or the General Meeting; (iv) subject to certain exceptions, the Effective Date has not occurred by the Long-Stop Date; or (v) otherwise as agreed between Bidco and Stock Spirits in writing.

Pursuant to the terms of the Co-operation Agreement, Bidco undertakes that, where the Offer is being implemented by way of the Scheme, it will deliver a notice in writing to Stock Spirits on the business day prior to the Scheme Court Hearing confirming either: (i) the satisfaction or waiver of the Conditions (other than the Conditions set out in paragraphs 1 and 2 in Part A of Appendix 1 to this announcement); or (ii) to the extent permitted under the Code and by the Panel, that it intends to invoke one or more Conditions.

### *Clean Team Arrangements*

CVC Advisers (Polska) sp. z o.o and Stock Spirits have entered into a clean team confidentiality agreement dated 20 July 2021 (the “*Clean Team Agreement*”) which set out certain procedures for the exchange and use of competitively sensitive information in order to ensure that the exchange of such information does not give rise to any infringement of antitrust law.

### *Joint Defence Arrangements*

CVC Advisers (Polska) sp. z o.o, Stock Spirits, Clifford Chance LLP and Slaughter and May have entered into a joint defence agreement dated 20 July 2021 (the “*Joint Defence Agreement*”) which set out certain procedures for the exchange and use of competitively sensitive information in order to ensure that the exchange of such information does not give rise to any infringement of antitrust law.

## **14. Structure of the Offer**

It is intended that the Offer will be implemented by way of a Court-sanctioned scheme of arrangement between Stock Spirits and the Scheme Shareholders under Part 26 of the Companies Act. The procedure involves, among other things, an application by Stock Spirits to the Court to sanction the Scheme, by which the Scheme Shares held by Scheme Shareholders will be transferred to Bidco in consideration for which the Scheme Shareholders will receive cash consideration on the basis set out in paragraph 2 of this announcement. The purpose of the Scheme is to provide for Bidco to become the owner of the entire issued and to be issued share capital of Stock Spirits.

The Scheme will be subject to the Conditions and further terms referred to in Appendix 1 to this announcement and to be set out in the Scheme Document. In particular, the Scheme will only become effective if, among other things, the following events occur on or before the Long-Stop Date:

- a Phase 1 clearance decision or decisions in the European Union are received;
- a resolution to approve the Scheme is passed by a majority in number of the Scheme Shareholders present and voting (and entitled to vote) at the Court Meeting, either in person or by proxy, representing not less than 75 per cent. in value of the Scheme Shares held by such Scheme Shareholders (or the relevant class or classes thereof);
- each of the Resolutions necessary to implement the Scheme are passed by the requisite majority of Stock Spirits Shareholders at the General Meeting (which will require the approval of Stock Spirits Shareholders representing at least 75 per cent. of the votes cast at the General Meeting, either in person or by proxy);
- the Scheme is sanctioned (with or without modification, on terms agreed by Bidco and Stock Spirits); and
- an office copy of the Scheme Court Order is delivered to the Registrar of Companies.

Upon the Scheme becoming effective: (i) it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and if they attended and voted, whether or not they voted in favour); and (ii) share certificates in respect of Stock Spirits Shares will cease to be valid and entitlements to Stock Spirits Shares held within the CREST system will be cancelled. The cash consideration for the transfer of the Scheme Shares to Bidco will be dispatched to Scheme Shareholders no later than 14 days after the Effective Date.

Unless the Condition in paragraph 3 of Part A of this Appendix 1 is waived by Bidco, the Offer is conditional upon the European Commission and/or, in the event of a full or partial referral of the Offer to one or more Member State(s) under Articles 9(1) or 9(5) of Council Regulation (EC) 139/2004/EC, the competent authority of such Member State(s) issuing a Phase 1 clearance decision or being deemed to have done so.

If the Scheme does not become effective by no later than the Long-Stop Date, it will lapse and the Offer will not proceed (unless Bidco and Stock Spirits otherwise agree and the Panel otherwise consents, or the Panel requires an extension to the Long-Stop Date pending final determination of an issue under section 3(g) of Appendix 7 of the Code).

The Conditions in paragraph 2 of Appendix 1 to this announcement provide that Bidco shall make an announcement by 8.00 a.m. on the business day following the deadline applicable to such Conditions confirming whether it has invoked the relevant Condition, waived the relevant deadlines or agreed with Stock Spirits to extend the relevant deadline if:

- the Court Meeting and the General Meeting are not held by the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Stock Spirits); and
- the Sanction Hearing to approve the Scheme is not held by the 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Stock Spirits).

The Scheme Document will include full details of the Scheme, together with notices of the Court Meeting and the General Meeting. The Scheme Document will also contain the expected timetable for the Offer and will specify the necessary actions to be taken by Stock Spirits Shareholders. The Scheme Document will be posted to Stock Spirits Shareholders and, for information only, to persons with information rights and to holders of options granted under the Stock Spirits Share Schemes, as soon as reasonably practicable and in any event within 28 days of this announcement (unless the Panel agrees otherwise). Subject, amongst other things, to the satisfaction or waiver of the Conditions, it is expected that the Scheme will become effective during the period between early December 2021 to early January 2022.

## **15. Dividends**

If, after the date of this announcement and prior to the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Stock Spirits Shares, Bidco reserves the right to reduce the consideration payable under the terms of the Offer at such date by an amount up to the amount of such dividend and/or distribution and/or return of capital. In such circumstances, Stock Spirits Shareholders would be entitled to retain any such dividend and/or other distribution and/or other return of capital.

## **16. Delisting and re-registration**

It is intended that an application will be made to the FCA for the cancellation of the listing of the Stock Spirits Shares on the Official List and to the London Stock Exchange for the cancellation of trading of the Stock Spirits Shares on the London Stock Exchange's main market for listed securities, in each case, with effect as of or shortly following the Effective Date.

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

It is also intended that, following the Scheme becoming effective, Stock Spirits will be re-registered as a private company under the relevant provisions of the Companies Act.

Stock Spirits' shares are also admitted to trading on the Prague Stock Exchange's Free Market. Prior to the Scheme becoming effective, it is intended that a request will be made to the Prague Stock Exchange to delist Stock Spirits' shares once the Scheme has become effective.

## **17. Disclosure of interests in Stock Spirits relevant securities**

Except for the irrevocable undertakings referred to in paragraph 6 above, as at close of business on 11 August 2021 (being the latest practicable date prior to the date of this announcement), neither Bidco, nor any of the directors of Bidco or any member of the Bidco Group, nor, so far as the directors of Bidco are aware, any person acting in concert with Bidco for the purposes of the Offer had any interest in, right to subscribe for, or had borrowed or lent any Stock Spirits Shares or securities convertible or exchangeable into Stock Spirits Shares, nor did any such person have any short position (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to take delivery, or any dealing arrangement of the kind referred to in Note 11 of the definition of acting in concert in the Code, in relation to Stock Spirits Shares or in relation to any securities convertible or exchangeable into Stock Spirits Shares.

