

# THE TAKEOVER PANEL

## OFFERS BY

**ANTWERP MANAGEMENT LIMITED, A COMPANY INDIRECTLY OWNED BY FUNDS MANAGED OR ADVISED BY MORGAN STANLEY INFRASTRUCTURE INC., AN INDIRECT SUBSIDIARY OF MORGAN STANLEY,  
("MSIP")**

**AND**

**ELEIA LIMITED, A COMPANY INDIRECTLY OWNED BY A CONSORTIUM CONSISTING OF INVESTMENT FUNDS MANAGED BY ANCALA PARTNERS LLP AND FIERA INFRASTRUCTURE INC.,  
("ELEIA")**

**FOR  
AUGEAN PLC ("AUGEAN")**

On 30 July 2021, Augean and MSIP announced that they had reached agreement on the terms of a recommended offer pursuant to which MSIP would acquire all of the issued and to be issued share capital of Augean at a price of 280p per Augean share, together with a contingent entitlement of up to a further 20p per Augean share by way of a contingent value right (the "**Original MSIP Offer**") to be implemented by way of a scheme of arrangement. On 16 August 2021, Augean and MSIP announced the publication of the scheme document related to the Original MSIP Offer.

On 24 August 2021, Augean and Eleia announced that they had reached agreement on the terms of a recommended cash offer pursuant to which Eleia would acquire all of the issued and to be issued share capital of Augean at a price of 325p per Augean share (the "**Eleia Offer**"), to be implemented by way of a scheme of arrangement. Augean also announced that it had withdrawn its recommendation of the Original MSIP Offer. On 6 September 2021, Augean and Eleia announced the publication of the scheme document related to the Eleia Offer.

On 8 September 2021, Augean and MSIP announced that they had reached agreement on the terms of an increased recommended all cash offer pursuant to which MSIP would acquire all of the issued and to be issued share capital of Augean at a price of 340p per

Augean share, to be implemented by way of a scheme of arrangement (the “**Increased MSIP Offer**”). Augean also announced that it had withdrawn its recommendation of the Eleia Offer. The contingent entitlement of up to a further 20p per Augean share by way of a contingent value right that formed part of the Original MSIP Offer does not form part of the Increased MSIP Offer.

On the basis that neither offeror has declared its offer final, such that either offer may be increased or otherwise revised, a competitive situation continues to exist for the purposes of Rule 32.5 of the Takeover Code (the “**Code**”).

In order to provide an orderly framework for the resolution of this competitive situation, and in accordance with Rule 32.5, the Panel Executive has, at the request of the parties, established an auction procedure which, assuming that a competitive situation continues to exist, is expected to commence at 17.00 on 21 September 2021 and end during the evening of 22 September 2021. The default auction procedure set out in Appendix 8 to the Code will therefore not apply.

The auction procedure will consist of a maximum of five rounds which will all take place on the evening of 22 September 2021. In the first round, only the offeror with the lowest offer as at the commencement of the auction (or, in the event of both offers being at the same price, the offeror that last announced a revision to its offer) may make an increased bid. In the second round, only the offeror that was not eligible to make a bid in the first round may make an increased bid (and it may do so even if no increased bid was made in the first round by the other offeror). If the auction procedure has not concluded after the second round (which it will if no increased bid is made in the second round), there will be up to two further rounds, in which only the offeror that was not eligible to make a bid in the prior round may make an increased offer. If the auction procedure has not concluded after either of these two further rounds (which it will if no increased bid is made in either such further round), there will be a final round, in which both offerors may make an increased bid.

An offeror that is permitted to make a bid in any round may make a fixed price bid in cash in pounds sterling and in whole pence. No other form of consideration (including

any contingent value right) is permitted. In the final round, each offeror is additionally permitted to make its offer subject to the condition that the other offeror also makes a bid in the final round. Formula bids are not permitted in any round and there is no requirement that an increased bid must be higher by any minimum increment than the other offeror's bid.

Any increased bids lodged during the auction procedure will not be announced publicly by any of the parties other than as set out below.

As soon as practicable following completion of the auction procedure on the evening of 22 September 2021, the Panel Executive will make an announcement in accordance with Rule 30.1 of the Code (which will also be published on the Panel's website). That announcement will set out the prices of the offers to be announced or confirmed by each offeror following the conclusion of the auction procedure.

Following the Panel Executive's announcement of the result of the auction procedure and by no later than 07.00 on 23 September 2021, each of the offerors is required to make an appropriate announcement under Rule 2.7 of the Code of a revised offer in respect of its latest bid lodged in accordance with the auction procedure (or alternatively, if it did not lodge an increased bid during the auction procedure, a confirmation of its pre-existing offer).

Thereafter, the parties shall consult the Panel Executive regarding the offer timetable, including the date for the shareholder meetings to approve any offer to be implemented by means of a scheme of arrangement.

It is possible that the auction procedure may complete in circumstances where the revised offers which the offerors are required to announce are at the same price in cash.

Between 17.00 on 21 September 2021 and the end of the auction procedure:

- (a) an offeror may not introduce additional conditions to its offer, reduce the level of its acceptance condition (if applicable), waive any of the other conditions to its offer, or switch from a scheme of arrangement to a contractual offer or vice versa;
- (b) an offeror (and each person acting in concert with an offeror) may not deal in relevant securities of Augean or take any steps to procure, amend or renew any irrevocable commitment or letter of intent in relation to its or the other offeror's offer; and
- (c) an offeror (and each person acting in concert with an offeror) may not make any public statement in relation to or impacting on the auction procedure or the terms of its or the other offeror's offer for Augean.

The Panel Executive reserves the discretion to amend the auction procedure as appropriate. In particular, the times referred to above are subject to change, depending on the circumstances at the time.

Save for an offer in respect of a bid lodged in accordance with, or as otherwise provided by, the auction procedure, neither offeror will be permitted to announce or to make a revised offer for Augean at or after 17.00 on 21 September 2021. Following the conclusion of the auction procedure, neither offeror is permitted to revise the price of its offer for Augean from that established by means of the auction procedure, or to introduce any new alternative offer unless, under the normal provisions of the Code, a person other than MSIP or Eleia (or any person acting in concert with either MSIP or Eleia) announces a firm intention to make an offer for Augean.

If either offeror makes a "no increase" statement prior to 17.00 on 21 September 2021, the auction procedure shall not commence. However, if one offeror makes a "no increase" statement between 07.00 on 20 September 2021 and 17.00 on 21 September 2021 the other offeror shall be permitted to announce a revised offer prior to 17.00 on 22 September 2021.

If Augean pays a dividend between the conclusion of the auction procedure and the end of the offer period, each offeror will reduce the terms of its offer by an amount per share equal to the amount of the dividend per share.

Each of Augean, MSIP and Eleia has agreed to the terms of the auction procedure and this statement.

16 September 2021