

## Co-operation Agreement

Relating to the takeover offer for the entire issued and to be issued share capital of  
Britvic plc

Dated 8 July 2024

**CARLSBERG UK HOLDINGS LIMITED**

and

**BRITVIC PLC**

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This Agreement is made on 8 July 2024 between:

- (1) **CARLSBERG UK HOLDINGS LIMITED** a company incorporated in England and Wales with registered number 00867160 whose registered office is at Marston's House, Brewery Road, Wolverhampton, England WV1 4JT ("**Offeror**"); and
- (2) **BRITVIC PLC** a company incorporated in England and Wales with registered number 05604923 and whose registered office is at Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ, United Kingdom ("**Target**").

**Whereas:**

- (A) Offeror intends to announce a firm intention to make a recommended offer for the entire issued and to be issued share capital of Target (the "**Acquisition**") to be implemented by way of a Scheme or, if Offeror so elects in accordance with this Agreement and the Panel consents, by way of an Offer, on the terms and subject to the conditions set out in the Announcement.
- (B) The parties are entering into this Agreement to take certain steps to implement the Acquisition and wish to record their respective obligations relating to such matters.

**It is agreed** as follows:

## **1 Interpretation**

In this Agreement, unless the context otherwise requires:

### **1.1 Definitions:**

**Acceleration Statement** means, should the Acquisition be effected by way of the Offer following an Agreed Switch, a statement in which Offeror, in accordance with Rule 31.5 of the Code, brings forward the latest date by which all of the conditions to the Offer must be satisfied or waived;

**Acceptance Condition** means the acceptance condition to any Offer;

**ACIN** means, should the Acquisition be effected by way of the Offer following an Agreed Switch, a notice in which Offeror gives notice of its intention to invoke the Acceptance Condition so as to cause the Offer to lapse in accordance with Rule 31.6 of the Code;

**Acquisition** has the meaning given to it in Recital (A);

**Acquisition Price** means 1315 pence per ordinary share in the Company;

**Act** means the Companies Act 2006;

**Agreed Switch** has the meaning given to it in Clause 7 (*Switching to an Offer*);

**Announcement** means the announcement detailing the terms and conditions of the Acquisition to be made under Rule 2.7 of the Code in substantially the form set out in Schedule 2 (*Announcement*) to this Agreement (subject to any such changes prior to publication as may be agreed by, or on behalf of, Target and Offeror);

**Bonus Year** means the Target's financial year, being 1 October to 30 September;

**Britvic Employee Share Trust** means the employee share trust established by deed dated 13 March 2006 between IQ-EQ (Jersey) Limited (formerly First Names (Jersey) Limited and formerly IFG Trust (Jersey) Limited) (the "**EST Trustee**") and Britvic Soft Drinks Limited;

**Business Day** means any day which is not a Saturday, a Sunday or a public holiday in London or Copenhagen;

**Buy-Out Award** means the buy out award agreement entered into between Target and the Target CFO on 6 October 2023;

**Cause** means, with respect to the termination of an individual's employment by a member of the Offeror Group or the Target Group, that such termination of employment is based on, in the reasonable determination of the Target Group HR Director (or if that person is no longer in role, the Target employee responsible for HR activities within the Target Group at the relevant time), the individual's: (i) performance of any act, or failure to perform any act, in each case in bad faith and to the detriment of the Target or Offeror Group or any member thereof; (ii) dishonesty, intentional misconduct, material violation of any applicable Offeror Group policy or Target Group policy, or material breach of any agreement with any member of the Offeror Group or the Target Group; (iii) commission of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person; or (iv) continued unsatisfactory performance of the individual's duties or responsibilities, having carried out a performance improvement process in line with practice in the relevant country of employment or, where no such practice exists, after receiving written notice thereof and a reasonable opportunity to cure (if curable);

**Clean Team Agreement** means the clean team agreement entered into between Offeror and Target in connection with the Acquisition dated 28 June 2024;

**Clearances** means:

- (i) any approvals, authorisations, consents, certificates, clearances, determinations, findings of suitability, permissions, confirmations, comfort letters, and exemptions or waivers that are required to be obtained;
- (ii) all filings that are required to be made; and
- (iii) all waiting periods that are necessary to have expired,

from or under any of the laws, regulations or practices applied by any Regulatory Authority (or under any agreement or arrangements to which any Regulatory Authority is a party) in connection with the satisfaction of one or more of the Regulatory Conditions; and any reference to any Clearances having been "**satisfied**" shall be construed as meaning that the foregoing have been obtained or, where appropriate, made or expired in accordance with the relevant Condition;

**CMA** means the United Kingdom's Competition and Markets Authority;

**Code** means the City Code on Takeovers and Mergers as from time to time amended and interpreted by the Panel;

**Competing Proposal** means:

- (i) an offer (including a partial, exchange or tender offer), merger, de-merger, acquisition, dual-listed structure, scheme of arrangement, reverse takeover, Rule 9 waiver proposal transaction and/or business combination (or the announcement of a firm intention to do the same), the purpose of which is to acquire, directly or indirectly, 30 per cent. or more of the issued and to be issued ordinary share capital of Target (when aggregated with the shares already held by the acquirer and any person acting or presumed or deemed to be acting in concert with the acquirer) or any arrangement or series of arrangements which results in any party acquiring, consolidating or increasing control (as defined in the Code) of Target;

- (ii) the acquisition (or announcement of a proposed acquisition) or disposal, directly or indirectly, of all or a significant proportion of the business, assets and/or undertakings of the Target Group, calculated by reference to any of its revenue, profits or value taken as a whole, in each case not being an offer or scheme of arrangement governed by the Code; or
- (iii) a demerger, any material reorganisation and/or liquidation (or proposed demerger, material reorganisation and/or liquidation) involving all or a significant portion of the Target Group, calculated by reference to any of its revenue, profits or value taken as a whole, in each case which is not effected (or proposed to be effected) by or on behalf of Offeror or a member of Offeror's Group (or a person acting in concert with it) or at the agreement of Offeror,

in each case, whether implemented in a single transaction or a series of transactions and whether conditional or otherwise;

**Competition Law** means the Competition Act 1998, the Enterprise Act 2002, Articles 101 and 102 of the Treaty on the Functioning of the European Union, Council Regulation 1/2003/EC, Council Regulation 139/2004/EC and any other law or regulation in any jurisdiction relating to fair competition, anti-trust, monopolies, merger control or similar matters;

**Conditions** means:

- (i) for so long as the Acquisition is being implemented by means of the Scheme, the conditions to the implementation of the Acquisition as set out in Appendix 1 to the Announcement (as may be amended by agreement in writing between Offeror and Target and, where required, with the consent of the Panel); or
- (ii) if the Acquisition is implemented by means of an Offer, the conditions referred to in (i) above, as amended by replacing the Scheme Conditions with the Acceptance Condition, and (in the case of an Agreed Switch) as may be further amended by agreement in writing between Offeror and Target and, where required, in either case, with the consent of the Panel;

**Confidentiality Agreement** means the confidentiality agreement between Offeror and Target in relation to the Acquisition dated 21 June 2024;

**Confidentiality and Joint Defence Agreement** means the confidentiality and joint defence agreement between Offeror and Target in relation to the Acquisition dated 28 June 2024;

**constructive dismissal** means a termination taking effect on or after the Effective Date by reason of the individual's resignation where, without the individual's express written consent, any of the following circumstances arose on or after the Effective Date: (i) their title, reporting level and/or scope of responsibility has been diminished; (ii) during the Relevant Period, the individual is provided (A) base pay and cash incentive opportunities that are less favourable than those provided before the Effective Date or (B) benefits and allowances (including but not limited to equity or cash incentives and pension benefits), that are less favourable, taken as a whole, than the benefits and allowances provided to such individual immediately prior to the Effective Date; or (iii) their normal place of work is moved more than 25 miles from their previous place of work. In the event of any dispute about whether (i) or (ii) applies to a particular individual, the decision shall be referred to the Target Group HR Director (or if that person is no longer in role, the Target employee responsible for HR activities within the Target Group at the relevant time), who will, acting reasonably, determine the position;

**Court** means the High Court of Justice in England and Wales;

**Court Meeting** means the meeting or meetings of Target Shareholders to be convened by order of the Court under the Act for the purpose of considering, and, if thought fit, approving the Scheme (with or without amendment), including any adjournment, postponement or reconvening thereof, notice of which is to be contained in the Scheme Document;

**Court Order** means the order of the Court sanctioning the Scheme under Part 26 of the Companies Act;

**Court Sanction Hearing Date** means the date on which the Sanction Hearing takes place;

**DBP** means the Britvic Deferred Bonus Plan;

**Effective Date** means the date upon which:

- (iii) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms; or
- (iv) if Offeror elects to implement the Acquisition by means of an Offer in accordance with the terms of this Agreement, the Offer becomes or is declared unconditional;

**ESOP** means the Britvic PLC 2015 Executive Share Option Plan;

**Exchange Ratio** means a fraction, the numerator of which is the Acquisition Price converted into EUR based on the GBP-to-EUR exchange ratio the day prior to the Effective Date (rounded to the nearest EUR 0.01), and the denominator of which is the volume weighted average trading price (rounded to the nearest EUR 0.01) of Offeror Share as reported on an authoritative source mutually selected by the parties) for the ten (10) consecutive trading days ending on (and including) the trading day that is three (3) trading days prior to the Effective Date;

**FCA** means the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA;

**FSMA** means the UK Financial Services and Markets Act 2000;

**General Meeting** means the general meeting (including any adjournment(s) or postponement(s) thereof) of Target Shareholders to be convened in connection with the Scheme for the purpose of considering, and if thought fit approving, the Target Resolutions;

**Group** means, in relation to any person, its subsidiaries, subsidiary undertakings, holding companies and parent undertakings and the subsidiaries and subsidiary undertakings of any such holding company or parent undertaking, and **Offeror Group** or **Target Group** shall be construed accordingly;

**International Phantom SIP** means the Britvic International Share Incentive Plan;

**Irish PSS** means the Britvic Irish Profit Sharing Scheme;

**Law** means any applicable statutes, common law, rules, ordinances, regulations, codes, orders, judgments, injunctions, writs, decrees, directives, governmental guidelines or interpretations having the force of law or bylaws, in each case of a Regulatory Authority;

**Listing Rules** means the rules and regulations made by the FCA under FSMA (as amended), and contained in the publication of the same name, as amended from time to time;

**Long Stop Date** means 15 July 2025 (or such later date as Offeror and Target may, with the consent of the Panel, agree and, if required, the Court may allow);

**New PSP** means the new performance share plan proposed to be adopted by Target at its next Annual General Meeting, which is scheduled for January 2025;

**Notice** has the meaning given in Clause 15 (*Notices*);

**Offer** means, if Offeror elects in accordance with this Agreement and the Panel consents, implementation of the Acquisition by way of a takeover offer (as that term is defined in Chapter 3 of Part 28 of the Act) by Offeror, or an affiliate thereof, to acquire the entire issued and to be issued share capital of Target including, where the context admits, any subsequent revision, variation, extension or renewal of such offer;

**Offer Document** means the document despatched to (amongst others) Target Shareholders under which any Offer would be made;

**Offeror Directors** means the directors of Offeror from time to time and **Offeror Director** shall be construed accordingly;

**Offeror Share** means a B share in the capital of Carlsberg A/S (the Offeror's parent company) which is listed on NASDAQ Copenhagen, which are the shares over which the Offeror normally grants awards to its employees;

**Panel** means the Panel on Takeovers and Mergers;

**PSP** means the Britvic PLC 2015 Performance Share Plan (as amended from time to time);

**Qualifying Termination** means termination, other than by a member of the Offeror Group or the Target Group for Cause or for gross misconduct, but not including resignation, except for constructive dismissal;

**Regulatory Authority** means any central bank, ministry, governmental, quasi-governmental, supranational, statutory, court, regulatory, administrative or investigative body, agency or authority, including, but not limited to, those exercising powers in relation to anti-trust, competition or merger control, regulatory (including financial regulatory), taxing, importing or foreign investment matters, or any other authority, trade agency, association, institution or professional or environmental body, in any relevant jurisdiction (including, but not limited to, the FCA, the Prudential Regulation Authority, the European Commission and the CMA) and any other regulatory authority (in each case) whose consent, or with whom a submission, filing or notification, is necessary in order to satisfy any the Regulatory Conditions, and **Regulatory Authorities** means all of them;

**Regulatory Conditions** means the Conditions set out in paragraphs 3.1 to 3.2 (inclusive) of Part A of Appendix 1 to the Announcement;

**Regulatory Information Service** means a Regulatory Information Service that is approved by the FCA and is on the list maintained by the FCA;

**Relevant Period** means the period from the Effective Date to the day falling twelve (12) months following the Effective Date;

**Remedies** means any conditions, measures, commitments, undertakings, remedies (including disposals, whether before or following completion of the Acquisition, and any pre-vestiture reorganisations) or assurance (financial or otherwise) offered or required in connection with the obtaining of any Clearances and **Remedy** shall be construed accordingly;

**RSP** means the Britvic Restricted Share Plan;

**Run-Off Cover** has the meaning given in Clause 10.2 (*D&O Insurance*);

**Sanction Hearing** means the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act;



**Scheme** means the proposed scheme of arrangement under Part 26 of the Act in connection with the Acquisition between Target and Target Shareholders, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Target and Offeror, under which the Acquisition is proposed to be implemented;

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

**Scheme Document** means the circular to be sent to Target Shareholders setting out, among other things, the full terms and conditions of the Scheme and the notices convening the Court Meeting and the General Meeting, including any supplemental circular or document required by Law or any Regulatory Authority to be published in connection with such circular;

**Scheme Record Time** means the date and time to be specified in the Scheme Document, expected to be 6.30 p.m. on the Business Day immediately preceding the Effective Date (or such other date as Offeror and Target may agree);

**Special Dividend** has the meaning given in Clause 8.1 (*Dividend*);

**Target Board Recommendation** means a unanimous and unqualified recommendation to the Target Shareholders from the Target Directors (i) that Target Shareholders vote in favour of the Scheme at the Court Meeting and the Target Resolutions at the General Meeting, or (ii) if Offeror proceeds with the Acquisition by way of an Offer, in accordance with this Agreement and the Panel consents, to accept the Offer, as the case may be;

**Target Board Recommendation Change** means:

- (i) if Target makes an announcement prior to the publication of the Scheme Document that:
  - (a) the Target Directors no longer intend to make the Target Board Recommendation or intend adversely to modify or qualify such recommendation;
  - (b) it shall not convene the Court Meeting or the General Meeting; or
  - (c) it intends not to publish the Scheme Document or (if different) the document convening the General Meeting; or
- (ii) any failure to include, or any other withdrawal, adverse qualification or adverse modification of, the Target Board Recommendation in the Scheme Document (or Offer Document, as the case may be) and, if different, the document convening the General Meeting; or
- (iii) at any time prior to the conclusion of the Court Meeting and the General Meeting, any failure to publicly reaffirm or re-issue the Target Board Recommendation within five Business Days of Offeror's reasonable request to do so or the Target Directors indicating that they no longer intend to make the Target Board Recommendation or that they intend to withdraw, adversely modify or adversely qualify such recommendation; or
- (iv) if, after the Scheme has been approved by Target Shareholders and/or the approval of the Target Resolutions at the General Meeting,
  - (a) the Target Directors announce that they shall not implement the Scheme (other than in connection with an announcement of an Offer or revised offer by Offeror or one of its concert parties for Target); or

- (b) a third party announces a firm intention under the Code to make an offer or revised offer (whether or not it is subject to the satisfaction or waiver of any pre-conditions) for Target which is recommended by the Target Directors;

**Target Directors** means the directors of Target (from time to time);

**Target Employees** means the employees of the Target and the employees of members of the Target Group from time to time;

**Target Remuneration Committee** means the remuneration committee of the Target, as formed from time to time;

**Target Resolutions** means such shareholder resolutions of Target to be proposed at the General Meeting for the purposes of, amongst other things, approving and implementing the Scheme, the Acquisition and, subject to the Scheme becoming Effective, the acquisition by Offeror of any Target Shares issued or transferred out of treasury after the Scheme Record Time, including certain amendments to the articles of association of the Target, and such other matters as may be agreed between the Target and Offeror as necessary or desirable for the purposes of implementing the Scheme;

**Target Shareholders** means the registered holders of Target Shares from time to time;

**Target Share Plans** means the PSP, the RSP, the DBP, the ESOP, the UK SIP, the Irish PSS, the Buy-Out Award and the International Phantom SIP;

**Target Shares** means the ordinary shares of Target;

**UK SIP** means the Britvic Share Incentive Plan; and

**VAT** means (i) any value added tax imposed by the VAT Act 1994; (ii) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and (iii) any other tax of a similar nature, whether imposed in the United Kingdom or in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraphs (i) or (ii) above, or imposed elsewhere.