In the interests of secrecy prior to this announcement, Bidco has not made any enquiries in respect of the matters referred to in this paragraph of certain parties who may be

deemed by the Panel to be acting in concert with Bidco for the purposes of the Scheme. Enquiries of such parties will be made as soon as practicable following the date of this announcement and any disclosure in respect of such parties will be included in the Scheme Document.

#### **18. Overseas shareholders**

The availability of the Offer and the distribution of this announcement to Stock Spirits Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Such persons should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. Stock Spirits Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

This announcement does not constitute an offer for sale for any securities or an offer or an invitation to purchase any securities. Stock Spirits Shareholders are advised to read carefully the Scheme Document and related Forms of Proxy once these have been dispatched.

#### **19. Stock Spirits issued share capital**

In accordance with Rule 2.9 of the Code, Stock Spirits confirms that it has 200,000,000 Stock Spirits Shares in issue. The International Securities Identification Number for Stock Spirits Shares is GB00BF5SDZ96.

#### **20. Documents published on a website**

Copies of the following documents will, by no later than 12 noon (London time) on 12 August 2021, be published on Bidco's website at [www.cvc-sunray-offer-2021.com](http://www.cvc-sunray-offer-2021.com) and Stock Spirits' website at [www.stockspirits.com/investors/default.aspx](http://www.stockspirits.com/investors/default.aspx) until the end of the Offer:

- this announcement;
- the Confidentiality Agreement and amendment to the Confidentiality Agreement referred to in paragraph 13 (*Offer-related arrangements*);
- the Co-operation Agreement referred to in paragraph 13 (*Offer-related arrangements*);
- the irrevocable undertakings referred to in paragraph 6 (*Irrevocable undertakings*);
- the Debt and Equity Finance Arrangements referred to in paragraph 11 (*Financing*);
- the Clean Team Agreement referred to in paragraph 13 (*Offer-related arrangements*);
- the Joint Defence Agreement referred to in paragraph 13 (*Offer-related arrangements*); and

- the consent letters from each of J.P. Morgan Cazenove, Numis and Citi referred to in paragraph 21 (*General*).

Neither the contents of Bidco's website and Stock Spirits' website, nor the contents of any other website accessible from hyperlinks on such websites, are incorporated into or form part of this announcement.

## **21. General**

Bidco reserves the right to elect (with the consent of the Panel and subject to and in accordance with the terms of the Co-operation Agreement) to implement the Offer by way of a Takeover Offer for the entire issued and to be issued share capital of Stock Spirits not already held by Bidco as an alternative to the Scheme. In such an event, the Takeover Offer will be implemented on the same terms (subject to appropriate amendments), so far as applicable, as those which would apply to the Scheme, including (without limitation) an acceptance condition set at 90 per cent. (or such lower percentage (being more than 50 per cent.) as Bidco may decide (subject to the rules of the Code, the terms of the Co-operation Agreement and with the Panel's consent): (i) in nominal value of the shares to which such Takeover Offer relates; and (ii) of the voting rights attaching to those shares.

If the Offer is effected by way of a Takeover Offer and such Takeover Offer becomes or is declared unconditional, Bidco intends to: (i) make a request to the FCA to cancel the listing of the Stock Spirits Shares from the Official List; (ii) make a request to the London Stock Exchange to cancel trading in Stock Spirits Shares on its market for listed securities; (iii) exercise its rights, if available, to apply the provisions of Chapter 3 of Part 28 of the Companies Act to acquire compulsorily the remaining Stock Spirits Shares in respect of which the Takeover Offer has not been accepted; and (iv) make a request to the Prague Stock Exchange to delist Stock Spirits' shares once the Scheme has become effective.

The Scheme will be governed by English law and will be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange and the FCA.

The bases and sources of certain financial information contained in this announcement are set out in Appendix 2. Certain terms used in this announcement are defined in Appendix 4.

Each of J.P. Morgan Cazenove, Numis and Citi has given and not withdrawn its consent to the publication of this announcement with the inclusion herein of the references to its name in the form and context in which it appears.

The person responsible for making this announcement on behalf of Stock Spirits by Sally Kenward, Company Secretary.

## **Enquiries**

### **CVC**

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### **Citi (Financial Adviser and Corporate Broker to Bidco)**

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### **J.P. Morgan Cazenove (Joint Financial Adviser to Stock Spirits)**

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### **Powerscourt (PR Adviser to Stock Spirits)**

Rob Greening                                      **Tel:** 020 7250 1446

Lisa Kavanagh

Bethany Johannsen

**Freshfields Bruckhaus Deringer LLP and Clifford Chance LLP are acting as legal advisers to CVC and Bidco in connection with the Offer. Slaughter and May is acting as legal adviser to Stock Spirits in connection with the Offer.**

### **Further information**

*This announcement is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval*

*in any jurisdiction, pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Stock Spirits in any jurisdiction in contravention of applicable law. The Offer will be made solely by means of the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document), which will contain the full terms and conditions of the Offer including details of how to vote in respect of the Offer. Any vote in respect of the Scheme or other response in relation to the Offer should be made only on the basis on the information contained in the Scheme Document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document). This announcement does not constitute a prospectus or a prospectus equivalent document.*

*Please be aware that addresses, electronic addresses and certain other information provided by Stock Spirits Shareholders, persons with information rights and other relevant persons for the receipt of communications from Stock Spirits may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Code to comply with Rule 2.11(c).*

*Citi, which is authorised in the UK by the PRA and regulated by the FCA and PRA, is acting exclusively for Bidco and no one else in connection with the Offer and will not be responsible to anyone other than Bidco for providing the protections afforded to clients of Citi nor for providing advice in relation to the Offer or any other matters referred to in this announcement. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this announcement, any statement contained herein, the Offer or otherwise.*

*J.P. Morgan Cazenove, which is authorised in the UK by the PRA and regulated in the UK by the PRA and the FCA, is acting as financial adviser exclusively for Stock Spirits and no one else in connection with the Offer and will not regard any other person as a client in relation to the Offer and will not be responsible to anyone other than Stock Spirits for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Offer or any other matters referred to in this announcement.*

*Numis, which is authorised and regulated in the UK by the FCA, is acting exclusively for Stock Spirits and no-one else in connection with the Offer and will not be responsible to anyone other than Stock Spirits for providing the protections afforded to clients of Numis nor for providing advice in relation to the Offer or any other matters referred to in this announcement.*

### **Overseas jurisdictions**

*The release, publication or distribution of this announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular the ability of persons who are not resident in the United Kingdom, to vote their Stock Spirits Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy*

*to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared for the purposes of complying with English law, the Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside of England.*

*Copies of this announcement and formal documentation relating to the Scheme and the Offer will not be and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Offer. If the Offer is implemented by way of Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or by use of the mails or any other means or instrumentality (including, without limitation, facsimile, email or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within any Restricted Jurisdiction.*

*Further details in relation to Overseas Shareholders will be contained in the Scheme Document.*

#### ***Additional information for United States investors***

*The Offer is being made to acquire the securities of an English company by means of a scheme of arrangement provided for under English law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules under the US Exchange Act. Accordingly, the Scheme will be subject to disclosure requirements and practices applicable in the UK to schemes of arrangement, which are different from the disclosure requirements of the United States tender offer rules. The financial information included in this announcement and the Scheme documentation, if any, has been or will have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial information of United States companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. If Bidco exercises its right to implement the acquisition of the Stock Spirits Shares by way of a Takeover Offer, such offer will be made in compliance with applicable United States securities laws and regulations.*

