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THIS ANNOUNCEMENT INCLUDES INSIDE INFORMATION

29 April 2021

WH Smith PLC

Pricing of Convertible Bond Offering

WH Smith PLC ("**WH Smith**" or the "**Company**") today announces the successful pricing and final terms of its offering (the "**Offering**") of £327 million of guaranteed senior unsecured Convertible Bonds due 2026 (the "**Bonds**".)

The Bonds will be issued by WH Smith and initially guaranteed by WH Smith Retail Holdings Limited, WH Smith Travel Limited, WH Smith High Street Limited, WH Smith Hospitals Limited, InMotion Entertainment Group, LLC, The Marshall Retail Group, LLC and funkypigeon.com Limited (the "**Initial Guarantors**"). The terms and conditions of the Bonds (the "**Conditions**") will provide for the addition of further guarantors and the release of guarantors (including the Initial Guarantors) in certain circumstances.

The Bonds will be issued in principal amounts of £100,000 each and will carry a coupon of 1.625% per annum payable semi-annually in arrear in equal instalments on 7 May and 7 November in each year, with the first interest payment date being 7 November 2021 (the "**First Interest Payment Date**"). The Bonds will be convertible into new and/or existing ordinary shares of the Company (the "**Ordinary Shares**"). The initial conversion price is set at £24.99, representing a premium of 40% above the reference share price of £17.85 which is equal to the placement price of the Concurrent Accelerated Bookbuilding (as defined and further described below). The conversion price will be subject to adjustment in certain circumstances in line with market practice.

Settlement and delivery of the Bonds is expected to take place on 7 May 2021 (the "**Closing Date**"). If not previously converted, redeemed or purchased and cancelled, the Bonds will be redeemed at par on 7 May 2026. The Company will have the option to redeem all, but not some only, of the outstanding Bonds on or after the day falling 3 years and 21 days after the Closing Date, at par plus accrued interest, if the value of the Ordinary Shares underlying £100,000 in principal amount of the Bonds exceeds £130,000 on each of at least 20 dealing days in a period of 30 consecutive dealing days ending not more than 5 London business days prior to the giving of the relevant redemption notice by the Company or, at any time if 15% or less of the principal amount of the Bonds remain outstanding.

The Joint Global Coordinators (as defined below) have organised a simultaneous placement of existing Ordinary Shares (the "**Concurrent Accelerated Bookbuilding**") on behalf of certain subscribers of the Bonds who wish to sell those Ordinary Shares in short sales to purchasers procured by the Joint Global Coordinators (referred to below) in order to hedge the market risk to which the subscribers are exposed with respect to the Bonds that they acquire in the Offering. The placement price for the short sales in the Concurrent Accelerated Bookbuilding has been determined via an accelerated bookbuilding process that was carried out by the Joint Global Coordinators. The Company and the Initial Guarantors will not receive any proceeds from any sale of Ordinary Shares in connection with the Concurrent Accelerated Bookbuilding.

Application is intended to be made for the Bonds to be admitted to trading on the unregulated open market (*Freiverkehr*) of the Frankfurt Stock Exchange after the Closing Date but prior to the First Interest Payment Date.

The Company, on behalf of itself and its subsidiaries, has agreed to a customary lock-up, ending on the date falling 90 days after the Closing Date, subject to customary exceptions and to waiver by the Joint Global Coordinators.

Barclays, J.P. Morgan Cazenove, BNP Paribas and HSBC are acting as Joint Global Coordinators and Joint Bookrunners for the Offering. Santander is acting as Joint Bookrunner for the Offering. Certain of the Joint Bookrunners or their affiliates are lenders under the banking facilities which are intended to be partially repaid with the proceeds of the issue of the Bonds.

N.M. Rothschild Sons Limited ("**Rothschild & Co**") is acting as financial adviser to the Company.