## **1.2 Announcement**

Terms used but not defined expressly in this Agreement shall, unless the context otherwise requires, have the meaning given to them in the Announcement. In case of inconsistency, the definitions set out in this Agreement shall take precedence.

## **1.3 Clauses, Schedules**

References to this Agreement shall include any Recitals and Schedules to it and references to Clauses and Schedules are to clauses of, and schedules to, this Agreement. References to paragraphs and Parts are to paragraphs and Parts of the Schedules.

## **1.4 Singular, plural, gender**

References to one gender include all genders and references to the singular include the plural and vice versa.

## **1.5 References to persons and companies**

References to:

- 1.5.1 a person include any company, partnership or unincorporated association (whether or not having separate legal personality); and

1.5.2 a company shall include any company, corporation or any body corporate, wherever and however incorporated or established.

## 1.6 References to subsidiaries and holding companies

The words **holding company**, **parent undertaking**, **subsidiary** and **subsidiary undertaking** shall have the same meaning in this Agreement as their respective definitions in the Act, as applicable.

## 1.7 The Code

When used in this Agreement, the expressions **acting in concert**, **concert parties**, **control** and **offer** shall be construed in accordance with the Code.

## 1.8 Modification of Statutes

References to a statute or statutory provision include:

1.8.1 that statute or provision as from time to time modified, re-enacted or consolidated whether before or after the date of this Agreement;

1.8.2 any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which that statute or provision has directly or indirectly replaced; and

1.8.3 any subordinate legislation made from time to time under that statute or statutory provision.

## 1.9 Time of Day

References to times of day are to London time, unless otherwise stated.

## 1.10 Amendments

A reference to any other document referred to in this Agreement is a reference to that other document as amended, revised, varied, novated or supplemented at any time.

## 1.11 Headings

Headings shall be ignored in construing this Agreement.

## 1.12 Information

References to books, records or other information mean books, records or other information in any form including paper, electronically stored data, magnetic media, film and microfilm.

## 1.13 Legal Terms

References to any English legal term shall, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction.

## 1.14 Non-limiting effect of words

The words **including**, **include**, **in particular** and words of similar effect shall not be deemed to limit the general effect of the words that precede them.

## 1.15 Meaning of “to the extent that” and similar expressions

In this Agreement, “**to the extent that**” shall mean “**to the extent that**” and not solely “**if**”, and similar expressions shall be construed in the same way.

## **2 Effective Date and Terms of the Acquisition**

### **2.1 Effective Date**

The obligations of the parties under this Agreement, other than Clause 1 (*Interpretation*), this Clause 2.1 (*Effective Date*) and Clauses 11 (*Termination*) to 26 (*Governing Law and Submission to Jurisdiction*) (inclusive), shall be conditional on the release of the Announcement via a Regulatory Information Service at or before 5.00 p.m. on the date of this Agreement, or such other date and time as may be agreed by the parties (and, where required by the Code, approved by the Panel). Clause 1 (*Interpretation*), this Clause 2 (*Effective Date*), and Clauses 11 (*Termination*) to 26 (*Governing Law and Submission to Jurisdiction*) (inclusive) shall take effect on and from the date of this Agreement.

### **2.2 Terms of the Acquisition**

2.2.1 The principal terms of the Acquisition shall be as set out in the Announcement, together with such other terms as may be agreed between the parties in writing (save in the case of an improvement to the terms of the Acquisition, which shall be at the sole and absolute discretion of Offeror) and, where required by the Code, approved by the Panel.

2.2.2 The terms of the Acquisition at the date of publication of the Scheme Document shall be set out in the Scheme Document. Should Offeror elect to implement the Acquisition by way of an Offer in accordance with this Agreement, the terms of the Acquisition shall be as set out in the Offer Document.

## **3 Undertakings in relation to Regulatory Conditions**

### **3.1 Offeror's Regulatory Conditions Strategy**

Except where otherwise required by Law or a Regulatory Authority, Offeror shall:

3.1.1 determine, having consulted in good faith and on a timely basis with Target, and reasonably considering, in good faith, comments from Target, the strategy to be pursued for satisfying the Regulatory Conditions (including in relation to any Remedies, if required);

3.1.2 contact and correspond with any Regulatory Authority in relation to any Clearances sought by Offeror in respect of the Acquisition in accordance with this Agreement, including submitting and preparing, with the assistance of Target in accordance with this Agreement, all necessary filings, notifications and submissions.

### **3.2 Target co-operation with Regulatory Conditions**

Target shall co-operate reasonably with Offeror in communicating with any Regulatory Authority for the purposes of obtaining all Clearances relating thereto, including providing Offeror (or its advisers) with any information or documents as may be reasonably requested and necessary for the purpose of making a submission, filing or notification to any relevant Regulatory Authority in relation to the Regulatory Conditions as soon as practicable, provided that nothing in this Clause 3 (*Undertakings in relation to Regulatory Conditions*) shall require Target Directors to:

3.2.1 maintain their recommendation of the Acquisition;

3.2.2 adjourn, postpone or seek to adjourn or postpone (or refrain from adjourning or postponing or seeking to adjourn or postpone) any shareholder meeting or court hearing which has been or shall be convened in relation to the Acquisition; or

**3.2.3** (without prejudice to any other obligation Target has under this Agreement) require Target to make any change (or refrain from making any change) to the timetable for implementing the Acquisition.

### **3.3 Offeror undertaking to satisfy all Regulatory Conditions**

Offeror shall take, and shall procure that each member of its Group shall take, all reasonable endeavours to achieve and otherwise satisfy the Regulatory Conditions as promptly as reasonably practicable (and, in any event, in sufficient time so as to enable the Effective Date to occur prior to the Long Stop Date). Offeror and Target each acknowledge and agree that, for the purposes of this Clause 3, all reasonable endeavours shall require Offeror to take, or agree to take all actions necessary to satisfy the Regulatory Conditions required to implement the Acquisition in substantially the form contemplated by the Announcement (including accepting any relevant Remedies), in each case except to the extent that such actions would, individually or in the aggregate, be of material significance to Offeror in the context of the Acquisition (as such material significance standard is or would fall to be determined by the Panel under the Code), in which case Offeror shall not be required to take, or agree to take, such actions.

### **3.4 No additional filings to Regulatory Authorities**

Offeror shall not, and shall procure that each member of its Group and any person acting in concert or deemed to be acting in concert with it shall not, without the prior written consent of Target, make any filings, notifications or submissions to a Regulatory Authority in relation to the Acquisition, other than those which are required in relation to the satisfaction of the Regulatory Conditions or are otherwise contemplated by this Agreement.

### **3.5 Co-operation between the Parties**

Without prejudice to Clause 3.3, Offeror and Target each undertakes to the other to work co-operatively and reasonably with the other and their advisers to satisfy the Regulatory Conditions and, save to the extent prohibited from doing so by Law or applicable Regulatory Authorities, in particular to:

- 3.5.1** in the case of Offeror, submit as soon as reasonably practicable any filings (or draft filings where required or customary) with any Regulatory Authority in connection with the Regulatory Conditions and any other filing as agreed between the parties as necessary for the implementation of the Acquisition;
- 3.5.2** provide the other party (and its advisers) with draft copies of all filings, notifications, submissions and material written communications to be made to any Regulatory Authority by or on behalf of Offeror in relation to obtaining any Clearance, at such time as shall allow the other party (and/or its advisers) a reasonable opportunity to provide comments on such filings, notifications, submissions and communications before they are submitted or sent;
- 3.5.3** take into account in good faith, but not be obliged to accept, reasonable comments made by the other party (and/or its advisers) on such filings, notifications, submissions and communications ;
- 3.5.4** as soon as reasonably practicable provide the other party with copies of all filings, notifications, submissions and non-administrative communications in the form finally submitted or sent to any Regulatory Authority in relation to obtaining any Clearance and with details of non-written communications;
- 3.5.5** give the other party (and its legal advisers, as applicable) reasonable prior notice of and allow persons nominated by the other party to attend all meetings and/or

telephone calls (other than those of an administrative nature) with any Regulatory Authority in connection with the obtaining of all requisite Clearances and the implementation of the Acquisition and to make reasonable oral submissions during such meetings and/or telephone calls (except where such Regulatory Authority requests that such party should not participate);

- 3.5.6 where reasonably requested by the other party or its legal advisers, make available appropriate representatives (including, where reasonably requested, legal advisers) to attend any scheduled meetings, hearings, video calls or telephone calls between the parties and/or their advisers (on reasonable notice) or with any Regulatory Authority in connection with obtaining the Clearances;
- 3.5.7 provide as soon as reasonably practicable in consultation with the other party such information and access to management as the other party on reasonable notice, or any Regulatory Authority, may reasonably require for the purposes of making a filing, notification or submission to any Regulatory Authority in connection with the Clearances;
- 3.5.8 keep the other party (and/or its advisers) informed as soon as is reasonably practicable of developments which are material or potentially material to the obtaining of any Clearances and/or the satisfaction of the Regulatory Conditions;
- 3.5.9 keep the other party's legal advisers copied on all correspondence with any Regulatory Authority in relation to the obtaining of any Clearances and in any event notify the other party as promptly as reasonable practicable of and provide copies of any non-administrative communications (or, in the case of non-written communications, details of the contents of any such communications) from or with any Regulatory Authority in relation to obtaining any Clearances;
- 3.5.10 use, and procure that each member of its Group and any person acting in concert or deemed to be acting in concert with it, shall take all steps reasonably necessary to avoid: (i) any declaration of incompleteness by any Regulatory Authority; and (ii) any suspension of review period by a Regulatory Authority; and
- 3.5.11 not, and procure that each member of its Group and any person acting in concert or deemed to be acting in concert with it shall not, withdraw a filing, submission or notification to any Regulatory Authority, or enter into any timing agreement, understanding or commitment with any Regulatory Authority to extend any waiting period or not close the Acquisition, without the other party's prior written consent (such approval not to be unreasonably withheld, conditioned or delayed).

### **3.6 Filing fees and charges**

Offeror and Target shall each bear their own costs in relation to all filings, notifications or submissions, save that Offeror shall be responsible for paying any filing, administrative or other merger notice fees, costs (other than professional costs) and expenses incurred in connection with obtaining any Clearances, unless such fees and expenses are payable by Target as specified by applicable local Law, in which case Offeror shall, on demand, promptly reimburse Target for such fees and expenses.

### **3.7 Offeror actions which could prevent or delay satisfaction of the Regulatory Conditions**

- 3.7.1 Offeror undertakes to Target that, until the Regulatory Conditions are satisfied:
  - (i) except with the prior written consent of Target, it shall not (and shall procure that each member of its Group, person acting in concert or deemed to be acting in concert with it shall not) take, or omit to take, or permit or cause to

be taken or omitted to be taken (or direct any person to do the same), any action, or enter into an agreement for, or consummate, any acquisition or other transaction which would reasonably be expected to have the effect of preventing, impeding, or materially delaying or prejudicing satisfaction of the Regulatory Conditions by the Long Stop Date; and

- (ii) it shall, in each case to the extent permitted by applicable Law and any applicable obligations of confidentiality, inform Target promptly in the event that it becomes aware of any member of its Group (or any person acting in concert or deemed to be acting in concert with it) entering into an agreement for, or consummating, any acquisition or other transaction which would reasonably be expected to have the effect of preventing or materially delaying satisfaction of the Regulatory Conditions by the Long Stop Date.

**3.7.2** Offeror also confirms that it is not aware as at the date of this Agreement of any matter or circumstances which could reasonably be expected to materially prejudice or delay the satisfaction of the Regulatory Conditions by the Long Stop Date.

**3.8** Any information provided by one party to the other under this Clause 3 shall be prepared and provided with reasonable care and diligence, it being acknowledged that a party shall not be in breach of this Clause 3.8 as a consequence of any inaccuracies in any information originating from a third party.

## **4 Target Documentation**

**4.1** If the Acquisition is being implemented by means of the Scheme, Offeror agrees:

**4.1.1** to provide promptly to Target all such information about itself, its Group and its directors as may be reasonably requested by Target and which is required for the purpose of inclusion in the Scheme Document (including all information for the purposes of satisfying the relevant disclosure obligations under the Code and/or applicable Law);

**4.1.2** to provide all such other assistance and access to information as may be reasonably required by Target for the preparation of the Scheme Document, including access to, and ensuring that reasonable assistance is provided by, Offeror's professional advisers;

**4.1.3** to procure that the Offeror Directors (and any other person connected with Offeror as required by the Panel) accept responsibility for information in the Scheme Document relating to Offeror, its Group and its directors, including any statements of opinion, belief or expectation of the Offeror Directors in relation to the Acquisition or the Offeror's Group and any other information in the Scheme Document which the Offeror is required to accept responsibility by the Panel; and

**4.1.4** that, if any supplemental circular or document is required to be published in connection with the Scheme or, subject to the prior written consent of Offeror (such consent not to be unreasonably withheld or delayed), any variation or amendment to the Scheme, it shall promptly provide all such information about itself, its Group and its directors as may be reasonably requested by Target and, subject thereto, it shall promptly provide such co-operation and information necessary for Target to comply with all applicable regulatory provisions as Target may reasonably request in order to finalise such document.

**4.2** Without prejudice to Clause 9.3, Offeror shall allow Target reasonable opportunity to provide comments on any announcement or communication from Offeror to Target shareholders,

employees, optionholders, or trustees of Target's pension scheme in connection with the Acquisition, and shall take into account Target's reasonable comments on such announcement or communication.