*The receipt of cash pursuant to the Offer by a United States holder as consideration for the transfer of its Scheme Shares pursuant to the Scheme will likely be a taxable*

*transaction for United States federal income tax purposes and under applicable United States state and local, as well as foreign and other, tax laws. Each Stock Spirits Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Offer applicable to him.*

*It may be difficult for United States holders to enforce their rights and claims arising out of the United States federal securities laws, since Bidco and Stock Spirits are located in countries other than the United States, and some or all of their officers and directors may be residents of countries other than the United States. United States holders may not be able to sue a non-United States company or its officers or directors in a non-United States court for violations of United States securities laws. Further, it may be difficult to compel a non-United States company and its affiliates to subject themselves to a United States court's judgement.*

*In accordance with normal UK practice and pursuant to Rule 14e-5(b) of the US Exchange Act, Bidco or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Stock Spirits Shares outside of the United States, other than pursuant to the Offer, until the date on which the Offer and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

### ***Forward looking statements***

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Offer, and other information published by Bidco and Stock Spirits contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Bidco and Stock Spirits about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. The forward-looking statements contained in this announcement include statements relating to the expected effects of the Offer on Bidco and Stock Spirits, the expected timing and scope of the Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Bidco and Stock Spirits believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Stock Spirits can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors*

*that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, the satisfaction of the Conditions, as well as additional factors, such as: changes in the global political, economic, business and competitive environments; inability to obtain, or meet conditions imposed for, required governmental and regulatory approvals; legal or regulatory developments and changes, including, but not limited to, changes in environmental and health and safety regulations; government actions; foreign exchange rate and interest rate fluctuations; changes in tax rates; weak, volatile or illiquid capital and/or credit markets; market position of the companies comprising the Stock Spirits Group; earnings; financial position; cash flows; return on capital and operating margins; anticipated investments; the ability of Bidco or the Stock Spirits Group to obtain capital/ additional finance; an unexpected decline in revenue or profitability; retention of senior management; the maintenance of labour relations; fluctuations in commodity prices and other input costs; operating and financial restrictions as a result of financing arrangements; changes in consumer habits and preferences including a reduction in demand by customers; competitive product and pricing pressures; future business combinations or disposals; success of business and operating initiatives; and changes in the level of capital investment.*

*Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither Bidco nor Stock Spirits, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations (including under the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA), neither Bidco or Stock Spirits is under any obligation, and Bidco and Stock Spirits expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.*

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

*No statement in this announcement is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Bidco or Stock Spirits, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Bidco or Stock Spirits, as appropriate.*

#### ***Dealing disclosure requirements***

*Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.*

*An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10<sup>th</sup> business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.*

*If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.*

*Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

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

*A copy of this announcement and the documents required to be published by Rule 26 of the Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Bidco's website at [www.cvc-sunray-offer-2021.com](http://www.cvc-sunray-offer-2021.com) and Stock Spirits' website at [www.stockspirits.com/investors/default.aspx](http://www.stockspirits.com/investors/default.aspx). For the avoidance of doubt, the contents of those websites are not incorporated into and do not form part of this announcement.*

*Stock Spirits Shareholders may request a hard copy of this announcement and any information incorporated into it by reference to another source in hard copy form by writing to Stock Spirits Group PLC, Solar House, Mercury Park, Wooburn Green, Buckinghamshire, HP10 0HH or by calling Steve Weatherley, Group General Counsel, on +44 (0)7593 656 787, or Sally Kenward, Company Secretary, on +44 (0)7867 433 592 during normal business hours. A hard copy of the announcement will not be sent unless so requested. Stock Spirits Shareholders may also request that all future documents, announcements and information sent in relation to the Offer should be sent in hard copy form, again by writing to the address set out above or by calling the telephone number above.*

## **Appendix 1**

### **Conditions and Certain Further Terms of the Scheme and the Offer**

#### **A. Conditions to the Scheme and Offer**

##### **Long-Stop Date**

1. The Offer will be conditional upon:
  - (a) the Scheme becoming unconditional and becoming effective; and
  - (b) subject to the provisions of the Code, the Scheme becoming unconditional and becoming effective by no later than the Long-Stop Date.

##### **Scheme approval**

2. The Scheme will be conditional upon:
  - (a) (i) its approval by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders (or the relevant classes thereof, if applicable), present and voting, either in person or by proxy, at the Court Meeting and any separate class meeting which may be required by the Court (or at any adjournment thereof); and (ii) the Court Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date (if any) as Bidco and Stock Spirits may agree, with the consent of the Panel and that the Court may allow, if required);
  - (b) (i) all resolutions necessary to approve and implement the Scheme as set out in the notice of the General Meeting (including, without limitation, the Resolutions) being duly passed by the requisite majority at the General Meeting (or at any adjournment thereof); and (ii) the General Meeting being held on or before the 22<sup>nd</sup> day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date (if any) as Bidco and Stock Spirits may agree, with the consent of the Panel and that the Court may allow, if required); and
  - (c) (i) the sanction of the Scheme by the Court without modification (or with modification on terms acceptable to Bidco and Stock Spirits) and the delivery of a copy of the Scheme Court Order to the Registrar of Companies for registration; and (ii) the Scheme Court Hearing being held on or before the 22<sup>nd</sup> day after the expected date of the Scheme Court Hearing to be set out in the Scheme Document in due course (or such later date (if any) as Bidco and Stock Spirits may agree, with the consent of the Panel and that the Court may allow, if required).

In addition, Bidco and Stock Spirits have agreed that the Offer will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless such Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

## **Official authorisations and regulatory clearances**

### ***European Commission clearance***

3. Without limitation to Condition 4 below, in so far as the Offer falls within the scope of Council Regulation (EC) 139/2004 (the “**Regulation**”):
  - (a) the Commission issuing a decision under Article 6(1)(b) of the Regulation, or being deemed to have done so under Article 10(6) of the Regulation, declaring the Offer compatible with the internal market (including, in the event that a request under Article 9(2) of the Regulation has been made by a Member State and the Commission has indicated that it has decided not to refer the Offer (or any part thereof) or any matter arising therefrom to a competent authority of a Member State in accordance with Article 9(1) of the Regulation, where the Commission subsequently issues or is deemed to have issued such a decision); or
  - (b) in the event that a request under Article 9(2) of the Regulation has been made by a Member State and the Commission deciding to refer or being deemed to have referred under Articles 9(1) or 9(5) of the Regulation respectively all or part of the Offer to a competent authority of one or more Member States:
    - (i) if all of the Offer is so referred, the issuing by the said competent authority or authorities of a Phase 1 clearance decision or decisions, or being deemed to have done so; or
    - (ii) if part of the Offer is so referred, the issuing by the said competent authority or authorities of a Phase 1 clearance decision or decisions, or being deemed to have done so, to Bidco in conjunction with a decision of the Commission which satisfies part (a) above (being interpreted mutatis mutandis);