For further information please contact:

WH Smith

Investors: Mark Boyle +44 (0) 7879 897 687

Media: Nicola Hillman +44 (0) 17 9356 3354

Barclays (Joint Global Coordinator, Joint Bookrunner and Joint Corporate Broker)

Mark Astaire

Omar Alghanim

+44 (0) 20 7623 2323

J.P. Morgan Cazenove (Joint Global Coordinator, Joint Bookrunner and Joint Corporate Broker)

Edmund Byers

Alex Watkins

+44 (0) 20 7742 4000

BNP Paribas (Joint Global Coordinator and Joint Bookrunner)

Paul Frankfurt

Chris Byrne

+44 (0) 20 7595 2000

HSBC (Joint Global Coordinator and Joint Bookrunner)

Ilyas Amlani

Robert Baker

+44 (0) 20 7991 8888

Santander (Joint Bookrunner)

Simon Payne

+34 912572388

Rothschild & Co (Financial Adviser)

Peter Nicklin

Colm Burns

+44 (0) 20 7280 5000

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018. The person responsible for making this announcement is Ian Houghton, Company Secretary at WH Smith.

IMPORTANT NOTICES

THIS ANNOUNCEMENT DOES NOT COMPRISE A PROSPECTUS OR LISTING PARTICULARS FOR THE PURPOSES OF THE PROSPECTUS REGULATION (AS DEFINED BELOW) OR PART VI OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (“FSMA”) OF THE UNITED KINGDOM OR OTHERWISE AND NO SUCH PROSPECTUS OR LISTING PARTICULARS IS REQUIRED TO BE, OR WILL BE, PREPARED IN CONNECTION WITH THE BONDS OR THE ORDINARY SHARES OF THE COMPANY (TOGETHER, THE “SECURITIES”). THE DEFINITIVE TERMS OF THE BONDS WILL BE DESCRIBED IN THE FINAL VERSION OF THE TERMS AND CONDITIONS OF THE BONDS.

NO ACTION HAS BEEN TAKEN BY THE COMPANY, THE INITIAL GUARANTORS, ANY OF BARCLAYS BANK PLC, J.P. MORGAN SECURITIES PLC, BNP PARIBAS, HSBC BANK PLC AND BANCO SANTANDER, S.A. (THE “JOINT BOOKRUNNERS”) OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY PERSON ACTING ON ITS OR THEIR BEHALF THAT WOULD PERMIT AN OFFERING OF THE SECURITIES OR POSSESSION OR DISTRIBUTION OF THIS ANNOUNCEMENT OR ANY OFFERING OR PUBLICITY MATERIAL RELATING TO THE SECURITIES IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. PERSONS INTO WHOSE POSSESSION THIS ANNOUNCEMENT COMES ARE REQUIRED BY THE COMPANY, THE INITIAL GUARANTORS AND THE JOINT BOOKRUNNERS TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

THIS ANNOUNCEMENT IS NOT AN OFFER OF ANY SECURITIES. ANY OFFER OF THE SECURITIES WILL BE DIRECTED EXCLUSIVELY AT MARKET PROFESSIONALS AND INSTITUTIONAL INVESTORS, BEING “QUALIFIED INVESTORS” WITHIN THE MEANING OF THE PROSPECTUS REGULATION. THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT TO BE RELIED UPON IN SUBSTITUTION FOR THE EXERCISE OF INDEPENDENT JUDGEMENT. IT IS NOT INTENDED AS INVESTMENT ADVICE AND UNDER NO CIRCUMSTANCES IS IT TO BE USED OR CONSIDERED AS AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITY NOR IS IT A RECOMMENDATION TO BUY OR SELL ANY SECURITY.