## 5 Qualifications

5.1 Nothing in Clauses 3 (*Undertakings in relation to Regulatory Conditions*) and 4 (*Target Documentation*) shall require any party (the "**disclosing party**") to provide or disclose to the other party any information:

5.1.1 which the disclosing party (acting reasonably) considers to be commercially or competitively sensitive or confidential information related to its business and/or any member of its Group which is not relevant to the Acquisition or any Clearance;

5.1.2 that is personally identifiable information of a director, officer or employee of the disclosing party or any member of its Group, unless that information can be reasonably anonymised (in which case the disclosing party shall provide the relevant information on an anonymous basis);

5.1.3 which the disclosing party is prohibited from disclosing by Law or a Regulatory Authority;

5.1.4 where such disclosure would result in the loss of any privilege that subsists in relation to such information (including but not limited to legal advice privilege); or

5.1.5 in circumstances that would result in that party being in breach of a material contractual obligation,

(the "**restricted information**").

5.2 Without prejudice to any other obligation of Offeror set out in Clause 3.3 and 3.5, but subject always to each party's obligations pursuant to Clause 3 (*Undertakings in relation to Regulatory Conditions*), each party may redact restricted information from any documents shared with the other party and/or take reasonable steps to procure that restricted information is not shared with the other party, including, where relevant:

5.2.1 providing restricted information to the other party's legal counsel on an "external counsel only" basis in accordance with the requirements of Practice Statement 30 published by the Panel and the Confidentiality and Joint Defence Agreement;

5.2.2 pursuant to the Clean Team Agreement;

5.2.3 pursuant to additional procedures agreed between Offeror and Target to ensure compliance with Competition Law; or

5.2.4 where disclosure to the other party would reasonably be expected to have a material adverse effect on the disclosing party's legitimate business interest, providing directly to a Regulatory Authority (with a non-confidential version of any relevant filing, submission or communication being provided to the other party).

## 6 Implementation

6.1 Offeror undertakes:

6.1.1 not to object to, and to co-operate in good faith with Target in relation to the Sanction Hearing being convened as soon as reasonably practicable after the satisfaction or waiver of the Scheme Conditions and the Regulatory Conditions;



- 6.1.2 not to object to, and to co-operate in good faith with Target and take such steps as are necessary or reasonably desirable in relation to, the Scheme being implemented as soon as reasonably practicable following the satisfaction of the Scheme Condition relating to sanction of the Scheme by the Court; and
- 6.1.3 by no later than the Business Day prior to the Sanction Hearing, to deliver a written notice to Target confirming either:
- (i) the satisfaction of all Conditions or waiver of all Conditions that are yet to be satisfied (other than the Scheme Condition relating to the sanction of the Scheme by the Court); or
  - (ii) its intention to invoke one or more Conditions (if permitted by the Panel), in which case Offeror shall provide Target with details of the event(s) which has occurred, or circumstances which have arisen, which Offeror considers entitles it to invoke the Condition(s) or treat it as unsatisfied or incapable of satisfaction and why (if applicable under the Code) Offeror considers such event(s) or circumstances to be sufficiently material for the Panel to permit it to invoke the relevant Condition(s),

and, if and to the extent that all of the Conditions (other than the Scheme Condition relating to the sanction of the Scheme by the Court) have been satisfied or, where permissible, waived, Offeror shall instruct counsel to appear on Offeror's behalf at the Sanction Hearing and to undertake to the Court to be bound by the terms of the Scheme insofar as it relates to Offeror. Offeror shall provide such documentation or information as may reasonably be required by Target's counsel or the Court in relation to such undertaking.

- 6.2 If Offeror becomes aware of any fact, matter or circumstance that would allow (in the good faith opinion of Offeror) any of the Conditions to be invoked, Offeror shall inform Target as soon as reasonably practicable (including on the basis on which Offeror considers it might be able to invoke any such Condition). Offeror agrees that if it intends to seek the permission of the Panel to invoke a Condition it will, prior to approaching the Panel, notify Target of its intention and provide Target with reasonable details of the ground on which it intends to invoke the relevant Condition.
- 6.3 Without prejudice to any other provision of this Agreement (but not with respect to the matters contemplated by Clause 3, which shall be governed by Clause 3), Offeror undertakes to Target that it shall reasonably cooperate with Target and take, and shall procure that each member of its Group shall reasonably cooperate with Target and take, all necessary or desirable steps for the purposes of enabling the approval or implementation of the Acquisition in accordance, and subject to the terms and conditions (including the Conditions) of, the Announcement.

## 7 Switching to an Offer

- 7.1 The parties intend as of the date of this Agreement to implement the Acquisition by means of the Scheme. Offeror shall have the right, subject to the consent of the Panel, to elect at any time to implement the Acquisition by way of an Offer, whether or not the Scheme Document has been published, provided that:
- 7.1.1 the Offer is made in accordance with the terms and conditions set out in the Announcement (with any modifications or amendments to such terms and conditions as may be required by the Panel or which are necessary as a result of a switch from the Scheme to the Offer); and
  - 7.1.2 Target provides its prior written consent (an "**Agreed Switch**").

- 7.2** In the event of an Agreed Switch, unless otherwise agreed by Target or required by the Panel:
- 7.2.1** the Acceptance Condition shall be set at not more than 75 per cent. of the issued share capital of Target, or, where any of the circumstances set out in Note 2 on Section 8 of Appendix 7 of the Code applies (which for the avoidance of doubt includes a Target Board Recommendation Change), at not more than 90 per cent. of Target Shares to which the Offer relates (or such lesser percentage, being more than 50 per cent. of Target Shares to which the Offer relates) as Offeror may decide with, if and to the extent necessary, the consent of the Panel;
- 7.2.2** Offeror shall:
- (i) agree with Target in a timely manner the form and content and timing of publication of joint announcements relating to the Agreed Switch and its implementation and any proposed changes to the timetable in relation to the implementation of the Agreed Switch;
  - (ii) prepare, as soon as reasonably practicable the Offer Document and related form of acceptance; and
  - (iii) allow Target reasonable opportunity to provide comments on the contents and timing of publication of, the Offer Document and the related form of acceptance.
- 7.2.3** Offeror agrees to seek Target's approval of the contents of the information on Target, or otherwise for which the Target Directors are taking responsibility, contained in the Offer Document before it is published, and to afford Target a reasonable opportunity to consider such document in order to give its approval of such information (such approval not to be unreasonably withheld, delayed or conditioned);
- 7.2.4** Offeror shall not take any action (including publishing an ACIN) which would cause the Offer not to proceed, to lapse or to be withdrawn, in each case for non-fulfilment of the Acceptance Condition, prior to the 60th day after publication of the Offer Document (or such later date as it set in accordance with Rule 31.3 of the Code) and Offeror shall ensure that the Offer remains open for acceptance until such time;
- 7.2.5** Offeror shall not, without the prior written consent of Target, make any Acceleration Statement unless:
- (i) all of the Conditions (other than the Acceptance Condition) have been satisfied or waived (if capable of waiver);
  - (ii) the Acceleration Statement contains no right for Offeror to set the statement aside (except with Target's consent); and
  - (iii) Offeror undertakes to Target not to take any action or step otherwise to set the Acceleration Statement aside;
- 7.2.6** if at any time following publication of the Offer Document it is reasonably expected by Offeror that any outstanding Condition is not likely to be satisfied or waived (if capable of waiver) prior to the last date permitted under Rule 31.1 of the Code, Offeror shall consult Target and the Panel as to whether the offer timetable should be suspended in accordance with Rule 31.4 of the Code (or, if applicable, further suspended) and if required by Target, shall request such suspension or extension to a date agreed between Offeror, Target and the Panel, provided always that such extended date (as, if applicable, it may be further extended) shall be no later than the Long Stop Date; and

7.2.7 Offeror shall ensure that, other than the Acceptance Condition, the only conditions to the Offer shall be the Conditions (it being agreed that the Scheme Conditions will also be excluded).

7.3 The parties agree that in the case of any Agreed Switch, save as set out in this Clause 7, all the provisions of this Agreement relating to the Scheme and Scheme Document and its implementation shall apply to the Offer, Offer Document and its implementation *mutatis mutandis*.

7.4 Offeror hereby confirms that it is not, at the date of this Agreement, and undertakes (until such time as this Agreement terminates) that it shall not become, following the date of this Agreement, required to make a mandatory offer for Target pursuant to Rule 9 of the Code.

## 8 Dividends

8.1 The parties agree that, prior to the Effective Date, the Target Directors will be entitled to approve (if they see fit) the payment of a dividend by Target (and Target shall be entitled to announce, declare, make and/or pay such dividend) to Target Shareholders in an amount up to (but not exceeding) 25 pence per Target Share (a "**Special Dividend**"). Target Shareholders will be entitled to receive and retain any such Special Dividend without any reduction being made to the Acquisition Price payable in connection with the Acquisition. The record date in respect of such Special Dividend shall be a date prior to the Effective Date.

8.2 Offeror consents (and shall, if required, confirm such consent in writing to the Panel before any such Special Dividend is announced / declared) to any such Special Dividend being declared, made and paid for the purposes of Rule 21 of the Code and that it shall not have the right to invoke Condition 3.8.3 in Appendix 1 to the Announcement if any such Special Dividend is declared, made or paid.

8.3 Offeror undertakes in favour of Target and in favour of each of the Target's Shareholders that, following completion of the Acquisition, it will not cause or permit the payment of the Special Dividend to be revoked or cancelled unless, and then only to the extent that, payment of the Special Dividend would contravene Part 23 of the Act or any other applicable Law or regulation.

8.4 Other than with respect to a Special Dividend, Offeror reserves the right (without prejudice to any right Offeror may have, with the consent of the Panel, to invoke Condition 3.8.3 in Appendix 1 to the Announcement) to (at Offeror's sole discretion) reduce the Acquisition Price by an amount equivalent to all or any part of any other dividend, distribution, or other return of value, in which case any reference in the Announcement or this Agreement to the Acquisition Price will be deemed to be a reference to the Acquisition Price as so reduced.

## 9 Share Plans and Employee Matters

9.1 The parties agree that the provisions of Part A Schedule 1 (*Share Plans and Employee Matters*) shall apply in connection with the implementation of the Acquisition in respect of Target Share Plans.

9.2 The parties agree that the provisions of Part B Schedule 1 (*Share Plans and Employee Matters*) shall apply in connection with the implementation of the Acquisition in respect of certain employee related matters.

9.3 Target shall determine the strategy for communicating the provisions of Schedule 1 (*Share Plans and Employee Matters*), in respect of Target Share Plans and other employee matters, to the employees of Target. Target intends to consult Offeror in relation to such strategy for

communicating the provisions of Schedule 1 (*Share Plans and Employee Matters*) provided that there has not been a Target Board Recommendation Change.

## **10 D&O Insurance**

**10.1** If and to the extent that such obligations are permitted by Law, for six years after the Effective Date, Offeror undertakes in favour of Target and in favour of each of the directors and officers (and any other individuals in a management or supervisory capacity of Target or any member of the Target Group, such individuals being "**Relevant Individuals**") as at and prior to the date of this Agreement to:

**10.1.1** procure that the members of the Target Group shall honour and fulfil all their respective obligations (if any) existing at the date of this Agreement regarding exclusion or limitation of liability of directors, officers and Relevant Individuals, indemnification of officers, directors and Relevant Individuals and advancement of expenses with respect to matters existing or occurring at or prior to the Effective Date; and

**10.1.2** provide reasonable assistance to current and former directors and officers of the Target Group to the extent they need to make a claim against the Target Group directors' and officers' insurance policy (including any Run-Off Cover), in each case with respect to matters existing or occurring prior to the Effective Date.

**10.2** Offeror acknowledges that, prior to the Effective Date, Target may purchase directors' and officers' insurance for both current and former directors and officers of the Target Group, including directors and officers of Target at the date hereof who retire or whose employment is terminated on or prior to the Effective Date in connection with the Acquisition, for acts and omissions up to and including the Effective Date, in the form of run-off cover for a period of six years following the Effective Date (the "**Run-Off Cover**"). The Run-Off Cover shall be with reputable insurers, for an aggregate limit broadly commensurate with Target Group's existing policies and provide cover so far as practicable at least as broad in its scope as that provided under the Target Group's directors' and officers' insurance as at the date of this Agreement. To the extent that Run-Off Cover has not been purchased by Target prior to the Effective Date, Offeror shall procure that Target purchases such Run-Off Cover as soon as reasonably practicable after the Effective Date.

**10.3** Each of the directors, officers and Relevant Individuals to which the foregoing provisions of this Clause 10 (*D&O Insurance*) apply shall have the right, pursuant to the Contracts (Rights of Third Parties) Act 1999, to enforce their rights against Offeror or any of its successors or assigns under the foregoing provisions of this Clause 10 (*D&O Insurance*).

## **11 Termination**

**11.1** Subject to Clause 11.1.4(vi) and Clause 11.3, this Agreement shall be terminated with immediate effect and all rights and obligations of either party under this Agreement shall cease as follows:

**11.1.1** if agreed in writing between the parties at any time prior to the Effective Date;

**11.1.2** if the Announcement is not released at or before 5.00 p.m. on the date of this Agreement (unless, prior to that time, the parties have agreed another time and date in accordance with Clause 2 (*Effective Date*)) in which case the later time and date shall apply for the purposes of this Clause 11.1.2);

**11.1.3** upon service of written notice by Offeror to Target if a Target Board Recommendation Change occurs;

- 11.1.4 upon service of written notice by either party to the other party if one or more of the following occurs:
- (i) if the Acquisition is being implemented by way of Scheme:
    - (a) except in the case of an Agreed Switch, the Scheme is not approved by the requisite majority of the Target Shareholders at the Court Meeting or the Target Resolutions are not passed by the requisite majority of the Target Shareholders at the General Meeting;
    - (b) the Court Meeting and/or the General Meeting are not held on or before the 22nd day after the expected date of the Court Meeting and/or the General Meeting (as applicable) as set out in the Scheme Document (or such later date as may be agreed in writing between the parties with the consent of the Panel and the approval of the Court (if such approval(s) are required)), except where such delay or adjournment is solely caused by logistical or practical reasons beyond Target's reasonable control (and Target has not contributed thereto);
    - (c) the Sanction Hearing is not held on or before 30 days after all of the Conditions have been satisfied or waived in accordance with Clause 6.1 (or such later date as may be agreed in writing between the parties, with the consent of the Panel and the approval of the Court (if such approval(s) are required)), except where such delay or adjournment is solely caused by logistical or practical reasons beyond Target's reasonable control (and Target has not contributed thereto); or
    - (d) the Court makes a final determination not to sanction the Scheme (and for these purposes, this shall not include any adjournment of the Sanction Hearing or where a determination of the Court not to sanction the Scheme is subject to appeal);
  - (ii) prior to the Long Stop Date, any Condition has been invoked by Offeror (where the invocation of the relevant Condition has been specifically permitted by the Panel);
  - (iii) prior to the Long Stop Date, a Competing Proposal:
    - (a) is recommended in whole or in part by the Target Board; or
    - (b) completes, becomes effective, or is declared or becomes unconditional;
  - (iv) if the Acquisition (whether implemented by way of the Scheme or the Offer) lapses, terminates or is withdrawn in accordance with its terms and this Agreement on or prior to the Long Stop Date and, where required, with the consent of the Panel (other than where such lapse or withdrawal: (a) it is as a result of an Agreed Switch; or (b) it is otherwise to be followed within six Business Days by an announcement under Rule 2.7 of the Code made by Offeror or a person acting in concert with Offeror to implement the Acquisition by a different offer or scheme on substantially the same or improved terms and which is (or is intended to be) recommended by Target Directors);
  - (v) if any Law is in effect enjoining or otherwise prohibiting the consummation of the Acquisition, and such Law shall have become final and non-appealable; or

- (vi) unless otherwise agreed by the parties in writing or required by the Panel, if the Effective Date has not occurred on or before the Long Stop Date.