### ***General Third Party official authorisations and regulatory clearances***

4. All notifications to and filings with Third Parties which are necessary or considered appropriate by Bidco having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with, in each case in connection with the Scheme or Offer, or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Stock Spirits or any other member of the Wider Stock Spirits Group by any member of the Wider Bidco Group or the carrying on by any member of the Wider Stock Spirits Group of any material aspect of its business;
5. No Third Party having intervened (as defined below) and there not continuing to be outstanding any statute, regulation or order of any Third Party in each case which is or is reasonably likely to be material in the context of the Wider Bidco Group or Wider Stock Spirits Group or the Offer and which would or might reasonably be expected to:

- (a) make the Scheme or the Offer or, in each case, its implementation or the acquisition or proposed acquisition by Bidco or any member of the Wider Bidco Group of any shares or other securities in, or control or management of, Stock Spirits or any member of the Wider Stock Spirits Group void, illegal or unenforceable in any jurisdiction, or otherwise directly or indirectly materially restrain, prevent, prohibit, restrict or delay the same or impose additional material conditions or obligations with respect to the Scheme or the Offer or such acquisition, or otherwise materially impede, challenge or interfere with the Scheme or Offer or such acquisition, or require material amendment to the terms of the Scheme or Offer or the acquisition or proposed acquisition of any Stock Spirits Shares or the acquisition of control or management of Stock Spirits or the Wider Stock Spirits Group by Bidco or any member of the Bidco Group;
- (b) materially limit or delay, or impose any material limitations on, the ability of any member of the Wider Bidco Group or any member of the Wider Stock Spirits Group to acquire or to hold or to exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities in, or to exercise voting or management control over, any member of the Wider Bidco Group or any member of the Wider Stock Spirits Group;
- (c) require, prevent or materially delay the divestiture or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Bidco Group or by any member of the Wider Stock Spirits Group of all or any portion of their respective businesses, assets or properties or materially limit the ability of any of them to conduct any of their respective businesses or to own or control any of their respective assets or properties or any part thereof;
- (d) except pursuant to the implementation of the Offer or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Bidco Group or of the Wider Stock Spirits Group to acquire, or to offer to acquire, any shares or other securities (or the equivalent) in any member of either group owned by any third party;
- (e) materially adversely limit the ability of any member of the Wider Bidco Group or of the Wider Stock Spirits Group to conduct or integrate or co-ordinate its business, or any part of it, with the businesses or any part of the businesses of any other member of the Wider Bidco Group or of the Wider Stock Spirits Group;
- (f) result in any member of the Wider Stock Spirits Group or the Wider Bidco Group ceasing to be able to carry on business under any name under which it presently does so; or
- (g) otherwise materially adversely affect any or all of the business, assets, profits, financial or trading position or prospects of any member of the Wider Stock Spirits Group or of the Wider Bidco Group,

and all applicable waiting and other time periods during which any Third Party could intervene under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

6. All Authorisations which are necessary or are reasonably considered necessary or appropriate by Bidco in any relevant jurisdiction for or in respect of the Scheme or Offer or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Stock Spirits or any other member of the Wider Stock Spirits Group by any member of the Wider Bidco Group or the carrying on by any member of the Wider Stock Spirits Group of its business having been obtained, in terms and in a form reasonably satisfactory to Bidco, from all appropriate Third Parties or from any persons or bodies with whom any member of the Wider Stock Spirits Group has entered into contractual arrangements and all such Authorisations remaining in full force and effect and there being no notice or intimation of any intention to revoke, suspend, restrict, modify or not to renew any of the same;

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

7. Except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise or other instrument to which any member of the Wider Stock Spirits Group is a party, or by or to which any such member or any of its assets is or are or may be bound, entitled or subject or any circumstance, which, in each case as a consequence of the Scheme or Offer or the acquisition or proposed acquisition of any ordinary shares or other securities in, or control of, Stock Spirits or any other member of the Wider Stock Spirits Group by any member of the Wider Bidco Group or otherwise, could or might reasonably be expected to result in, (in any case to an extent which is or would be material in the context of the Wider Stock Spirits Group taken as a whole):
  - (a) any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or any grant available to, any member of the Wider Stock Spirits Group being or becoming repayable or capable of being declared repayable immediately or prior to its stated maturity date or repayment date or the ability of any member of the Wider Stock Spirits Group to borrow monies or incur any indebtedness being withdrawn or inhibited or becoming capable of being withdrawn or inhibited;
  - (b) other than in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interests of any member of the Wider Stock Spirits Group or any such mortgage, charge or other security interest (wherever created, arising or having arisen) becoming enforceable;
  - (c) any such arrangement, agreement, licence, permit, franchise or instrument, or the rights, liabilities, obligations or interests of any member of the Wider Stock Spirits Group thereunder, being terminated or adversely modified or affected or any adverse action being taken or any obligation or liability arising thereunder;
  - (d) any asset or interest of any member of the Wider Stock Spirits Group being or falling to be disposed of or charged or ceasing to be available to any member of the Wider Stock Spirits Group or any right arising under which any such asset or interest could be required to be disposed of or could cease to be

available to any member of the Wider Stock Spirits Group otherwise than in the ordinary course of business;

- (e) any member of the Wider Stock Spirits Group ceasing to be able to carry on business under any name under which it presently does so;
- (f) the creation of material liabilities (actual or contingent) by any member of the Wider Stock Spirits Group other than in the ordinary course of business;
- (g) the rights, liabilities, obligations or interests of any member of the Wider Stock Spirits Group under any such arrangement, agreement, licence, permit, franchise or other instrument or the interests or business of any such member in or with any other person, firm, company or body (or any arrangement or arrangements relating to any such interests or business) being terminated or adversely modified or affected; or
- (h) the financial or trading position or the prospects or the value of any member of the Wider Stock Spirits Group being prejudiced or adversely affected,

and no event having occurred which, under any provision of any such arrangement, agreement, licence, permit or other instrument, would be reasonably likely to result in any of the events or circumstances which are referred to in paragraphs (a) to (h) of this Condition 7 occurring, in any case to an extent which is or would be material and adverse in the context of the Stock Spirits Group taken as a whole;

8. Since 30 September 2020 and except as Disclosed, no member of the Wider Stock Spirits Group having:
- (a) issued or agreed to issue, or authorised the issue of, additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold any shares out of treasury, other than as between Stock Spirits and wholly-owned subsidiaries of Stock Spirits other than any shares issued or shares transferred from treasury upon the exercise of any options or vesting of awards granted under any of the Stock Spirits Share Schemes;
  - (b) purchased or redeemed or repaid any of its own shares or other securities or reduced or made any other change to any part of its ordinary share capital to an extent which (other than in the case of Stock Spirits) is material in the context of the Stock Spirits Group taken as a whole;
  - (c) recommended, declared, paid or made any dividend or other distribution whether payable in cash or otherwise or made any bonus issue (other than to Stock Spirits or a wholly-owned subsidiary of Stock Spirits);
  - (d) except as between Stock Spirits and its wholly-owned subsidiaries or between such wholly-owned subsidiaries made or authorised any change in its loan capital;
  - (e) (other than any acquisition or disposal in the ordinary course of business or a transaction between Stock Spirits and a wholly-owned subsidiary of Stock Spirits or between such wholly-owned subsidiaries) merged with, demerged or

acquired any body corporate, partnership or business or acquired or disposed of or transferred, mortgaged, charged or created any security interest over any assets or any right, title or interest in any assets (including shares in any undertaking and trade investments) or authorised the same (in each case to an extent which is material and adverse in the context of the Stock Spirits Group taken as a whole);