ANY DECISION TO PURCHASE ANY SECURITIES SHOULD ONLY BE MADE ON THE BASIS OF AN INDEPENDENT REVIEW BY A PROSPECTIVE INVESTOR OF THE COMPANY AND ITS GROUP’S (THE “GROUP”) PUBLICLY AVAILABLE INFORMATION. NEITHER THE JOINT BOOKRUNNERS, ROTHSCHILD & CO NOR ANY OF THEIR RESPECTIVE AFFILIATES ACCEPT ANY LIABILITY ARISING FROM THE USE OF, OR MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF, THIS ANNOUNCEMENT OR THE GROUP’S PUBLICLY AVAILABLE INFORMATION. THE INFORMATION CONTAINED IN THIS ANNOUNCEMENT IS SUBJECT TO CHANGE IN ITS ENTIRETY WITHOUT NOTICE UP TO THE CLOSING DATE.

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THE SECURITIES MENTIONED IN THIS ANNOUNCEMENT AND THE GUARANTEE IN RESPECT OF THE BONDS HAVE NOT BEEN AND WILL NOT BE REGISTERED IN THE UNITED STATES UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES, ABSENT REGISTRATION OR EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THE BONDS ARE BEING OFFERED AND SOLD ONLY OUTSIDE THE UNITED STATES IN “OFFSHORE TRANSACTIONS” PURSUANT TO REGULATIONS UNDER THE U.S. SECURITIES ACT. THERE HAS NOT BEEN AND WILL BE NO PUBLIC OFFER OF THE SECURITIES IN THE UNITED STATES OR IN ANY OTHER JURISDICTION.

COPIES OF THIS ANNOUNCEMENT ARE NOT BEING, AND MUST NOT BE, MAILED, OR OTHERWISE FORWARDED, DISTRIBUTED OR SENT IN, INTO OR FROM THE UNITED STATES OR ANY OTHER JURISDICTION IN WHICH SUCH MAILING WOULD BE ILLEGAL, OR TO PUBLICATIONS WITH A GENERAL CIRCULATION IN THOSE JURISDICTIONS, AND PERSONS ACCESSING THIS ANNOUNCEMENT (INCLUDING CUSTODIANS, NOMINEES AND TRUSTEES) MUST NOT MAIL OR OTHERWISE FORWARD, DISTRIBUTE OR SEND IT IN, INTO OR FROM THE UNITED STATES OR ANY OTHER JURISDICTION IN WHICH SUCH MAILING WOULD BE ILLEGAL OR TO PUBLICATIONS WITH A GENERAL CIRCULATION IN THOSE JURISDICTIONS.

EACH PERSON WHO PROPOSES TO INVEST IN THE SECURITIES SHOULD CONSULT HIS/HER PROFESSIONAL ADVISERS TO ASCERTAIN THE SUITABILITY OF THE SECURITIES AS AN INVESTMENT.

IN CONNECTION WITH THE OFFERING OF THE BONDS AND THE CONCURRENT ACCELERATED BOOKBUILDING, THE JOINT BOOKRUNNERS AND ANY OF THEIR RESPECTIVE AFFILIATES ACTING AS AN INVESTOR FOR ITS OWN ACCOUNT MAY TAKE UP OR DISPOSE OF THE SECURITIES AND IN THAT CAPACITY MAY RETAIN, PURCHASE OR SELL FOR ITS OWN ACCOUNT THE SECURITIES OR ANY OTHER SECURITIES OF THE COMPANY OR RELATED INVESTMENTS, AND MAY OFFER OR SELL THE SECURITIES OR OTHER INVESTMENTS OTHERWISE THAN IN CONNECTION WITH THE TRANSACTIONS DESCRIBED IN THIS ANNOUNCEMENT. THE JOINT BOOKRUNNERS DO NOT INTEND TO DISCLOSE THE EXTENT OF ANY SUCH INVESTMENT OR TRANSACTIONS OTHERWISE THAN IN ACCORDANCE WITH ANY LEGAL OR REGULATORY OBLIGATION TO DO SO. IN ADDITION, EACH OF THE JOINT BOOKRUNNERS AND THEIR RESPECTIVE SUBSIDIARIES AND AFFILIATES MAY PERFORM SERVICES FOR, OR SOLICIT BUSINESS FROM, THE COMPANY AND OTHER MEMBERS OF THE GROUP, MAY MAKE MARKETS IN THE SECURITIES OF SUCH PERSONS AND/OR HAVE A POSITION OR EFFECT TRANSACTIONS IN SUCH SECURITIES (INCLUDING WITHOUT LIMITATION ASSET SWAPS OR DERIVATIVE TRANSACTIONS RELATING TO SUCH SECURITIES).