**11.2** Termination of this Agreement shall be without prejudice to the rights of either party that may have arisen prior to termination.

**11.3** The whole of this Clause 11 (*Termination*), Clause 9 (*Share Plans and Employee Matters*), Clause 10 (*D&O Insurance*) (but only in circumstances where this Agreement is terminated on or after the Effective Date or the date of the Offer becoming or is being declared unconditional, as the case may be), Clauses 12 (*Representations and Warranties*) to 26 (*Governing Law and Submission to Jurisdiction*) (inclusive), and Schedule 1 (*Share Plans and Employee Matters*) shall survive termination of this Agreement.

## **12 Representations and Warranties**

**12.1** Each of the parties represents and warrants to the other on the date hereof that:

**12.1.1** it has the requisite power and authority to enter into and perform this Agreement;

**12.1.2** this Agreement constitutes its legal, valid and binding obligations in accordance with its terms;

**12.1.3** the execution and delivery of, and performance of its obligations under, this Agreement shall not:

(i) result in a breach of any provision of its constitutional documents; or

(ii) save as previously fairly disclosed to the other party, result in a breach of, or constitute a default under, any instrument to which it is a party or by which it is bound; or

(iii) result in a breach of any order, judgment or decree of any court or governmental agency to which it is a party or by which it is bound and which would adversely impact on its ability to implement the transactions contemplated by this Agreement.

**12.2** Offeror represents and warrants to Target on the date hereof that:

**12.2.1** it has the requisite power and authority to enter into and implement the Acquisition on the terms and subject to the conditions set out in the Announcement;

**12.2.2** no shareholder resolution (or similar) of Offeror is required to enter into and implement the Acquisition; and

**12.2.3** all material matters or circumstances of which Offeror employees engaged in consideration of the Regulatory Conditions to the Acquisition are aware and which would or would reasonably be expected by Offeror to result in any of the Regulatory Conditions not being satisfied in the specific context of the Acquisition have been discussed with Target.

**12.3** Offeror acknowledges and agrees, on its own behalf and on behalf of the Offeror Group, that any information and/or assistance provided by any of Target Directors, or Target's officers, employees or advisers (each, a "**Target Representative**") to it and/or any member of the Offeror Group or any of its respective officers, employees or advisers, whether before, on or after the date of this Agreement; (i) pursuant to the obligations of Target or any member of Target Group under or otherwise in connection with this Agreement; or (ii) in connection with the Acquisition, shall in each case be given on the basis that the relevant Target Representative shall not incur any liability nor owe any duty of care to any member of the Offeror Group in respect of any loss or damage that any member of the Offeror Group or

any of its respective officers, employees or advisers may suffer as a result of the provision of any such information and/or assistance (save in each case for loss or damage resulting from fraud, fraudulent misrepresentation or wilful concealment of the relevant Target Representative). Each Target Representative shall have the right, pursuant to the Contracts (Rights of Third Parties) Act 1999, to enforce their rights against Offeror or any of its successors or assigns under this Clause 12.3.

### **13 Invalidity**

**13.1** If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the parties.

**13.2** If and to the extent it is not possible to delete or modify the provision, in whole or in part, under Clause 13.1, then such provision or part of it shall, if and to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this Agreement and the legality, validity and enforceability of the remainder of this Agreement shall, subject to any deletion or modification made under Clause 13.1, not be affected.

### **14 Code**

**14.1** Nothing in this Agreement shall in any way limit the parties' obligations under the Code and any uncontested rulings of the Panel as to the application of the Code in conflict with the terms of this Agreement shall take precedence over such terms.

**14.2** The parties agree that, if the Panel determines that any provision of this Agreement that requires Target to take or not take action, whether as a direct obligation or as a condition to any other person's obligation (however expressed), is not permitted by Rule 21.2 of the Code, that provision shall have no effect and shall be disregarded.

### **15 Notices**

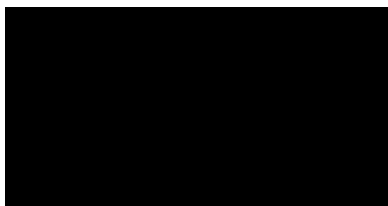
**15.1** Subject to Clause 15.6, any notice or other communication in connection with this Agreement (each, a "**Notice**") shall be:

**15.1.1** in writing;

**15.1.2** in English; and

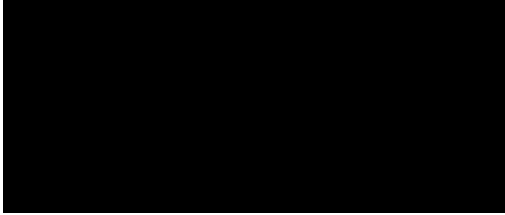
**15.1.3** delivered by hand, email, pre-paid recorded delivery, pre-paid special delivery or courier using an internationally recognised courier company (provided that any notice delivered otherwise than by email to a party shall in any event also be sent to the email address specified for that party in Clauses 15.2 and 15.3 (as applicable), with a copy (which shall not constitute a Notice) by email to that party's advisers as specified therein).

**15.2** A Notice to Offeror shall be sent to the following address, or such other person or address as Offeror may notify to Target from time to time:



With a copy (which shall not constitute a Notice) by email to:  
[REDACTED] and [REDACTED].

- 15.3** A Notice to Target shall be sent to the following address, or such other person or address as Target may notify to Offeror from time to time:



With a copy (which shall not constitute a Notice) by email to:  
[REDACTED] and [REDACTED].

- 15.4** Each party shall notify the other in writing of any change to its notice details for the purposes of this Clause 15 (*Notices*) from time to time.

- 15.5** A Notice shall be effective upon receipt and shall be deemed to have been received:

- 15.5.1** at 9.00 a.m. on the second Business Day after posting or at the time recorded by the delivery service;
- 15.5.2** at the time of delivery, if delivered by hand or courier; or
- 15.5.3** at the time the email is sent, if sent by email, provided that receipt shall not occur if the sender receives an automated message that the email has not been delivered to the recipient.

- 15.6** Email is not permitted for any Notice by any party that:

- 15.6.1** terminates, gives notice to terminate or purports to terminate this Agreement; or
- 15.6.2** notifies or purports to notify an actual or potential claim for breach of or under this Agreement.

## **16 Further Assurances**

Each party shall, and shall use reasonable endeavours to procure that any necessary third party shall, from time to time, execute such documents and do such acts and things as the requesting party may reasonably require for the purpose of giving the full benefit of this Agreement to the requesting party.

## **17 Remedies and Waivers**

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

- 17.2** No failure or delay by either party in exercising any right or remedy provided under this Agreement shall operate as a waiver of it, nor shall any single or partial exercise of any right or remedy preclude any other or further exercise of it or the exercise of any other right or remedy.

- 17.3** Any waiver of a breach of this Agreement shall not constitute a waiver of any subsequent breach.

- 17.4** Without prejudice to any other rights and remedies which any party may have, each party acknowledges and agrees that damages alone may not be an adequate remedy for any breach by any party of the provisions of this Agreement and any party shall be entitled to



seek the remedies of injunction, specific performance and other equitable relief, for any threatened or actual breach of any such provision of this Agreement by any party and no proof of special damages shall be necessary for the enforcement by any party of the rights under this Agreement.

## **18 No Partnership**

Nothing in this Agreement and no action taken by the parties under this Agreement shall be deemed to constitute a partnership between the parties nor constitute any party the agent of any other party for any purpose.

## **19 Time of Essence**

Except as otherwise expressly provided, time shall be of the essence of this Agreement both as regards any dates, times and periods mentioned and as regards any dates, times and periods which may be substituted for them in accordance with this Agreement or by agreement in writing between Target and Offeror.

## **20 Third Party Rights**

Save as set out in Clause 10.3 and Clause 12.3, person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of, or enjoy any benefit under, this Agreement.

## **21 Variation**

**21.1** No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of Target and Offeror.

**21.2** Notwithstanding Clause 20 (*Third Party Rights*), this Agreement may be varied in any way without the consent of any third party beneficiary under Clause 10.3 or Clause 12.3, provided that the consent of the Chair of Britvic (as at the date hereof) or, in his absence or if he is unable to do so, any other director of Britvic (as at the date hereof) shall be required for any variation of Clause 10 (*D&O Insurance*) or Clause 12.3 at any time on or after the Effective Date or the Offer becoming or being declared unconditional (as the case may be).

## **22 Whole Agreement**

**22.1** Save for the Confidentiality Agreement, the Clean Team Agreement and the Confidentiality and Joint Defence Agreement (each of which remains in force at the date of this Agreement), this Agreement contains the whole agreement between the parties relating to the Acquisition and supersedes any previous written or oral agreement between the parties in relation to the Acquisition.

**22.2** Except in the case of fraud, fraudulent misrepresentation or wilful misstatement, each party agrees and acknowledges that it is entering into this Agreement in reliance only upon this Agreement and that it is not relying upon any pre-contractual statement that is not set out in this Agreement.

**22.3** Except in the case of fraud, no party shall have any right of action (including those in tort or arising under statute) against another party arising out of or in connection with any pre-contractual statement except to the extent that it is repeated in this Agreement.

**22.4** For the purposes of this Clause 22 (*Whole Agreement*), “**pre-contractual statement**” means any draft, agreement, undertaking, representation, warranty, promise, assurance or arrangement of any nature whatsoever, whether or not in writing, relating to the subject

matter of this Agreement made or given by any person at any time before the date of this Agreement.

## **23 Assignment**

- 23.1** Except as otherwise expressly provided in this Agreement, neither Offeror nor Target may assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Agreement.

## **24 Costs and Expenses**

Save as otherwise provided in Clause 3, each party shall bear all costs incurred by it in connection with the preparation, negotiation, entry into and implementation of this Agreement.

## **25 Counterparts**

This Agreement may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any party may enter into this Agreement by executing any such counterpart.

## **26 Governing Law and Submission to Jurisdiction**

- 26.1** This Agreement and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with English and Welsh law.
- 26.2** Subject to Clause 26.3 below, each of Offeror and Target irrevocably agrees that the courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and that accordingly any proceedings arising out of or in connection with this Agreement shall be brought in such courts. Each of Offeror and Target irrevocably submits to the jurisdiction of such courts and irrevocably waives any objection to proceedings in any such court on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum.
- 26.3** Notwithstanding Clause 26.2 above, the parties shall be entitled to seek from any competent court any interim or interlocutory remedy (including those contemplated by Clause 17 (*Remedies and Waivers*) above. Nothing in this Clause 26 (*Governing Law and Submission to Jurisdiction*) shall deprive any competent court of jurisdiction to grant any such remedy or relief.

In witness whereof this Agreement has been duly executed on the date first set out above:

**SIGNED** by

**Paul Davies**  
for and on behalf of  
**CARLSBERG UK HOLDINGS**  
**LIMITED:**

}



**SIGNED** by

\_\_\_\_\_  
for and on behalf of **BRITVIC**  
**PLC:**

}

**In witness** whereof this Agreement has been duly executed on the date first set out above:

**SIGNED** by

\_\_\_\_\_  
for and on behalf of  
**CARLSBERG UK HOLDINGS  
LIMITED:**

}

**SIGNED** by

\_\_\_\_\_  
Simon Litherland  
for and on behalf of **BRITVIC  
PLC:**

}



## **Schedule 1**

### **Share Plans and Employee Matters**

#### **1 General**

- 1.1** The parties to this Agreement agree that the provisions of this schedule (this “**Schedule**”) shall apply in respect of the Target Share Plans and certain other employee-related matters.
- 1.2** Subject to applicable confidentiality, legal and regulatory requirements, each party will reasonably co-operate with the other parties in order to facilitate the implementation of the arrangements set out in this Schedule.
- 1.3** The parties acknowledge that any bonus, vesting or exercise of awards/options or other payments described in this Schedule 1 will be subject to the usual deductions for applicable taxes and national insurance/ social security contributions and levies, where such taxes or contributions are required to be withheld and the Proposals set out in this Schedule 1 shall include mechanisms to ensure that any such deductions may be made, and that the appropriate proposals to be made by Offeror shall include mechanisms to ensure that any such deductions may be made.

#### **PART A: TARGET SHARE PLANS**

#### **2 Appropriate proposals to be made**

The Target and Offeror intend to jointly write to participants in the Target Share Plans on, or as soon as practicable after, the posting of the Scheme Document (or such later date as is agreed with the Panel) to inform them of: (i) the impact of the Scheme on their outstanding awards and/or options granted under the Target Share Plans and the New PSP (as the case may be) (“**Awards**”) as set out in paragraphs 7.1 to 7.7 below (the “**Proposals**”) and any actions they may need to take in connection with their Awards as a result of the Scheme; and (ii) where required, the Offeror’s proposals pursuant to Rule 15 of the Code.

- 2.1** If the Acquisition is implemented by way of a Scheme, the Target and Offeror intend that the timetable for its implementation shall be fixed so far as possible to enable Awards that provide for vesting and/or exercise upon the Court Order being granted, to vest and/or be exercised in sufficient time to enable the resulting Target Shares to be bound by the Scheme on the same terms as Target Shares held by Target Shareholders. Without limitation, the Offeror and the Target acknowledge that the Scheme Record Time shall take place after the Court Order to allow those participants in the Target Share Plans who acquire Target Shares on or before the Court Order to have those Target Shares acquired through the Scheme.
- 2.2** If the Acquisition is implemented by way of an Offer, references to Court Order in this Schedule will be read as if they refer to the date on which the Offer becomes or is declared unconditional and reference to the Scheme will be read as if they refer to the Offer and, subject always to Rule 21.2 of the Code, the Offeror shall work in good faith with the Target to agree any such modifications to the Proposals as may be necessary or desirable.

#### **3 Articles amendment**

- 3.1** The Target Resolutions shall include a resolution proposing an amendment to the Target articles of association by the adoption and inclusion of a new article under which any Target Shares issued or transferred prior to the Scheme Record Time shall be subject to the Scheme or if such issue or transfer occurs after the Scheme Record Time, immediately

transferred to Offeror (or as it may direct) in exchange for the same consideration to be paid by Offeror as is due under the Scheme (or such other consideration as may be agreed between Offeror and the Target and disclosed in the Scheme Document).