- (f) issued or authorised the issue of, or made any change in or to, any debentures or (except in the ordinary course of business or except as between Stock Spirits and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or liability (actual or contingent) which in any case is material and adverse in the context of the Stock Spirits Group taken as a whole;
- (g) entered into, varied, or authorised any agreement, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which:
  - (i) is of a long term, onerous or unusual nature or magnitude or which is reasonably likely to involve an obligation of such nature or magnitude; or
  - (ii) is reasonably likely to restrict the business of any member of the Wider Stock Spirits Group; or
  - (iii) is other than in the ordinary course of business,and which in any case is material in the context of the Stock Spirits Group taken as a whole;
- (h) except as between Stock Spirits and its wholly-owned subsidiaries or between such wholly-owned subsidiaries entered into, implemented, effected or authorised any merger, demerger, reconstruction, amalgamation, scheme, commitment or other transaction or arrangement in respect of itself or another member of the Wider Stock Spirits Group otherwise than in the ordinary course of business which in any case is material in the context of the Stock Spirits Group taken as a whole;
- (i) entered into or varied the terms of, any contract, agreement or arrangement with any of the directors or senior executives of any member of the Wider Stock Spirits Group;
- (j) (other than in respect of a member which is dormant or which is solvent at the relevant time) taken any corporate action or had any legal proceedings instituted or threatened against it or petition presented or order made for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a receiver, administrator, administrative receiver, trustee or similar officer of all or any material part of its assets and revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction which in any case is material in the context of the Stock Spirits Group taken as a whole;

- (k) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business in any case with a material adverse effect on the Stock Spirits Group taken as a whole;
- (l) waived or compromised any claim, otherwise than in the ordinary course of business, which is material in the context of the Stock Spirits Group taken as a whole;
- (m) made any alteration to its memorandum or articles of association (in each case, other than in connection with the Scheme or where any such alteration does not introduce unusual or onerous provisions) which is material in the context of the Offer;
- (n) (except in relation to changes made or agreed as a result of, or arising from, applicable law or changes to applicable law) made or agreed or consented to:
  - (i) any material change to:
    - (A) the terms of the trust deeds constituting the pension scheme(s) established for its directors, employees or their dependants; or
    - (B) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder; or
    - (C) the basis on which qualification for, or accrual or entitlement to such benefits or pensions are calculated or determined; or
    - (D) the basis upon which the liabilities (including pensions) or such pension schemes are funded, valued or made,in each case, which has or would be reasonably be expected to have an effect that is material in the context of the Stock Spirits Group taken as a whole, or
  - (ii) any change to the trustees including the appointment of a trust corporation,
- (o) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any person employed by the Wider Stock Spirits Group in a manner which is material in the context of the Stock Spirits Group taken as a whole; or
- (p) entered into any agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) or proposed or announced any intention with respect to any of the transactions, matters or events referred to in this Condition 8;

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

9. Since 30 September 2020 and except as Disclosed:
- (a) there having been no adverse change or deterioration in the business, assets, financial or trading positions or profit or prospects of any member of the Wider Stock Spirits Group which in any case is material in the context of the Stock Spirits Group taken as a whole, save in consequence of the proposed Offer or of the process leading to the Offer;
  - (b) no contingent or other liability of any member of the Wider Stock Spirits Group having arisen or become apparent or increased which in any case is material in the context of the Stock Spirits Group taken as a whole;
  - (c) (other than as a result of or in connection with the Offer) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Stock Spirits Group is or may become a party (whether as plaintiff, defendant or otherwise) having been threatened in writing, announced, implemented or instituted by or against or remaining outstanding against or in respect of any member of the Wider Stock Spirits Group which in any case would be likely to have a material adverse effect in the context of the Stock Spirits Group taken as a whole;
  - (d) (other than as a result of or in connection with the Offer) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or against or remaining outstanding against or in respect of any member of the Wider Stock Spirits Group which in any case might reasonably be expected to have an adverse effect that is material in the context of the Stock Spirits Group taken as a whole;
  - (e) on or after the date of this announcement, and other than with the consent of Bidco, no action having been taken or proposed by any member of the Wider Stock Spirits Group, or having been approved by Stock Spirits Shareholders or consented to by the Panel, which falls or would fall within or under Rule 21.1 of the Code; and
  - (f) no member of the Wider Stock Spirits Group having conducted its business in breach of any applicable laws and regulations which in any case is material in the context of the Stock Spirits Group taken as a whole;

### **No discovery of certain matters**

10. Bidco not having discovered, other than as Disclosed, that:
- (a) that any financial or business or other information concerning the Wider Stock Spirits Group disclosed at any time by or on behalf of any member of the Wider Stock Spirits Group, whether publicly, to any member of the Wider Bidco Group or otherwise, is misleading or contains any misrepresentation of fact or omits to state a fact necessary to make any information contained therein not misleading and which was not subsequently corrected before the date of this announcement by disclosure either publicly or otherwise to Bidco to an extent

which in any case is material in the context of the Stock Spirits Group taken as a whole;

- (b) that any member of the Wider Stock Spirits Group is subject to any liability (actual or contingent) which is not disclosed in Stock Spirits' annual report and accounts for the financial year ended 30 September 2020 which has not been Disclosed and which in any case is material in the context of the Stock Spirits Group taken as a whole; or
- (c) any information which has not been Disclosed and which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Stock Spirits Group to an extent which is material in the context of the Stock Spirits Group taken as a whole;

11. Bidco not having discovered, other than as Disclosed, that:

- (a) that any past or present member of the Wider Stock Spirits Group has not complied with any applicable legislation or regulations of any jurisdiction with regard to the use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health, or otherwise relating to environmental matters or the health and safety of any person, or that there has otherwise been any such use, treatment, handling, storage, transport, release, disposal, discharge, spillage, leak or emission (whether or not this constituted a non-compliance by any person with any legislation or regulations and wherever the same may have taken place) which, in any case, would be likely to give rise to any liability (whether actual or contingent) or cost on the part of any member of the Wider Stock Spirits Group which in any case is material in the context of the Stock Spirits Group taken as a whole;
- (b) that there is, or is likely to be, any liability, whether actual or contingent, to make good, repair, reinstate or clean up any property now or previously owned, occupied or made use of by any past or present member of the Wider Stock Spirits Group or any other property or any controlled waters under any environmental legislation, regulation, notice, circular, order or other lawful requirement of any relevant authority or third party or otherwise which in any case is material in the context of the Stock Spirits Group taken as a whole; or
- (c) that circumstances exist whereby a person or class of persons would be likely to have a claim in respect of any product or process of manufacture or materials used therein now or previously manufactured, sold or carried out by any past or present member of the Wider Stock Spirits Group which is or would be likely, materially and adversely, to affect any member of the Wider Stock Spirits Group and which is material in the context of the Stock Spirits Group taken as a whole.