ANY PROSPECTIVE INVESTOR IN THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT SHOULD PROCEED ON THE ASSUMPTION THAT IT MUST BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE SECURITIES. NONE OF THE COMPANY, THE INITIAL GUARANTORS, ROTHSCHILD & CO OR THE JOINT BOOKRUNNERS MAKE ANY REPRESENTATION AS TO (I) THE SUITABILITY OF THE SECURITIES FOR ANY PARTICULAR INVESTOR, (II) THE APPROPRIATE ACCOUNTING TREATMENT AND POTENTIAL TAX CONSEQUENCES OF INVESTING IN THE SECURITIES OR (III) THE FUTURE PERFORMANCE OF THE SECURITIES EITHER IN ABSOLUTE TERMS OR RELATIVE TO COMPETING INVESTMENTS.

THE JOINT BOOKRUNNERS ARE ACTING ON BEHALF OF THE COMPANY AND THE INITIAL GUARANTORS AND NO ONE ELSE IN CONNECTION WITH THE BONDS AND THE CONCURRENT ACCELERATED BOOKBUILDING AND WILL NOT BE RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTIONS AFFORDED TO CLIENTS OF THE JOINT BOOKRUNNERS OR FOR PROVIDING ADVICE IN RELATION TO THE SECURITIES.

ROTHSCHILD & CO IS ACTING ON BEHALF OF THE COMPANY AND NO ONE ELSE IN CONNECTION WITH THE BONDS AND WILL NOT BE RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTIONS AFFORDED TO CLIENTS OF ROTHSCHILD & CO OR FOR PROVIDING ADVICE IN RELATION TO THE SECURITIES.

POTENTIAL INVESTORS WHO ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS ANNOUNCEMENT SHOULD CONSULT THEIR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER FINANCIAL ADVISER. IT SHOULD BE REMEMBERED THAT THE PRICE OF SECURITIES AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP.

UK AND EEA SELLING RESTRICTIONS AND DEEMED INVESTOR REPRESENTATIONS.

THE OFFERING OF ANY SECURITIES IF AND WHEN MADE WILL BE ADDRESSED ONLY TO, AND DIRECTED ONLY IN, MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "EEA") (EACH, A "MEMBER STATE") AND THE UNITED KINGDOM, AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF THE PROSPECTUS REGULATION ("QUALIFIED INVESTORS"). EACH PERSON IN A MEMBER STATE OR IN THE UNITED KINGDOM WHO INITIALLY ACQUIRES ANY BONDS OR TO WHOM ANY OFFER OF SECURITIES MAY BE MADE AND, TO THE EXTENT APPLICABLE, ANY FUNDS ON BEHALF OF WHICH SUCH PERSON IS ACQUIRING THE BONDS THAT ARE LOCATED IN A MEMBER STATE OR IN THE UNITED KINGDOM WILL BE DEEMED TO HAVE REPRESENTED, ACKNOWLEDGED AND AGREED THAT IT IS A QUALIFIED INVESTOR. IN THIS ANNOUNCEMENT, THE EXPRESSION "**PROSPECTUS REGULATION**" MEANS REGULATION (EU) 2017/1129 AND REGULATION (EU) 2017/1129 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 ("**EUWA**").

SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL INSTRUMENTS, AS AMENDED ("**MIFID II**"); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; (C) LOCAL IMPLEMENTING MEASURES IN THE EEA; (D) REGULATION (EU) NO 600/2014 AS IT FORMS PART OF UNITED KINGDOM DOMESTIC LAW BY VIRTUE OF THE EUWA ("**UK MIFIR**"); AND (E) THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK (TOGETHER, THE "**PRODUCT GOVERNANCE REQUIREMENTS**"), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY "MANUFACTURER" (FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE BONDS HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE BONDS IS (A) IN THE EEA, ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II AND (B) IN THE UNITED KINGDOM, ELIGIBLE COUNTERPARTIES (AS DEFINED IN THE FCA HANDBOOK CONDUCT OF BUSINESS SOURCEBOOK) AND PROFESSIONAL CLIENTS (AS DEFINED IN UK MIFIR); AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE BONDS TO ELIGIBLE COUNTERPARTIES

AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A "**DISTRIBUTOR**") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURERS' TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II OR THE FCA HANDBOOK PRODUCT INTERVENTION AND PRODUCT GOVERNANCE SOURCEBOOK IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING THE MANUFACTURERS' TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.

THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO ANY OFFERING OF THE BONDS.

FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II OR UK MIFIR; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A "**RETAIL INVESTOR**" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT AS DEFINED IN POINT (10) OF ARTICLE 4(1) OF MIFID II. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE "**PRIIPS REGULATION**") FOR OFFERING OR SELLING THE BONDS, OR OTHERWISE MAKING THEM AVAILABLE, TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE UK. FOR THESE PURPOSES, A "**RETAIL INVESTOR**" MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2 OF REGULATION (EU) NO 2017/565 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA; OR (II) A CUSTOMER WITHIN THE MEANING OF THE PROVISIONS OF THE FSMA AND ANY RULES OR REGULATIONS MADE UNDER THE FSMA TO IMPLEMENT DIRECTIVE (EU) 2016/97, WHERE THAT CUSTOMER WOULD NOT QUALIFY AS A PROFESSIONAL CLIENT, AS DEFINED IN POINT (8) OF ARTICLE 2(1) OF REGULATION (EU) NO 600/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA. CONSEQUENTLY NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "**UK PRIIPS REGULATION**") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE UK HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE UK MAY BE UNLAWFUL UNDER THE UK PRIIPS REGULATION.

IN ADDITION, IN THE UNITED KINGDOM ANY MATERIALS RELATING TO ANY OFFER OF THE SECURITIES WILL BE DISTRIBUTED ONLY TO, AND DIRECTED ONLY AT, QUALIFIED INVESTORS (I) WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "**ORDER**") AND QUALIFIED INVESTORS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, AND (II) TO WHOM SUCH MATERIALS MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "**RELEVANT PERSONS**"). ANY SUCH MATERIALS MUST NOT BE ACTED ON OR RELIED ON (I) IN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT RELEVANT PERSONS, AND (II) IN ANY MEMBER STATE OF THE EEA, BY PERSONS WHO ARE NOT QUALIFIED INVESTORS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO (A) RELEVANT PERSONS IN THE UNITED KINGDOM AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS IN THE UNITED KINGDOM AND (B) QUALIFIED INVESTORS IN MEMBER STATES OF THE EEA.

CANADA - THE BONDS MAY BE SOLD ONLY TO PURCHASERS IN THE PROVINCES OF CANADA PURCHASING, OR DEEMED TO BE PURCHASING, AS PRINCIPAL THAT ARE ACCREDITED INVESTORS, AS DEFINED IN NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS OR SUBSECTION 73.3(1) OF THE SECURITIES ACT (ONTARIO), AND ARE PERMITTED CLIENTS, AS DEFINED IN NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS. ANY RESALE OF THE BONDS OR ORDINARY SHARES ISSUED ON CONVERSION OF THE BONDS MUST BE MADE IN ACCORDANCE WITH AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE PROSPECTUS REQUIREMENTS OF APPLICABLE SECURITIES LAWS.