#### 4 Outstanding Awards

As at 4 July 2024, the following Awards were outstanding under the Target Share Plans:

Target Share Plan	Form of Award(s) and exercise price (where applicable)	Number of Target Shares/options subject to outstanding Awards (inclusive of accrued dividend equivalents where applicable)
PSP	Conditional awards subject to Performance conditions	3,921,586
PSP	Conditional awards <u>not</u> subject to Performance conditions	272,836
ESOP	Options with exercise price of £5.42	470,179
	Options with exercise price of £6.71	152,976
	Options with exercise price of £7.1166	143,058
	Options with exercise price of £7.63	564,164
	Options with exercise price of £8.10	3,703
	Options with exercise price of £8.197	152,137
	Options with exercise price of £9.0233	9,322
	Options with exercise price of £9.24	31,504
Buy-Out Award	Conditional awards	127,748
DBP	Conditional awards	82,560
RSP	Conditional awards	96,733
International phantom SIP (cash settled arrangement)	Conditional awards over notional shares	32,604 (notional shares)
UK SIP	Free Shares	1,576,259
	Partnership Shares	1,114,359
	Matching Shares	570,911
	Dividend Shares	53,291
Irish PSS	Free Shares	138,798
Brazil (cash settled arrangements)	PSP Conditional awards subject to Performance conditions	131,436
	PSP Conditional awards <u>not</u> subject to Performance conditions	15,115
	ESOP	24,788

	RSP	8,588
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For Target Shares held under the UK SIP and the Irish PSS see paragraphs 5, 7.6, and 7.7 of this Schedule 1. These Target Shares are included in the Target's wider issued share capital of 248,906,262.

In addition, the parties acknowledge that additional Target Shares may be delivered by way of dividend equivalents under the rules of the PSP, the DBP, the RSP, the Buy Out Award, the UK SIP, and the Irish PSS. In addition, the International Phantom SIP and the Brazilian cash settled arrangements may receive dividend equivalents and these are settled in cash.

## 5 Target Shares in employee trusts

The Target further confirms that as at 4 July 2024 the following Target Shares were held in trust on behalf of participants in the Target Share Plans:

Trust	Number of Target Shares
Britvic Employee Share Trust	1,693,930
UK SIP Trust	3,325,076
Irish PSS Trust	138,798

The Target further confirms that, and the Offeror acknowledges that, the Target has hedging arrangements in place for the purpose of satisfying awards under the ESOP, PSP, RSP and Buy-Out Award. Pursuant to these hedging arrangements, the Target has a contractual entitlement to buy existing Britvic Shares totalling 1,785,000 at an agreed price, (the "**Hedged Shares**") and the Target may make a recommendation to the trustee of the Britvic Employee Share Trust to purchase such Hedged Shares at the agreed price for the purpose of satisfying awards under the Target Share Plans. The hedging arrangements are in six tranches and will mature by 24 January 2025, or may be settled early, and so it is expected that the Hedged Shares will be used to satisfy awards under the Share Plans in due course.

## 6 Operation

- 6.1** Subject to applicable legislation/regulation and Rule 21.1 of the Code and the consent of the Panel where applicable, Offeror acknowledges and agrees that, before the Effective Date, the Target Directors (and, where appropriate, the Target Remuneration Committee) may operate the Target Share Plans as they reasonably consider appropriate in accordance (as relevant) with the rules of the relevant Target Share Plan (including the New PSP as the case may be), Target's Remuneration Policy (where applicable) and the Target's normal practice, save as set out in this Agreement. For the avoidance of doubt, the operation of the Target Share Plans includes (without limitation): granting Awards, determining the extent to which Awards vest, and satisfying the vesting of Awards and the exercise of Awards granted in the form of options.
- 6.2** The Target Directors confirm that where a relevant participant's employment with the Target Group terminates prior to the Court Order, in accordance with the terms of the PSP (and/or New PSP as the case may be) and the Target's normal practice (as varied by the New PSP and New Remuneration Policy if they are approved at the AGM prior to the Court Order in accordance with the parameters set within them), their Future PSP Awards shall either lapse

on termination of employment, or continue and vest on the earlier of the normal Vesting Date (as defined in the PSP and/or New PSP as the case may be) and the Court Order, pro-rated to the date of termination (except to the extent that the Target Remuneration Committee decides, in accordance with the terms of the PSP and/or New PSP as the case may be and the Target's normal practice, that exceptional circumstances exist such that vesting should occur earlier or pro-rating should be waived) (the "**Previously Triggered Awards**").

- 6.3** The Offeror acknowledges that, from the date of this Agreement, the Target may, subject to Rule 21.1 of the Code, satisfy the vesting or exercise of any Awards by issuing new Target Shares or transferring market purchased or treasury shares, or cash-settling Awards, always in accordance with the terms of the relevant Target Share Plan.
- 6.4** Subject always to Rule 21.1 of the Code and the Target Remuneration Policy, the Offeror acknowledges that the Target may amend the rules of any of the Target Share Plans to the extent, in the reasonable opinion of the Target Directors or the Target Remuneration Committee, the amendments are necessary to implement the Scheme or the treatment set out in this Agreement, comply with any local law requirement, or facilitate the administration of any Target Share Plan and, before making any such amendments, the Target intends to consult with the Offeror for the purposes of securing any necessary consents from the Panel for the purposes of Rule 21.1 of the Code.
- 6.5** The Offeror acknowledges that the Target may make such submissions to the Panel that are necessary to implement the arrangements expressly provided for in this Schedule 1, and Offeror agrees to co-operate promptly and in good faith in the making of any such submission.

## **7 Treatment of outstanding Awards under the Target Share Plans in connection with the Scheme**

The treatment of Awards under the Target Share Plans in connection with the Scheme will be as set out in this paragraph 7.

### **7.1 The PSP, RSP and Buy-Out Award**

- 7.1.1** The Target will grant further awards under the PSP (or, if it is approved at the AGM, the New PSP), shortly following the AGM if that occurs before the Effective Date (subject to dealing restrictions) (the "**Future PSP Awards**"), and in terms of recipients, quantum and performance conditions, such Future PSP Awards will be granted in accordance with the Target's normal practice (as varied by the New PSP and New Remuneration Policy if they are approved at the AGM and, in respect of performance conditions, having regard to the specific circumstances of the Acquisition). The terms of the New PSP will be on materially the same terms as the PSP and will allow for time pro-rating.
- 7.1.2** The Offeror acknowledges and agrees that, if the Effective Date occurs prior to the normal Vesting Date (as defined in the PSP or New PSP, as applicable) of the Future PSP Awards (excluding the Previously Triggered Awards), the following treatment will apply:
- (i) in accordance with the rules of the PSP (or the New PSP as applicable), the Future PSP Awards will vest and be released from any applicable holding period on the date of the Court Order subject to the Target Remuneration Committee's reasonable assessment of performance and application of time



- pro-rating and the Offeror acknowledges that such assessment of performance is entirely at the Target Remuneration Committee's discretion;
- (ii) to the extent that the Future PSP Awards lapse due to the application of performance assessment and/or time pro-rating, the Offeror will make new awards (the "**Replacement Offeror Awards**") with the following terms:
- (a) all Replacement Offeror Awards for relevant Replacement Offeror Award participants shall be settled in cash unless the Offeror's remuneration committee approves that the Replacement Offeror Awards shall be settled in Offeror Shares (other than in respect of Replacement Offeror Awards relating to Future PSP Awards granted as cash-settled awards, which shall always be settled in cash);
  - (b) the Replacement Offeror Awards shall be equal in value to the lapsed portion of the Future PSP Awards calculated as follows: either, as applicable in accordance with paragraph 7.1.2(ii)(a) above (a) the number of Offeror Shares equal to the product (rounded down to the nearest whole share) of (1) the number of shares subject to such Future PSP Award including any dividend equivalents multiplied by (2) the Exchange Ratio (to establish a number of Offeror Shares subject to the Replacement Offeror Award); or (b) the number of shares subject to such Future PSP Awards including any dividend equivalents multiplied by the Offer Price (to establish a cash value of the Replacement Offeror Award);
  - (c) all existing performance conditions will be disappled and no further performance conditions will be applied;
  - (d) each of the vesting and payment dates of the Replacement Offeror Award will be no longer than each of the vesting and payment dates of the Future PSP Awards being replaced;
  - (e) no post-vesting holding period will apply to the Replacement Offeror Awards; and
  - (f) a Replacement Offeror Award will vest pro-rata calculated with reference to the period of employment between 1 October 2024 to 30 September 2027 on a participant's termination of employment with the Offeror Group or the Target Group after the Effective Date where such termination is a Qualifying Termination.

**7.2** The Offeror acknowledges that, because of the Acquisition and the rules of the PSP, the RSP and the Buy-Out Award (and the New PSP as the case may be), any outstanding Awards granted under the PSP, the RSP and the Buy-Out Award and the New PSP that have not vested or been released from applicable holding periods in the ordinary course prior to the date of Court Order will vest and be released from any applicable holding period on the date of Court Order unless they are Previously Triggered Awards or Future PSP Awards (which will be treated in accordance with paragraphs 6.2 and 7.1.2 above), and it is the current intention of the Target Remuneration Committee that:

- (i) Such Awards will vest on the date of Court Order subject to performance assessment (where applicable) with no application of time pro-rating;
- (ii) Where subject to performance conditions, such Awards will be assessed by the Target Remuneration Committee on, or shortly prior to, the Court Order and it is currently expected that all such outstanding Awards will vest in aggregate at a level of 100% and the Offeror acknowledges the outcome; and
- (iii) Any holding period applying to such outstanding Awards will cease to apply on the date of Court Order.

### **7.3 The ESOP**

The Offeror acknowledges that all outstanding options granted under the ESOP have vested and become exercisable in the ordinary course and no further options will be granted under the ESOP and that, in accordance with the rules of the ESOP and due to the Acquisition, the outstanding options will remain exercisable for one month from the date that the Target Remuneration Committee notifies participants of the Court Order and, if not exercised, the options will lapse thereafter (unless they lapse earlier in accordance with the rules of the ESOP).

### **7.4 The DBP**

The Offeror acknowledges that any outstanding awards granted under the DBP that have not vested in the ordinary course prior to the date of Court Order will vest in full on the date of Court Order because of the Acquisition in accordance with the rules of the DBP.

### **7.5 The International Phantom SIP**

The Offeror acknowledges that awards under the International Phantom SIP are satisfied with cash and that any outstanding awards granted under the International Phantom SIP that have not vested in the ordinary course prior to the date of the Court Order will vest in full on the date of the Court Order because of the Acquisition in accordance with the rules of the International Phantom SIP.

### **7.6 The UK SIP**

- 7.6.1 Target Shares held for participants in the UK SIP are held on behalf of participants in a nominee account operated by Equiniti Share Plan Trustees Limited (the “**UK SIP Trustee**”). Participants in the UK SIP will participate in the Scheme on the same terms as all other Target Shareholders.
- 7.6.2 The Target confirms that, as of 4 July 2024, 3,325,076 Target Shares are currently held on behalf of participants in the UK SIP Trust and are included in the Target’s wider issued share capital of 248,906,262.
- 7.6.3 Offeror acknowledges that “Free Shares” and “Matching Shares” granted under the UK SIP will not be forfeited due to the Scheme in accordance with the rules of the UK SIP.

### **7.7 The Irish PSS**

- 7.7.1 Target Shares held for participants in the Irish PSS are held on behalf of participants in a nominee account operated by Global Shares Trustees Ireland Limited (the “**Irish**

**PSS Trustee**”). Participants in the Irish PSS will participate in the Scheme on the same terms as all other Target Shareholders.

7.7.2 The Target confirms that, as of 4 July 2024, 138,798 Target Shares are currently held on behalf of participants in the Irish PSS Trust and are included in the Target’s wider issued share capital of 248,906,262.

## **8 Employee benefit trusts**

Subject always to the Target’s ability to make recommendations to the trustees of the employee benefit trusts to use the Target Shares held in the employee benefit trusts to satisfy Awards vesting or options being exercised in the ordinary course, the Offeror acknowledges that, in priority to the Target issuing Target Shares to satisfy Awards, the trustees of the employee benefit trusts will be asked by the Target to satisfy any Awards under the Target Share Plans vesting or being exercised on or after the date of the Court Order using any unallocated Target Shares. To the extent there are insufficient Target Shares in the relevant employee benefit trusts to satisfy outstanding Awards, the Target intends to request the trustees of the relevant employee benefit trust(s) to use any cash held in the employee benefit trusts to the extent necessary to subscribe for new Target Shares or purchase existing Target Shares to satisfy outstanding Awards.

## **9 Malus and clawback**

The Offeror acknowledges and agrees that malus and/or clawback will not be applied by Target or Offeror to any Awards or options granted under the Target Share Plans from the Effective Date. Subject to Rule 21 of the Code, the Target may amend the Target Share Plans to reflect this.

# **PART B: EMPLOYEE MATTERS**

## **10 Annual bonus arrangements**

The Offeror agrees that for any bonus targets set between the date of this Agreement and before the Effective Date, the Target will, acting in good faith and in a manner consistent with normal practice for the Target, set such bonus targets with reasonable regard to the impact of the Offer.

**10.1** The Offeror agrees that, for any Target Bonus Year completed before the Effective Date:

**10.1.1** bonus determinations will be undertaken by the Target acting in good faith and in a manner consistent with normal practice for the Target; and

**10.1.2** the bonus will be paid to Target Employees by the Target (or relevant Target Group Company), subject to applicable withholdings, on the normal bonus payment date with deferral, malus and clawback terms in accordance with the Target’s normal practice, irrespective of whether the normal bonus payment date falls before, on or after the Effective Date or the date on which Target Shares are delisted from the London Stock Exchange, except that if the deferred share awards would have been awarded under the DBP on or after the Court Order.

(i) no deferral into shares will be required, and

(ii) the bonus will be paid entirely in cash without any deferral on the date the deferred share awards would have been awarded under the DBP (provided

that payment shall not be made to Executive Directors prior to the Target being delisted from the London Stock Exchange).

**10.2** The Offeror agrees that, in respect of participants in any annual bonus arrangement operated by the Target Group in the Bonus Year of the Target in which the Effective Date falls:

**10.2.1** the Offeror will continue to operate the annual bonus plans on the Target Group's terms in place before the Effective Date (but with leaver treatment as set out in this paragraph 10.2.1 and paragraph 10.2.2 below), and pay to eligible participants a bonus in cash (with no deferral), based on actual achievement of targets, as of the usual bonus payment date. Such bonus shall be time pro-rated up to and including the relevant date of termination of employment for Target Employees who are subject to a Qualifying Termination and whose termination date is before the end of the relevant Bonus Year; and

**10.2.2** the relevant bonus amounts determined in accordance with paragraph 10.2.1 shall be paid entirely in cash to:

(i) Target Employees who remain employed on the relevant bonus payment date; and

(ii) Target Employees who, by reason of a Qualifying Termination, cease to be employed after the Effective Date but before the relevant bonus payment date, or who are under notice at the relevant bonus payment date.

**10.2.3** The Offeror acknowledges and agrees that the Target and Offeror will neither seek repayment of nor apply malus and/or clawback to amounts paid in respect of bonuses paid after the Effective Date.