## Anti-corruption, sanctions and criminal property

12. Bidco not having discovered, other than as Disclosed, that:

- (a) (i) any past or present member, director, officer or employee of the Wider Stock Spirits Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other anti-corruption legislation applicable to the Wider Stock Spirits Group or (ii) any person that performs or has performed services for or on behalf of the Wider Stock Spirits Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption legislation; or
- (b) any material asset of any member of the Wider Stock Spirits Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition); or
- (c) any past or present member, director, officer or employee of the Stock Spirits Group, or any other person for whom any such person may be liable or responsible, has engaged in any business with, made any investments in, made any funds or assets available to or received any funds or assets from: (i) any government, entity or individual in respect of which United States or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by United States or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HM Treasury & Customs; or (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its Member States, which, in each case, would cause any member of the Stock Spirits Group to be in breach of any economic sanctions laws applicable to the Stock Spirits Group; or
- (d) a member of the Stock Spirits Group has engaged in any transaction which would cause Bidco to be in breach of any law or regulation upon its acquisition of Stock Spirits, including the economic sanctions of the United States Office of Foreign Assets Control, or HM Treasury & Customs, or any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the European Union or any of its Member States.

For the purpose of these Conditions:

- (i) “**Third Party**” means any central bank, government, government department or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, authority (including any national or supranational anti-trust or merger control authority), court, trade agency, association, institution or professional or environmental body or any other person or body whatsoever in any relevant jurisdiction, including, for the avoidance of doubt, the Panel;

- (ii) a Third Party shall be regarded as having “*intervened*” if it has decided to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or made, proposed or enacted any statute, regulation, decision or order or taken any measures or other steps or required any action to be taken or information to be provided or otherwise having done anything and “*intervene*” shall be construed accordingly; and
- (iii) “*Authorisations*” means authorisations, orders, grants, recognitions, determinations, certificates, confirmations, consents, licences, clearances, provisions and approvals, in each case, of a Third Party.

## **B. Waiver and invocation of the Conditions**

1. Subject to the requirements of the Panel, Bidco reserves the right in its sole discretion to waive, in whole or in part, all or any of the Conditions set out in Part A of this Appendix 1, except Conditions 1(a), 2(a)(i), 2(b)(i) and 2(c)(i) which cannot be waived. The deadlines in any of Conditions 1(b), 2(a)(ii), 2(b)(ii) or 2(c)(ii) may be extended to such later date as may be agreed in writing by Bidco and Stock Spirits (with the Panel’s consent and approval of the Court, if such consent and/or approval is required). If any of Conditions 1(b), 2(a)(ii), 2(b)(ii) or 2(c)(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Bidco shall make an announcement by 8.00 a.m. on the business day following such deadline confirming whether, subject to paragraph 3 below, it has invoked the relevant Condition, waived the relevant deadline or agreed with Stock Spirits to extend the relevant deadline.
2. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions set out in paragraphs 3 to 12 in Part A of this Appendix 1 by a date earlier than the latest date specified above for the fulfilment of that condition, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are, at such earlier date, no circumstances indicating that any Condition may not be capable of fulfilment.
3. Subject to paragraph 4 below, under Rule 13.5(a) of the Code, Bidco may only invoke a Condition so as to cause the Offer not to proceed, to lapse or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Offer. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Each of the Conditions set out in paragraphs 1 and 2 of Part A of this Appendix 1 (and any Takeover Offer acceptance condition adopted on the basis specified in Part C of this Appendix 1) will not be subject to Rule 13.5(a) of the Code.
5. Any Condition that is subject to Rule 13.5(a) of the Code may be waived by Bidco.
6. The Scheme will not become effective unless the Conditions have been fulfilled or (to the extent capable of waiver) waived or, where appropriate, have been determined by Bidco to be or remain satisfied by no later than the Long-Stop Date.

7. If the Panel requires Bidco to make an offer or offers for any Stock Spirits Shares under the provisions of Rule 9 of the Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
8. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
9. Unless the Condition in paragraph 3 of Part A of this Appendix 1 is waived by Bidco, the Offer is conditional upon the European Commission and/or, in the event of a full or partial referral of the Offer to one or more Member State(s) under Articles 9(1) or 9(5) of Council Regulation (EC) 139/2004/EC, the competent authority of such Member State(s) issuing a Phase 1 clearance decision or being deemed to have done so.

**C. Implementation by way of Takeover Offer**

Bidco reserves the right to elect to implement the Offer by way of a Takeover Offer, subject to the Panel's consent and (while the Co-operation Agreement is continuing) to the terms of the Co-operation Agreement. In such event, such Takeover Offer will be implemented on the same terms and conditions, so far as applicable, as those which would apply to the Scheme, subject to appropriate amendments to reflect the change in method of effecting the Offer, including (without limitation and subject to the consent of the Panel) replacement of Condition 2 with an acceptance condition that is set at 90 per cent. (or such other percentage (being more than 50 per cent.) as Bidco may decide (subject to the Panel's consent)): (i) in nominal value of the shares to which such Takeover Offer relates; and (ii) of the voting rights attaching to those shares.

**D. Certain further terms of the Offer**

1. Stock Spirits Shares will be acquired by Bidco fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and other third party rights of any nature whatsoever and together with all rights attaching to them as at the date of this announcement or subsequently attaching or accruing to them, including the right to receive and retain, in full, all dividends and other distributions (if any) declared, made, paid or payable, or any other return of capital made, on or after the Effective Date.
2. If, on or after the date of this announcement and prior to the Effective Date, any dividend and/or other distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Stock Spirits Shares with a record date falling on or before the Scheme Record Time, Bidco reserves the right (without prejudice to any right of Bidco to invoke, subject to the Code, Condition 8(c) in Part A of this Appendix 1), to reduce the consideration payable under the terms of the Offer for the Stock Spirits Shares by an amount up to the amount of such dividend and/or distribution and/or return of capital, in which case any reference in this announcement or in the Scheme Document to the consideration payable under the terms of the Offer will be deemed to be a reference to the consideration as so reduced. To the extent that any such dividend and/or distribution and/or other return of capital is declared, made or paid or is payable and it is: (i) transferred pursuant to the Offer on a basis which entitles Bidco to receive the dividend or distribution and to retain it; or (ii) cancelled, the consideration

payable under the terms of the Offer will not be subject to change in accordance with this paragraph. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Offer.

3. The Offer will be subject, *inter alia*, to the Conditions and certain further terms which are set out in this Appendix 1 and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the Listing Rules and the provisions of the Code.
4. The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.
5. This announcement and any rights or liabilities arising hereunder, the Offer, the Scheme, and any proxies will be governed by English law and be subject to the jurisdiction of the courts of England and Wales. The Scheme will be subject to the applicable requirements of the Code, the Panel, the London Stock Exchange, the FCA and the Listing Rules.