**10.3** The Offeror acknowledges that on or after the Effective Date, malus and/or clawback will not be applied to annual bonus payments made pursuant to this paragraph 10 or in respect of previous Bonus Years. Subject to Rule 21.1 of the Code, the Target may amend the rules of the annual bonus plans and/or the malus and clawback policy to reflect this.

**10.4** During the Relevant Period, the Offeror agrees that it will, and will procure that the Target Group and other members of Offeror Group will maintain in place in respect of the Target Employees a bonus opportunity at least as favourable as such bonus schemes as were applicable to any person who was a Target Employee immediately before the Effective Date, having regard to normal practice of the Target.

**10.5** The Offeror agrees that, following the Relevant Period, Target Employees will be eligible to participate in such bonus arrangements as may be operated by the Offeror for the benefit of similarly situated employees of the Offeror Group, as determined by the Offeror acting in good faith having regard to total reward payable to such similarly situated employees of the Offeror Group, in accordance with the Offeror's policies and practices from time to time.

## **11 Other matters**

### **11.1 Retention arrangements**

**11.1.1** For the purposes of this paragraph 11.1, "**Retention Participants**" shall mean: any key individual that the Target reasonably determines (acting in good faith) should be incentivised to remain with the Target based on them being: (i) key talent in succession for critical senior roles (including but not limited to those executives in

critical head office operational roles); (ii) an employee with deep functional expertise and/or who is critical to customer relationships in the markets; and/or (iii) any other individual who may be integral to the ongoing operation of the Target.

**11.1.2** The Offeror acknowledges for the purposes of Rule 21.1 of the Code that, for the purpose of protecting the business to be acquired pursuant to the Acquisition, the Target Group may make cash retention awards (over and above any annual bonuses and share incentive awards granted in line with the terms of this Schedule) to the Retention Participants whose retention the Target Remuneration Committee, or where applicable its delegate, determines is of significant importance for: (a) achieving the successful completion of the Acquisition; and/or (b) business continuity in the period up to the Effective Date, of an aggregate value up to a maximum of £16.5 million (gross) ("**Retention Awards**"), on the basis that:

- (i) not more than 50% of each Retention Award is payable as soon as reasonably practicable (and in any event within 30 days) following the date the Target is delisted from the London Stock Exchange;
- (ii) the balance of each Retention Award is payable as soon as reasonably practicable following the date falling nine months after the Effective Date;
- (iii) the majority of Retention Awards shall be no more than six months' basic salary save in relation to the two Executive Directors (as outlined in paragraph 11.1.3 below); and
- (iv) no individual Retention Award shall exceed twelve months' basic salary other than the Retention Awards payable to the two Executive Directors (as outlined in paragraph 11.1.3 below),

subject to the relevant Target Employees being employed by the Target Group or the Offeror Group on, and not having resigned prior to, the relevant payment date, except that where the relevant Target Employee has been subject to a Qualifying Termination or given or received notice of a Qualifying Termination, in either case, during the period beginning on the date of this Agreement and ending on the applicable payment date, payment shall be made in full within 30 days of the date of such Qualifying Termination if earlier.

**11.1.3** Subject to paragraphs 11.1.1 and 11.1.2, the Retention Awards of an aggregate value up to a maximum of £16.5 million (gross) shall be granted to between 130 and 180 Target Employees.

**11.1.4** The Offeror agrees that Target Group shall implement a proportion of the Retention Awards for the two Executive Directors of the Target on the following terms and subject to Rule 21.1 of the Code. Subject to and conditional on completion of the Acquisition and the Target being delisted from the London Stock Exchange, the Target Group shall pay each individual who is an Executive Director of the Target as of the date of this Agreement cash amounts as follows:

- (i) in respect of the Chief Executive Officer: a payment equal to 175 per cent of his annual base salary (less any legally required deductions); and
- (ii) in respect of the Chief Financial Officer: a payment equal to 175 per cent of her annual base salary (less any legally required deductions).

## **11.2 Excise tax**

To the extent any Target “disqualified individual” (as defined in Section 280G of the Internal Revenue Code of 1986, as amended (the “**U.S. Code**”)) would become subject to an excise tax under Section 4999 of the U.S. Code on the value of any “parachute payment” (as defined in Section 280G of the U.S. Code) in connection with the Acquisition (whether as a result of payments made on or following the date on which the Court Order is granted, or the Effective Date (or if the Offeror elects, in accordance with clause 7, to implement the Acquisition by way of an Offer, the date on which the Offer becomes or is declared unconditional, as applicable) or in connection with other events associated with the relevant date), the Offeror shall work in good faith with the Target between the date of this Agreement and the Effective Date to, where possible, eliminate and, otherwise, reduce the amount of any such excise tax and the related deduction loss, as permitted by law without the parties incurring any additional material costs or liabilities as a result of such mitigation.

### **11.3 Severance arrangements**

**11.3.1** The Offeror agrees in respect of any Target Employee immediately prior to the Effective Date who is subject to a Qualifying Termination taking effect, or who gives or has received notice of Qualifying Termination on the Effective Date or at any point during the Relevant Period:

- (i) that:
  - (a) in the event of a Qualifying Termination other than a constructive dismissal, if the relevant Target Employee works their notice period, such Target Employee will be given a period of at least three months' notice (or their contractual or statutory notice period, if longer) of such Qualifying Termination or will receive a payment in lieu of one month's notice (or a payment in lieu of their contractual or statutory notice period if longer); and
  - (b) in the event of a Qualifying Termination which is a constructive dismissal, the relevant Target Employee will receive a payment in lieu of one month's notice (or a payment in lieu of their contractual or statutory notice period, if longer);
- (ii) the relevant Target Employee will be entitled to applicable redundancy and severance payments, benefits and arrangements that are no less favourable than the greater of:
  - (a) those disclosed prior to the date of this Agreement by the Target to the Offeror as current or historical Target redundancy arrangements for the Target Group in the relevant jurisdiction, subject always, in the case of each relevant jurisdiction, to a cap of 12 months' salary or wages per Target Employee save as otherwise required by law or collectively negotiated in good faith with a trade union, works council or other employee representative body; or
  - (b) those reflecting the Offeror's redundancy policy and discretionary practice for similarly situated employees in the relevant jurisdictions (which, for the UK, shall include the Offeror's UK redundancy policy, a copy of which has been disclosed prior to the date of this Agreement by the Offeror to the Target (the “**Policy**”) and the discretionary

practice which has been applied by the Offeror from time to time in respect of the Policy in the United Kingdom);

- (iii) the relevant Target Employee will be eligible to receive reasonable and appropriate outplacement support, consistent with the Target's normal practice;
- (iv) the relevant Target Employee will be eligible to receive any relocation benefits, to the extent that such benefits were agreed in their international assignment or secondment agreements;
- (v) the relevant Target Employee will be asked to work their notice or placed on garden leave where this would be beneficial in circumstances where the Target Employee is receiving ongoing treatment under the terms of the Target's private medical insurance scheme and/or requires such treatment during the currency of the notice period;
- (vi) the relevant Target Employee will receive any bonus payment(s) in accordance with paragraph 10 above; and
- (vii) where consistent with the Target's practices in the relevant jurisdiction as at the date of this Agreement, the relevant Target Employee will receive a reasonable contribution towards legal fees if they enter into a settlement agreement in connection with the termination of their employment.

#### **11.4 Continuation of terms and conditions**

**11.4.1** The Offeror acknowledges that the Target intends to carry out annual (or other periodic) pay reviews, appraisals, recruitment and promotion rounds in the ordinary course of business and shall continue to undertake ordinary course of business staffing decisions and actions following the date of this Agreement in a manner that is consistent with the Target's normal practice and exercising any discretion(s) in good faith.

**11.4.2** During the Relevant Period, the Offeror will, and will procure that other members of Offeror Group will, observe the existing contractual and statutory employment rights, including in relation to pensions, of the Target Employees in accordance with applicable law and during the Relevant Period the Offeror will not, and will procure that other members of Offeror Group will not, make any detrimental changes to the terms and conditions of employment of any Target Employee.

**11.4.3** During the Relevant Period, the Offeror agrees that in respect of each of the Target Employees immediately prior to the Effective Date who remain in employment with the Target Group or the Offeror Group it will, and will procure that other members of Offeror Group will:

- (i) maintain at least the same base salary or wage rate and equivalent cash and comparable equity or cash incentive compensation opportunities as were provided to each such Target Employee immediately before the Effective Date ; and
- (ii) maintain a benefits and allowance package (including pension benefits), which, taken as a whole, is no less favourable than the existing benefits and allowances provided to such Target Employee immediately before the Effective Date,

in each case with the exception of severance which will be dealt with in accordance with paragraph 11.3 of this Schedule 1.

**11.5 Non-executive director notice pay**

The Offeror acknowledges that the Target intends, after the Effective Date and subject to and conditional on the Target being delisted from the London Stock Exchange, to pay within 30 days of the Effective Date or, if later, the day following the date on which the Target is delisted from the London Stock Exchange any non-executive director of the Target who resigns in connection with the Scheme and does not join the board of the Offeror with effect from the Effective Date, a payment equal to their time pro-rated fees at the rate paid to them immediately before the Effective Date in lieu of the notice periods set out in their letters of appointment (less any legally required deductions).



**Schedule 2  
Announcement**

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS OF SUCH JURISDICTION

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

8 July 2024

## RECOMMENDED CASH ACQUISITION

of

Britvic PLC ("Britvic")

by

Carlsberg UK Holdings Limited ("Bidco"), a wholly owned subsidiary of Carlsberg A/S ("Carlsberg")

to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006

### Summary

- The boards of Carlsberg and Britvic are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Bidco to acquire the entire issued and to be issued ordinary share capital of Britvic (the "**Acquisition**"). It is intended that the Acquisition be effected by means of a scheme of arrangement under Part 26 of the Companies Act (the "**Scheme**" or "**Scheme of Arrangement**").
- The Acquisition values the entire issued and to be issued ordinary share capital of Britvic at approximately £3.3 billion on a fully diluted basis and an implied enterprise value of approximately £4.1 billion.
- Under the terms of the Acquisition, Britvic Shareholders shall be entitled to receive:
  - **1,315 pence for each Britvic Share (the "Acquisition Value")**
- The Acquisition Value comprises, for each Britvic Share:
  - **1,290 pence in cash for each Britvic Share (the "Acquisition Price"); and**
  - **a special dividend payment of 25 pence per Britvic Share which is expected to be paid by Britvic prior to the Effective Date (the "Special Dividend").**
- The Acquisition Value represents:
  - a premium of approximately 36% to the Closing Price per Britvic Share of 970 pence on 19 June 2024 (being the Closing Price on the day prior to speculation around a possible offer);
  - an implied enterprise value multiple of approximately 13.6 times Britvic's reported adjusted EBITDA of £303 million for the 12 month period ended 31 March 2024; and
  - a premium of approximately 47% to the volume-weighted average price per Britvic Share of 897 pence for the three months to 19 June 2024 (being the Closing Price on the day prior to speculation around a possible offer).
- If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value (other than the Special Dividend) is declared, made, or paid or becomes payable by Britvic, Bidco reserves the right to reduce the Acquisition Price by an amount up

to the amount of such dividend, distribution or other return of value in which case any references to the Acquisition Price will be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, eligible Britvic Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

### **Britvic Recommendation**

- The Britvic Directors, who have been so advised by Morgan Stanley and Europa Partners as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Britvic Directors, Morgan Stanley and Europa Partners have taken into account the commercial assessments of the Britvic Directors.
- Accordingly, the Britvic Directors intend to recommend unanimously that Britvic Shareholders vote in favour of the Scheme at the Court Meeting and the Britvic Shareholders vote in favour of the Resolution(s) to be proposed at the General Meeting as the Britvic Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 457,388 Britvic Shares representing, in aggregate, approximately 0.2% of the ordinary share capital of Britvic in issue on 5 July 2024 (being the Latest Practicable Date prior to this announcement).

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

- Carlsberg recognises that Britvic is one of the leading soft drinks businesses in Great Britain, Western Europe and Brazil. Carlsberg believes that the Acquisition represents a highly attractive opportunity for Carlsberg and supports its overall growth ambitions. The Acquisition will build on Carlsberg's very successful bottling business in the Nordic region, and deepen and strengthen its footprint in Western Europe, an important region that offers stable and attractive growth prospects. Carlsberg's intention is to accelerate commercial and supply chain investments in Britvic, driving the future growth trajectory of the business.
- Carlsberg has today separately agreed to acquire Marston's PLC's ("**Marston's**") minority stake in Carlsberg Marston's Limited ("**CMBC**"), conditional only on the approval of Marston's shareholders (if required, as explained in paragraph 14 of this announcement), thereby becoming the sole owner of CMBC (the "**CMBC Transaction**"). CMBC has a strong portfolio of beer brands alongside a strong distribution and logistics network. Marston's will remain an important partner for the new enlarged business, and the long-term Drinks Supply and Distribution Agreement between Marston's and CMBC will remain in place on substantially the same terms to ensure availability of CMBC's brands across Marston's pub estate. The CMBC Transaction is expected to close in the third quarter of 2024.
- Carlsberg intends to create a single integrated beverage company in the United Kingdom, to be named Carlsberg Britvic. Carlsberg intends that Carlsberg Britvic shall be led by a management team comprised of individuals from each of Carlsberg, CMBC and Britvic. The enlarged business will have a portfolio of leading brands across the beer and soft drinks categories. Carlsberg envisages that a phased integration will start as soon as practicable after completion of the Acquisition and in conjunction with the Post-Completion Review.
- The Combined Group will be able to take advantage of the highly synergistic relationship between beer and soft drinks, including within the areas of procurement, production, warehousing and distribution to increase efficiency and better serve customer needs. Carlsberg's portfolio of soft drinks currently accounts for approximately 16% of total Carlsberg Group volumes and 27% of volumes in Western Europe.
- It is expected that the Acquisition will further strengthen Carlsberg's close relationship with PepsiCo, who have been a long-standing partner for Carlsberg in a number of Carlsberg's core markets across Europe and Asia. PepsiCo has agreed to waive the change of control clause in the bottling arrangements it has with Britvic. This waiver will come into effect should an acquisition of Britvic by Carlsberg, which has the recommendation of Britvic's board, proceed to completion. In addition,

Carlsberg has agreed certain terms in respect of bottling arrangements for Britvic that would come into force on completion of the Acquisition (as described in paragraph 13 of this announcement). As a result, following completion Carlsberg is expected to become the largest PepsiCo bottling partner in Europe.

- Carlsberg also owns the second largest beer business in France, Brasseries Kronenbourg, which generates sales of approximately DKK6.1 billion (£0.7 billion) and employs approximately 1,000 people. Carlsberg believes that this leading platform provides a compelling opportunity for Britvic's Teisseire business to enhance its customer and consumer proposition and its financial performance, for the benefit of the people, brands and customers of both organisations.
- As Carlsberg has no local company presence in Ireland, it intends to retain Britvic Ireland on an as-is basis.
- Whilst Carlsberg believes there will be synergies, as described in paragraph 8 of this announcement, to be realised from the combined scale of Carlsberg, CMBC and Britvic, Carlsberg has a clear plan to accelerate commercial and supply chain investments in Britvic driving the future revenue growth trajectory of the business.
- Carlsberg has formed a preliminary view that the integration of Britvic could deliver annual cost savings and efficiency improvements in the region of £100 million (in the region of £75 million on a post-tax basis), which Carlsberg expects to be delivered over the five years following completion of the Acquisition. Of these, Carlsberg expects to realise approximately £80 million (in aggregate) by the end of 2027. The one-off costs to achieve these annual cost savings are expected to amount to approximately £83 million, which Carlsberg expects to be incurred over the five years following completion of the Acquisition. These savings are expected to be realised across a number of areas including direct and indirect procurement, supply chain, administration and overheads and will be achieved from across Carlsberg and Britvic's combined business. Carlsberg is committed to invest into Britvic across a number of areas, including into its sales organisation, and it has identified a number of revenue synergies from the combination which would be additional to the annual cost savings and efficiency improvements referred to above. It is noted that, due to legal requirements in France, the Post-Completion Review conducted in respect of that jurisdiction will be accompanied by the appropriate Britvic and Carlsberg works council or trade union consultations.
- Carlsberg expects that the Britvic Acquisition will be accretive by mid-single-digit percentages to adjusted EPS for Carlsberg in the first year after completion of the Britvic Acquisition, and by double-digit percentages in year two after completion of the Britvic Acquisition.
- Carlsberg expects that the Britvic Acquisition return on invested capital will exceed Carlsberg's weighted average cost of capital of 7% in year three, and will increase further in year four, after completion of the Britvic Acquisition.
- The full cash consideration payable under the terms of the Acquisition, together with certain fees and expenses in connection with the Acquisition, will be funded through third party debt incurred by Carlsberg Breweries A/S, a wholly owned subsidiary of Carlsberg. Such third party debt is to be provided under a bridge facility agreement arranged by BNP Paribas, Danske Bank A/S and Skandinaviska Enskilda Banken AB (publ).
- Carlsberg expects that, following completion of the Britvic Acquisition, its pro forma net interest-bearing debt to EBITDA leverage multiple will be 3.5 times pro forma adjusted EBITDA of £2,044 million.
- Carlsberg expects to continue its conservative capital allocation policy, maintaining its dividend policy of a pay-out ratio of around 50% of adjusted net profit, and commitment to its investment grade rating, but is today increasing its net interest-bearing debt to EBITDA leverage target to 'below 2.5x' from 'below 2.0x' previously. The change follows the rebalancing of the Carlsberg Group after its exit from Russia and the anticipated completion of the Britvic Acquisition. Carlsberg will seek to quickly reduce leverage

driven by strong operating cash flow, thereby aiming for reaching the updated leverage target during 2027.

### Timetable and Conditions

- It is intended that the Acquisition will be implemented by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act and that the Acquisition be put to Britvic Shareholders for approval at the Court Meeting and to the Britvic Shareholders at the General Meeting, although Carlsberg and/or Bidco reserves the right to elect (with the consent of the Panel, and subject to the terms of the Cooperation Agreement) to implement the Acquisition by way of an Offer. In order to become Effective, the Scheme must be approved by a majority in number of the Britvic Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75% in value of the Britvic Shares voted. In addition, a special resolution implementing the Scheme must be passed by Britvic Shareholders representing at least 75% of votes cast at the General Meeting.
- Details of the effect of the Acquisition on Britvic ADS Holders will be set out in the Scheme Document in due course. The entitlement of Britvic ADS Holders to the Acquisition Value under the terms of the Acquisition in respect of the Britvic Shares underlying their Britvic ADS will be determined in accordance with the terms of the Britvic ADS Programme Deposit Agreement. Further details are set out in paragraph 17 of this announcement.
- The Acquisition is conditional on the approval of Britvic Shareholders, the satisfaction of certain regulatory conditions and the further Conditions and terms set out in Appendix 1 to this announcement (which shall be set out in the Scheme Document).
- It is expected that the Scheme Document, containing further information about the Acquisition (including an expected timetable of key events) and notices of the Court Meeting and the General Meeting, together with the Forms of Proxy, shall be published as soon as practicable and, in any event, within 28 days of this announcement or such later date as Carlsberg and/or Bidco, Britvic and the Panel agree, and that the Court Meeting and the General Meeting will be held as soon as practicable thereafter. It is expected that the Scheme will become Effective (subject to the satisfaction, among other things, of certain regulatory conditions) during the first quarter of 2025. The Scheme Document and Forms of Proxy will be made available to Britvic Shareholders at no charge to them.

Commenting on the Acquisition, Ian Durant, Non-Executive Chair of Britvic, said:

*"Britvic is an outstanding business with a strong heritage built on its portfolio of family-favourite brands, long-standing customer relationships, a well-invested supply chain infrastructure and a fantastic team of people across multiple markets. All these factors have supported a consistent track record of delivery for Britvic's stakeholders over a sustained period of time.*

*The proposed transaction creates an enlarged international group that is well-placed to capture the growth opportunities in multiple drinks sectors. Crucially, to remain competitive at a time when the market is being shaped by the trend of increasing consolidation among bottling partners, Carlsberg's agreement with PepsiCo provides the combined group with a strong platform for continued success.*

*The Board of Directors believe that the strategic merits of this offer are compelling, and the offer also provides shareholders with the opportunity to receive the certainty of cash consideration that reflects the current strength and medium-term prospects of the Britvic business. It also recognises the challenges of achieving an appropriate future rating and valuation for Britvic versus its historical range of trading multiples, alongside less certain long-term alignment with regard to its PepsiCo bottling business. Therefore, the Board is unanimously recommending the offer to our shareholders."*

Commenting on the Acquisition, Jacob Aarup-Andersen, CEO of Carlsberg said:

*"With this transaction, we are combining Britvic's high-quality soft drinks portfolio with Carlsberg's strong beer portfolio and route-to-market capabilities, creating an enhanced proposition across the UK and markets in Western Europe. The proposed transaction is attractive for shareholders of Carlsberg,*

*supporting our growth ambitions and being immediately earnings accretive and value accretive in year three. We are excited about expanding our global partnership with PepsiCo and believe that the longer-term opportunities will be very beneficial for both companies.*

*We are pleased that the Britvic Board is unanimously recommending our offer to Britvic Shareholders. We look forward to welcoming Britvic's employees into the Carlsberg family and creating an exciting, combined company for all employees. We are committed to accelerating commercial and supply chain investments in Britvic, and we are confident that Carlsberg Britvic will become the preferred multi-beverage supplier to customers in the UK with a comprehensive portfolio of market-leading brands."*

Commenting on the Acquisition, Silviu Popovici, CEO of PepsiCo Europe said:

*"We are looking forward to building on our long-standing and successful partnerships with both Carlsberg and Britvic. We believe that the combination of Carlsberg and Britvic will create even stronger sales and distribution capabilities for our winning brands in important markets. We look forward to continuing to expand the partnership into further important markets in the future."*

**This summary should be read in conjunction with, and is subject to, the full text of this announcement and the Appendices. The Acquisition will be subject to the Conditions and further terms set out in Appendix 1 and to the full terms and conditions which will be set out in the Scheme Document. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of the irrevocable undertakings received by Bidco are set out in Appendix 3. Certain definitions and terms used in this announcement are set out in Appendix 4.**

#### **Enquiries**

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### **Inside Information**

*This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (as applicable in Denmark as well as the United Kingdom by incorporation into law by virtue of the European Union (Withdrawal) Act 2018 as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

### **Further information**

*This announcement is for information purposes only and is not intended to and does not constitute, or form any part of any 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 Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Britvic in any jurisdiction in contravention of applicable law. The Acquisition will be made and implemented solely pursuant to the terms of the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of*

*the information contained in the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document).*

*Britvic and Bidco will prepare the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document) to be distributed to Britvic Shareholders. Britvic urges Britvic Shareholders to read the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document) when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.*

## **Disclaimers**

*This announcement does not constitute any advice or recommendation with respect to such securities or other financial instruments.*

*Nomura International plc ("**Nomura**"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting for Carlsberg and for no one else in connection with the distribution of this document and Nomura, its affiliates and its respective officers, employees, agents, representatives and/or associates will not regard any other person as their client, nor will they be responsible to anyone other than Carlsberg for providing the protections afforded to clients of Nomura nor for giving advice in connection with the Acquisition or any matter referred to herein.*

*Morgan Stanley & Co. International plc ("**Morgan Stanley**") is acting as financial advisor to Britvic PLC and to no one else. Morgan Stanley is authorised by the PRA and regulated by the FCA and the PRA. In connection with such matters, Morgan Stanley's and its affiliates' respective directors, officers, employees and agents will not regard any other person as its client, nor will Morgan Stanley be responsible to anyone other than Britvic for providing the protections afforded to their clients or for providing advice in connection with the matters described in this announcement or any matter referred to herein.*

*Europa Partners Limited ("**Europa Partners**"), which is authorised and regulated by the FCA in the United Kingdom, is acting as joint financial adviser exclusively for Britvic and no one else in connection with the possible offer and will not be responsible to anyone other than Britvic for providing the protections afforded to its clients or for providing advice in connection with the possible offer. Neither Europa Partners, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Europa Partners in connection with the possible offer, this announcement, any statement contained herein or otherwise.*

## **Overseas jurisdictions**

*The release, publication or distribution of this announcement in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the United Kingdom and Denmark should inform themselves about, and observe, any applicable requirements. Any failure to comply with such requirements 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Listing Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England or Denmark.*



*The availability of the Acquisition to Britvic Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their Britvic 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document).*

*Unless otherwise determined by Carlsberg and/or Bidco (as the case may be) or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send such documents in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

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

#### **Notice to U.S. Britvic Shareholders**

*The Acquisition relates to the shares of an English company and is being made 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 or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**"). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the tender offer and proxy solicitation rules under the U.S. Exchange Act. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*If, in the future, Carlsberg and/or Bidco (as the case may be) exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable laws and regulations of the United Kingdom and the United States, including any applicable exemptions under the U.S. Exchange Act.*

*Carlsberg and Bidco and Britvic are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. As a result, U.S. holders of Britvic Shares or U.S. holders of Britvic ADSs may not be able to effect service of process upon a non-U.S. company or its officers or directors or to enforce against them a judgement of a U.S. court for violations of the federal or state securities laws of the United States.*

*In accordance with normal United Kingdom practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Carlsberg, Bidco, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Britvic Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, Nomura will continue to act as an exempt principal trader in Britvic Shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any such purchases will not be made at prices higher than the price of the Acquisition provided in this announcement unless the price of the Acquisition is increased accordingly. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be made available on the London Stock Exchange website, [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.*

*U.S. Britvic Shareholders should also be aware that the transaction contemplated herein may have tax consequences in the U.S. and, that such consequences, if any, are not described herein. U.S. Britvic Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding this transaction.*

*Neither the Acquisition nor this announcement have been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have such authorities approved or disapproved or passed judgement upon the fairness or the merits of the Acquisition, or determined if the information contained in this announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

## **Forward Looking Statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Carlsberg and/or Bidco (as the case may be) and Britvic 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 Carlsberg and/or Bidco (as the case may be) and Britvic 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 Acquisition on Carlsberg and/or Bidco (as the case may be) and Britvic (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition 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 "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "cost saving", "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. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Carlsberg's and/or Bidco's (as the case may be), Britvic's, any member of the Carlsberg Group or any member of the Britvic Group's, operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Carlsberg's and/or Bidco's*

(as the case may be), Britvic's, any member of the Carlsberg Group or any member of the Britvic Group's, business.

Although Carlsberg and/or Bidco (as the case may be) and Britvic believe that the expectations reflected in such forward-looking statements are reasonable, Carlsberg and/or Bidco (as the case may be) and Britvic 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 ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; changes in the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Carlsberg and/or Bidco (as the case may be) and Britvic operate; weak, volatile or illiquid capital and/or credit markets; changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Carlsberg and/or Bidco (as the case may be) and Britvic operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Carlsberg nor Bidco (as the case may be) nor Britvic, 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 any reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Britvic Group, there may be additional changes to the Britvic Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to any member of the Carlsberg Group or the Britvic Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Other than in accordance with their legal or regulatory obligations, neither Carlsberg nor Bidco (as the case may be) nor Britvic is under any obligation, and Carlsberg and/or Bidco (as the case may be) and Britvic 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.

### **Dealing and Opening Position Disclosure Requirements**

Under Rule 8.3(a) of the Takeover 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) of the Takeover Code applies must be made by no later than 3.30 p.m. on the 10<sup>th</sup> business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. 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 Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. 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 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 a website**

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Britvic's website at <https://www.britvic.com> and Carlsberg's website at <https://www.carlsberggroup.com> by no later than 12 noon on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks set out in this announcement is incorporated by reference or forms part of this announcement.

### **No profit forecasts, estimates or quantified benefits statements**

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 Britvic or Carlsberg for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Britvic or Carlsberg (as the case may be).

### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Takeover Code, Britvic Shareholders, persons with information rights and participants in Britvic Share Plans may request a hard copy of this announcement, free of charge, by contacting Britvic's registrar, Equiniti Limited, either in writing to Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom or by calling +44 (0) 121 415 7019. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between

8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Takeover Code, such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

### **Electronic Communications**

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

### **Rounding**

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

### **General**

Carlsberg and/or Bidco (as the case may be) reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments).

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act so as to acquire compulsorily the remaining Britvic Shares in respect of which the Offer has not been accepted.

Investors should be aware that Carlsberg and/or Bidco may purchase Britvic Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.

The Acquisition will be subject to English law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.

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

For the purposes of Rule 2.9 of the Takeover Code, Britvic confirms that, as at 5 July 2024, it had in issue 248,906,262 ordinary shares of 20 pence each. The International Securities Identification Number (ISIN) for the ordinary shares is GB00B0N8QD54.

Britvic has a sponsored American Depositary Shares ("**Britvic ADS**") programme for which the Bank of New York Mellon acts as the sponsored depositary bank and registrar. One Britvic ADS represents two Britvic Shares. The Britvic ADSs are evidenced by American Depositary Receipts (the "**Britvic ADR**"), which trade on OTCQX. The trading symbol for the Britvic ADRs is BTVCY and the ISIN is US1111901047.

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

8 July 2024

## RECOMMENDED CASH ACQUISITION

of

Britvic PLC ("Britvic")

by

Carlsberg UK Holdings Limited ("Bidco"), a wholly owned subsidiary of Carlsberg A/S ("Carlsberg")

to be effected by means of a Scheme of Arrangement under Part 26 of the Companies Act 2006

### 1. Introduction

The boards of Carlsberg and Britvic are pleased to announce that they have reached agreement on the terms of a recommended cash offer to be made by Bidco to acquire the entire issued and to be issued ordinary share capital of Britvic (the "**Acquisition**"). It is intended that the Acquisition be effected by means of a scheme of arrangement under Part 26 of the Companies Act (the "**Scheme**" or "**Scheme of Arrangement**").