## **Appendix 2**

### **Bases and Sources**

1. The value attributed to the existing issued and to be issued ordinary share capital of Stock Spirits is based upon the 200,000,000 Stock Spirits Shares in issue on 11 August 2021 and the 4,812,440 Stock Spirits Shares which are the subject of options and awards outstanding under the Stock Spirits Share Schemes on 11 August 2021, offset by 1,331,967 Stock Spirits Shares held in Stock Spirits' employee benefit trust and excluding dividend equivalents on such options and awards.
2. For the purposes of the financial comparisons contained in this announcement, no account has been taken of any liability to taxation or the treatment of fractions under the Offer.
3. Unless otherwise stated, the financial information on Stock Spirits is extracted (without material adjustment) from Stock Spirits' Annual Report and Accounts for the year ended 30 September 2020 and from the announcement of Stock Spirits' interim results for the six months ended 31 March 2021.
4. The market prices of the Stock Spirits Shares are the closing middle market quotations as derived from information published by the London Stock Exchange.
5. The referenced volume weighted average prices are derived from Bloomberg and FactSet refer to trading on the London Stock Exchange only.
6. Certain figures in this announcement have been subject to rounding adjustments.

### **Appendix 3**

#### **Details of Irrevocable Undertakings**

The following Stock Spirits Directors have given irrevocable undertakings in their capacity as holders of Stock Spirits Shares (or persons who control, or can procure the control of, the voting rights attaching to Stock Spirits Shares) to vote in favour of the Scheme at the Court Meeting and the Resolutions to be proposed at the General Meeting in relation to the following Stock Spirits Shares:

<b>Name</b>	<b>Number of Stock Spirits Shares</b>	<b>Percentage of issued ordinary share capital of Stock Spirits Shares</b>
D. Maloney	60,000	0.030
M. Stachowicz	620,659	0.310
P. Bal	110,816	0.055
J. Nicolson	0	0.000
T. Blawat	0	0.000
M. Butterworth	18,750	0.009
D. Bevilacqua	27,018	0.014
K. Allum	0	0.000
<b>Total</b>	<b>837,243</b>	<b>0.419</b>

The undertakings from the directors of Stock Spirits will cease to be binding in certain circumstances, including if:

1. the Scheme is withdrawn or lapses (or becomes incapable of being effective),
2. Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Offer and no new, revised or replacement Offer is announced by Bidco pursuant to and in accordance with Rule 2.7 of the Code at the same time; or
3. a competing offer for the entire issued and to be issued ordinary share capital is made, and such offer becomes or is declared unconditional (if implemented by way of a takeover offer under Part 28 of the Companies Act) or effective (if implemented by way of a scheme of arrangement under Part 26 of the Companies Act).

## Appendix 4 Definitions

The following definitions apply throughout this announcement unless the context requires otherwise.

“£”, “Sterling”, “pence” or “p”	the lawful currency of the UK
“Bidco”	Sunray Investments Luxembourg S.à r.l., a Luxembourg private limited liability company (société à responsabilité limitée) having its registered office at 20 Avenue Monterey, L-2163 Luxembourg and in process of registration with the Luxembourg Trade and Companies Register ( <i>Registre de Commerce et des Sociétés, Luxembourg</i> )
“Bidco Group”	(i) Bidco; (ii) Bidco Topco; and (iii) any subsidiary undertaking of Bidco or Bidco Topco from time to time
“Bidco Topco”	Sunray Holdings Jersey Limited
“business day”	a day, (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London
“Citi”	Citigroup Global Markets Limited
“Clean Team Agreement”	the Panel clean team and joint defence agreement entered into between CVC Advisers (Polska) sp. z o.o, Stock Spirits, Clifford Chance and Slaughter and May on 20 July 2021 in connection with the Offer as described in paragraph 13 ( <i>Offer-related arrangements</i> )
“Closing Price”	the closing middle market price of a Stock Spirits Share as derived from the Daily Official List of the London Stock Exchange
“Code”	the City Code on Takeovers and Mergers
“Commission”	the European Commission
“Companies Act”	the Companies Act 2006, as amended from time to time
“Conditions”	the conditions to the implementation of the Offer (including the Scheme) as set out in Appendix 1 to this announcement and to be set out in the Scheme Document
“Confidentiality Agreement”	the confidentiality agreement between CVC Advisers (Polska) sp. zoo and Stock Spirits entered into on 22 June

	2021 (as supplemented on 1 July 2021) as described in paragraph 13 ( <i>Offer-related arrangements</i> )
“Co-operation Agreement”	the co-operation agreement dated on or around the date if this announcement made between Bidco and Stock Spirits as described in paragraph 13 ( <i>Offer-related arrangements</i> )
“Court”	the High Court of Justice of England and Wales
“Court Meeting”	the meeting(s) of the Scheme Shareholders to be convened by order of the Court pursuant to section 896 of the Companies Act, notice of which will be set out in the Scheme Document, for the purpose of considering, and if thought fit, approving the Scheme, including any adjournment thereof
“CREST”	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755)) in respect of which Euroclear UK & Ireland Limited is the Operator (as defined in such Regulations) in accordance with which securities may be held and transferred in uncertificated form
“CVC Funds”	certain funds advised by affiliates of CVC Advisers Limited
“CVC Portfolio Companies”	any portfolio companies in which CVC Funds hold an interest or investment
“Dealing Disclosure”	an announcement pursuant to Rule 8 of the Code containing details of dealings in interests in relevant securities of a party to an offer
“Debt and Equity Financing Arrangements”	(i) equity capital committed and to be invested by the CVC Funds; and  (ii) an interim term and revolving facility agreement dated on or around the date of this announcement between Bidco as original borrower and Bank Handlowy w Warszawie S.A. and ING Bank N.V., London Branch as original lenders
“Disclosed”	information which has been: (i) disclosed by or on behalf of Stock Spirits in the annual report and accounts of the Stock Spirits Group for the 12 month periods to 30 September 2020; (ii) disclosed by or on behalf of Stock Spirits in the half yearly results announcement of the Stock Spirits Group for the six month period to 31 March 2021; (iii) disclosed by or on behalf of Stock Spirits in this announcement; (iv) disclosed by or on behalf of Stock Spirits in any other public announcement made by,

or on behalf of, Stock Spirits in accordance with the Listing Rules, Disclosure Guidance and Transparency Rules and/or the Market Abuse Regulation (as applicable), or otherwise made via a Regulatory Information Service, in each case, prior to the date of this announcement; and/or (v) fairly disclosed prior to the date of this announcement by or on behalf of Stock Spirits to Bidco (or its respective officers, employees, agents or advisers in their capacity as such), including in the virtual data room operated by or on behalf of Stock Spirits

“Disclosure Guidance and Transparency Rules”	and the Disclosure Guidance and Transparency Rules made by the FCA and forming part of the FCA’s handbook (as amended from time to time)
“Effective Date”	the date upon which either: (i) the Scheme becomes effective in accordance with its terms; or (ii) if Bidco (subject to the consent of the Panel and to the terms of the Co-operation Agreement) elects to implement the Offer by way of a Takeover Offer, the date on which the Takeover Offer becomes unconditional
“Evaluation”	the detailed evaluation of Stock Spirits and its business, which will consider both the short and long-term objectives of the business, to be carried out following completion of the Offer of Stock Spirits as described in paragraph 10 to this announcement
“Excluded Shares”	(i) any Stock Spirits Shares beneficially owned by Bidco or any other member of the Bidco Group or CVC Funds; and (ii) any Stock Spirits Shares held in treasury by Stock Spirits, in each case, immediately prior to the Scheme Record Time
“Forms of Proxy”	the form of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
“FCA”	the Financial Conduct Authority of the United Kingdom, acting in its capacity as the competent authority for the purposes of FSMA
“FSMA”	the Financial Services and Markets Act 2000
“General Meeting”	the general meeting of Stock Spirits to be convened in connection with the Scheme to consider and, if though fit, approve the Resolutions (with or without amendment), notice of which will be set out in the Scheme Document, including any adjournment thereof

“Joint Defence Agreement”	the Panel clean team and joint defence agreement entered into between CVC Advisers (Polska) sp. z o.o, Stock Spirits, Clifford Chance and Slaughter and May on 20 July 2021 in connection with the Offer as described in paragraph 13 ( <i>Offer-related arrangements</i> )
“J.P. Morgan Cazenove”	J.P. Morgan Securities plc (which conducts its UK investment banking business as J.P. Morgan Cazenove)
“Listing Rules”	the rules and regulations made by the FCA under FSMA, and contained in the publication of the same name
“London Stock Exchange”	London Stock Exchange plc
“Long-Stop Date”	12 May 2022 (or such later date as may be agreed in writing by Bidco and Stock Spirits (with the Panel's consent and as the Court may approve (if such approval(s) are required)
“Market Abuse Regulation”	Regulation (EU) No.596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, as applicable in the UK by virtue of section 3 of the European Union (Withdrawal) Act 2018, as amended from time to time (including by the Market Abuse (Amendment) (EU Exit) Regulations 2019 (SI 2019/310))
“Member State”	a member of the European Union
“Numis”	Numis Securities Ltd
“Offer”	the acquisition of the entire issued and to be issued share capital of Stock Spirits by Bidco (other than Stock Spirits Shares already held or controlled by the Bidco Group or CVC Funds, if any) to be implemented by way of the Scheme or (should Bidco so elect, subject to the consent of the Panel and the terms of the Co-operation Agreement) by way of the Takeover Offer (and, where the context admits, any subsequent revision, variation, extension or renewal thereof)
“Offer Document”	if (subject to the consent of the Panel and the terms of the Co-operation Agreement) Bidco elects to effect the Offer by way of a Takeover Offer, the offer document published by or on behalf of Bidco in connection with any Takeover Offer, setting out, among other things, the full terms and conditions of the Offer, including any revised offer document
“Official List”	the official list maintained by the FCA pursuant to Part 6 of FSMA

“Overseas Shareholders”	Stock Spirits Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
“Panel”	the UK Panel on Takeovers and Mergers
“Registrar of Companies”	the Registrar of Companies in England and Wales
“Regulation”	Council Regulation (EC) 139/2004
“Regulatory Information Service”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
“Resolutions”	the resolution(s) to be proposed at the General Meeting necessary to facilitate the implementation the Scheme, including, without limitation, a resolution to amend the articles of association by the adoption and inclusion of a new article under which any Stock Spirits Shares issued or transferred after the Scheme Record Time (other than to Bidco and/or its nominees) shall be automatically transferred to Bidco (or as it may direct) and, where applicable, for consideration to be paid to the transferee or to the original recipient of the Stock Spirits Shares so transferred or issued on the same terms as the Offer (other than terms as to timings and formalities)
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Stock Spirits Shareholders in that jurisdiction
“Scheme”	the scheme of arrangement proposed to be made under Part 26 of the Companies Act between Stock Spirits and the Scheme Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Stock Spirits and Bidco
“Scheme Court Hearing”	the hearing of the Court to sanction the Scheme under Part 26 of the Companies Act
“Scheme Court Order”	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
“Scheme Document”	the document to be sent to (among others) Stock Spirits Shareholders containing and setting out, among other things, the full terms and conditions of the Scheme and containing the notices convening the Court Meeting and General Meeting, including any revised scheme document

“Scheme Record Time”	the time and date specified in the Scheme Document, expected to be 6.00 p.m. on the business day immediately following the date of the Scheme Court Hearing
“Scheme Shareholders”	registered holders of Scheme Shares
“Scheme Shares”	<p>Stock Spirits Shares:</p> <p>(i) in issue as at the date of the Scheme Document;</p> <p>(ii) (if any) issued after the date of the Scheme Document and prior to the Scheme Voting Record Time; and</p> <p>(iii) (if any) issued on or after the Scheme Voting Record Time and before the Scheme Record Time, either on terms that the original or any subsequent holders thereof shall be bound by the Scheme or in respect of which the holders thereof shall have agreed in writing to be bound by the Scheme,</p> <p>in each case, which remain in issue at the Scheme Record Time but excluding the Excluded Shares</p>
“Scheme Voting Record Time”	the time and date specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
“Stock Spirits”	Stock Spirits Group PLC
“Stock Spirits Directors”	means the directors of Stock Spirits from time to time and “ <b>Stock Spirits Director</b> ” shall be construed accordingly;
“Stock Spirits Group”	Stock Spirits and its subsidiary undertakings
“Stock Spirits Shareholders”	the registered holders of Stock Spirits Shares from time to time
“Stock Spirits Share Schemes”	each of the following share plans of Stock Spirits: (i) the Stock Spirits Deferred Annual Bonus Plan, and (ii) the Stock Spirits Performance Share Plan
“Stock Spirits Shares”	ordinary shares of 10 pence each in the capital of Stock Spirits from time to time
“Substantial Interest”	a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking
“Takeover Offer”	if (subject to the consent of the Panel and the terms of the Co-operation Agreement) Bidco elects to effect the Offer by way of a takeover offer (as defined in Chapter

3 of Part 28 of the Companies Act), the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued ordinary share capital of Stock Spirits on the terms and subject to the conditions to be set out in the related Offer Document (and, where the context admits, any subsequent revision, variation, extension or renewal thereof)

“treasury shares”	any Stock Spirits Shares held by Stock Spirits as treasury shares
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“United States of America”, “United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“US Exchange Act”	the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder
“Wider Bidco Group”	Bidco and the subsidiaries and subsidiary undertakings of Bidco and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Bidco Group is interested or any undertaking in which Bidco and such undertakings (aggregating their interests) have a Substantial Interest), but excluding any CVC Portfolio Companies
“Wider Stock Spirits Group”	Stock Spirits and the subsidiaries and subsidiary undertakings of Stock Spirits and associated undertakings (including any joint venture, partnership, firm or company in which any member of the Stock Spirits Group is interested or any undertaking in which Stock Spirits and such undertakings (aggregating their interests) have a Substantial Interest)

For the purposes of this announcement, “subsidiary”, “subsidiary undertaking”, “undertaking”, “associated undertaking” have the meanings given by the Companies Act.

References to an enactment include references to that enactment as amended, replaced, consolidated or re-enacted by or under any other enactment before or after the date of this announcement. All references to time in this announcement are to London time unless otherwise stated.

A reference to “includes” shall mean “includes without limitation”, and references to “including” and any other similar term shall be construed accordingly.

IN WITNESS whereof this deed has been executed and delivered as a deed on the date above mentioned.

**EXECUTED** as a **DEED** by:  
David Maloney

in the presence of:

Signature of witness

Name of witness

Address of witness

Occupation of witness