### 2. The Acquisition

Under the terms of the Acquisition, which shall be subject to the Conditions and further terms set out in Appendix 1 to this announcement and to be set out in the Scheme Document, Britvic Shareholders shall be entitled to receive:

#### **1,315 pence for each Britvic Share (the "Acquisition Value")**

The Acquisition Value comprises, for each Britvic Share:

- **1,290 pence in cash for each Britvic Share (the "Acquisition Price"); and**
- **a special dividend payment of 25 pence per Britvic Share which is expected to be paid by Britvic prior to the Effective Date (the "Special Dividend").**

The Acquisition values the entire issued and to be issued ordinary share capital of Britvic at approximately £3.3 billion on a fully diluted basis and an implied enterprise value of approximately £4.1 billion.

The Acquisition Value represents:

- a premium of approximately 36% to the Closing Price per Britvic Share of 970 pence on 19 June 2024 (being the Closing Price on the day prior to speculation around a possible offer);
- an implied enterprise value multiple of approximately 13.6 times Britvic's reported adjusted EBITDA of £303 million for the 12 month period ended 31 March 2024;
- an implied price to earnings multiple of approximately 20.1 times Britvic's reported adjusted earnings of £165 million for the 12 month period ended 31 March 2024; and

- a premium of approximately 47% to the volume-weighted average price per Britvic Share of 897 pence for the three months to 19 June 2024 (being the Closing Price on the day prior to speculation around a possible offer).

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of value (other than the Special Dividend) is declared, made, or paid or becomes payable by Britvic, Bidco reserves the right to reduce the Acquisition Price by an amount up to the amount of such dividend, distribution or other return of value in which case any references to the Acquisition Price will be deemed to be a reference to the Acquisition Price as so reduced. In such circumstances, eligible Britvic Shareholders shall be entitled to retain any such dividend, distribution, or other return of value declared, made, or paid.

Details of the effect of the Acquisition on Britvic ADS Holders will be set out in the Scheme Document. The entitlement of Britvic ADS Holders to the Acquisition Value under the terms of the Acquisition in respect of the Britvic Shares underlying their Britvic ADS will be determined in accordance with the terms of the Britvic ADS Programme Deposit Agreement. Further details are set out in paragraph 17 of this announcement.

The Acquisition is conditional on the approval of Britvic Shareholders, the satisfaction of certain regulatory conditions and the further Conditions and terms set out in Appendix 1 to this announcement (which shall be set out in the Scheme Document).

It is expected that the Scheme Document, containing further information about the Acquisition (including an expected timetable of key events) and notices of the Court Meeting and the General Meeting, together with the Forms of Proxy, will be published as soon as reasonably practicable and in any event within 28 days of this announcement or such later date as Carlsberg and/or Bidco (as the case may be), Britvic and the Panel agree, and that the Court Meeting and the General Meeting will be held as soon as practicable thereafter. It is expected that the Scheme will become Effective (subject to the satisfaction, among other things, of certain regulatory conditions) during the first quarter of 2025. The Scheme Document and Forms of Proxy will be made available to Britvic Shareholders at no charge to them.

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

Carlsberg recognises that Britvic is one of the leading soft drinks businesses in Great Britain, Western Europe and Brazil. Carlsberg believes that the Acquisition represents a highly attractive opportunity for Carlsberg and supports its overall growth ambitions. The Acquisition will build on Carlsberg's very successful bottling business in the Nordic region, and deepen and strengthen its footprint in Western Europe, an important region that offers stable and attractive growth prospects. Carlsberg's intention is to accelerate commercial and supply chain investments in Britvic, driving the future growth trajectory of the business.

Carlsberg has today separately agreed to acquire Marston's PLC ("**Marston's**") minority stake in Carlsberg Marston's Limited ("**CMBC**"), conditional only on the approval of Marston's shareholders (if required, as explained in paragraph 14 of this announcement), thereby becoming the sole owner of CMBC (the "**CMBC Transaction**"). CMBC has a strong portfolio of beer brands alongside a strong distribution and logistics network. Marston's will remain an important partner for the new enlarged business, and the long-term Drinks Supply and Distribution Agreement between Marston's and CMBC will remain in place on substantially the same terms to ensure availability of CMBC's brands across Marston's pub estate. The CMBC Transaction is expected to close in the third quarter of 2024.

Carlsberg intends to create a single integrated beverage company in the United Kingdom, to be named Carlsberg Britvic. Carlsberg intends that Carlsberg Britvic shall be led by a management team comprised of individuals from each of Carlsberg, CMBC and Britvic. The enlarged business will have a portfolio of leading brands across the beer and soft drinks categories. Carlsberg envisages that a phased integration will start as soon as practicable after completion of the Acquisition and in conjunction with the Post-Completion Review.

The Combined Group will be able to take advantage of the highly synergistic relationship between beer and soft drinks, including within the areas of procurement, production, warehousing and distribution to increase efficiency and better serve customer needs. Carlsberg's portfolio of soft drinks currently accounts for approximately 16% of total Carlsberg Group volumes and 27% of volumes in Western Europe.

It is expected that the Acquisition will further strengthen Carlsberg's close relationship with PepsiCo, who have been a long-standing partner for Carlsberg in a number of Carlsberg's core markets across Europe and Asia. PepsiCo has agreed to waive the change of control clause in the bottling arrangements it has with Britvic. This waiver will come into effect should an acquisition of Britvic by Carlsberg, which has the recommendation of Britvic's board, proceed to completion. In addition, Carlsberg has agreed certain terms in respect of bottling arrangements for Britvic that would come into force on completion of the Acquisition (as described in paragraph 13 of this announcement). As a result, following completion Carlsberg is expected to become the largest PepsiCo bottling partner in Europe.

Carlsberg also owns the second largest beer business in France, Brasseries Kronenbourg, which generates sales of approximately DKK6.1 billion (£0.7 billion) and employs approximately 1,000 people. Carlsberg believes that this leading platform provides a compelling opportunity for Britvic's Teisseire business to enhance its customer and consumer proposition and its financial performance, for the benefit of the people, brands and customers of both organisations.

As Carlsberg has no local company presence in Ireland, it intends to retain Britvic Ireland on an as-is basis.

Whilst Carlsberg believes there will be synergies, as described in paragraph 8 of this announcement, to be realised from the combined scale of Carlsberg, CMBC and Britvic, Carlsberg has a clear plan to accelerate commercial and supply chain investments in Britvic driving the future revenue growth trajectory of the business.

Carlsberg has formed a preliminary view that the integration of Britvic could deliver annual cost savings and efficiency improvements in the region of £100 million (in the region of £75 million on a post-tax basis), which Carlsberg expects to be delivered over the five years following completion of the Acquisition. Of these, Carlsberg expects to realise approximately £80 million (in aggregate) by the end of 2027. The one-off costs to achieve these annual cost savings are expected to amount to approximately £83 million, which Carlsberg expects to be incurred over the five years following completion of the Acquisition. These savings are expected to be realised across a number of areas including direct and indirect procurement, supply chain, administration and overheads and will be achieved from across Carlsberg and Britvic's combined business. Carlsberg is committed to invest into Britvic across a number of areas, including into its sales organisation, and it has identified a number of revenue synergies from the combination which would be additional to the annual cost savings and efficiency improvements referred to above. It is noted that, due to legal requirements in France, the Post-Completion Review conducted in respect of that jurisdiction will be accompanied by the appropriate Britvic and Carlsberg works council or trade union consultations. Accordingly, the Acquisition Value represents an implied enterprise value multiple of approximately 10.2 times Britvic's pro forma adjusted EBITDA of £403 million, comprising Britvic's reported adjusted EBITDA of £303 million for the 12 month period ended 31 March 2024 plus estimated full run-rate cost savings and efficiency improvements of £100 million. The Britvic Equity Value of £3,311 million represents an implied price to earnings multiple of approximately 13.8 times Britvic's pro forma adjusted earnings of £240 million, comprising Britvic's reported adjusted earnings of £165 million for the 12 month period ended 31 March 2024 plus estimated full run-rate post-tax cost savings and efficiency improvements of £75 million.

Carlsberg expects that the Britvic Acquisition will be accretive by mid-single-digit percentages to adjusted EPS for Carlsberg in the first year after completion of the Britvic Acquisition, and by double-digit percentages in year two after completion of the Britvic Acquisition.



Carlsberg expects that the Britvic Acquisition return on invested capital will exceed Carlsberg's weighted average cost of capital of 7% in year three, and will increase further in year four, after completion of the Britvic Acquisition.

The full cash consideration payable under the terms of the Acquisition, together with certain fees and expenses in connection with the Acquisition, will be funded through third party debt incurred by Carlsberg Breweries, a wholly owned subsidiary of Carlsberg. Such third party debt is to be provided under the Bridge Facility agreement arranged by BNP Paribas, Danske Bank A/S and Skandinaviska Enskilda Banken AB (publ).

Carlsberg expects that, following completion of the Britvic Acquisition, its pro forma net interest-bearing debt to EBITDA leverage multiple will be 3.5 times pro forma adjusted EBITDA of £2,044 million.

Carlsberg expects to continue its conservative capital allocation policy, maintaining its dividend policy of a pay-out ratio of around 50% of adjusted net profit, and commitment to its investment grade rating, but is today increasing its net interest-bearing debt to EBITDA leverage target to 'below 2.5x' from 'below 2.0x' previously. The change follows the rebalancing of the Carlsberg Group after its exit from Russia and the anticipated completion of the Britvic Acquisition. Carlsberg will seek to quickly reduce leverage driven by strong operating cash flow, thereby aiming for reaching the updated leverage target during 2027.

#### **4. Recommendation**

The Britvic Directors, who have been so advised by Morgan Stanley and Europa Partners as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing their advice to the Britvic Directors, Morgan Stanley and Europa Partners have taken into account the commercial assessments of the Britvic Directors.

Accordingly, the Britvic Directors intend to recommend unanimously that Britvic Shareholders vote in favour of the Scheme at the Court Meeting and the Britvic Shareholders vote in favour of the Resolution(s) to be proposed at the General Meeting as the Britvic Directors have irrevocably undertaken to do in respect of their own beneficial holdings of 457,388 Britvic Shares representing, in aggregate, approximately 0.2% of the ordinary share capital of Britvic in issue on 5 July 2024 (being the Latest Practicable Date prior to this announcement).

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

The Britvic Directors believe Britvic's success is founded upon the breadth of its portfolio of strong, family favourite brands, the depth of its customer relationships, its well-invested infrastructure, the passion, agility and dedication of its workforce and its long-term partnership with PepsiCo. In addition, sustainability is embedded in Britvic's business, strategy and culture, with the aim of ensuring that Britvic delivers sustainable value for all stakeholders.

Since the appointment of Simon Litherland as Chief Executive Officer in 2013, Britvic has built a consistent track record of sustainable revenue and earnings growth. Britvic's management refreshed its strategy in 2020 with a view to ensuring the business was well-placed to access growth opportunities in the changing consumer and retail landscape across its markets. This strategy has underpinned continued growth and has driven excellent returns for shareholders, with total shareholder returns of 259% (12% annualised) over Simon's tenure, significantly outperforming all relevant indices.

On 15 May 2024, Britvic reported excellent results for the first six months of the year ended 31 March 2024, highlighting strong consumer demand for its brands with robust volume growth which, combined with positive price/mix, led to revenue and EBIT significantly ahead of the previous year. These results illustrated the ongoing successful delivery of Britvic's growth algorithm: combining its scale portfolio with new growth spaces and markets to deliver growth ahead of the robust soft drinks category. Britvic also announced its third share buyback of £75 million, reflecting the strong earnings, free cashflow

generation, and positive outlook. This strong performance has continued into the third quarter ended 30 June 2024, where, despite poor weather in Europe, Britvic reported volume growth of 2.2% and positive price/mix, resulting in revenue growth of 6.3% against a tough prior year comparable.

Against this backdrop, on 6 June 2024, Britvic received an unsolicited proposal from Carlsberg regarding a possible cash offer to acquire the entire issued and to be issued share capital of Britvic at an offer price of 1,200 pence per Britvic Share. The Britvic Directors rejected this proposal. On 11 June 2024, Carlsberg made a revised proposal at 1,250 pence per Britvic Share, which was also rejected by the Britvic Directors.

On 24 June 2024, Carlsberg announced it had reached agreement with PepsiCo to waive the change of control clause in the bottling arrangements it has with Britvic. The waiver will come into effect should an acquisition of Britvic by Carlsberg, which has the recommendation of Britvic's board, proceed to completion. As set out in paragraph 13, Carlsberg and PepsiCo had reached this agreement prior to Carlsberg's initial approach to Britvic.

Following discussions with Carlsberg, the Britvic Directors received a further proposal from Carlsberg at 1,315 pence per Britvic Share (comprising an Acquisition Price of 1,290 pence per Britvic Share plus a Special Dividend of 25 pence per Britvic Share).

The Britvic Directors note that the Acquisition Value of 1,315 pence per Britvic Share represents:

- a premium of approximately 36% to the Closing Price per Britvic Share of 970 pence on 19 June 2024 (being the Closing Price on the day prior to speculation around a possible offer);
- a premium of approximately 47% to the volume-weighted average price per Britvic Share of 897 pence for the three months to 19 June 2024 (being the Closing Price on the day prior to speculation around a possible offer);
- an increase of 115 pence per Britvic Share from the first proposal received from Carlsberg; and
- an implied enterprise value multiple of approximately 13.6 times Britvic's reported adjusted EBITDA of £303 million for the 12 month period ended 31 March 2024.

In assessing the Acquisition Value of 1,315 pence per Britvic Share, the Britvic Directors have also given careful consideration to both the outlook of the business and the strategic position of PepsiCo. In terms of the outlook, the strong performance and clarity of future growth drivers give the Britvic Directors belief that Britvic is well-positioned, under the status quo, to deliver continued sustainable growth. This provides the Britvic Directors with confidence in Britvic's current and future prospects. The Directors have also, however, recognised that the strategic position and future direction of PepsiCo with respect to its partner network has evolved.

The relationship between Britvic and PepsiCo dates back to 1987 in Great Britain and to 2007 in Ireland, and has been hugely successful for both businesses. The Great Britain bottling agreement was renewed for 20 years in 2020 and the Ireland agreement comes up for renewal in 2025. Under this joint stewardship, PepsiCo's market share in Great Britain and Ireland has significantly increased, with Pepsi MAX becoming the largest cola variant in Great Britain and overall Pepsi brand value market share reaching its all-time high of 31.9% during the recent relaunch activity, a performance which was recognised by PepsiCo as one of the best in Europe. The partnership has been particularly successful as it combines the complementary brands of PepsiCo and Britvic to create a broad portfolio, enabling scale in retail and solus contract wins in hospitality, with PepsiCo's strong global collateral delivered through Britvic's highly capable team, systems and route to market. The PepsiCo portfolio represents around half of Britvic's revenues.

More recently, PepsiCo has spoken increasingly openly about an evolution of its strategy and its ambition to drive the consolidation of its bottling partners across contiguous markets, in order to strengthen its competitive position. In selecting these partners, PepsiCo is seeking industry participants

with scale infrastructure across multiple markets, ultimately enabling the consolidation of bottling into multi-market anchor bottlers. In this context, Carlsberg and PepsiCo are also longstanding partners, with Carlsberg being PepsiCo's bottler across several markets in Northern Europe and Asia, benefiting from synergies with the international Carlsberg beer-based infrastructure.

The Britvic Directors also acknowledge the strategic merits of a combination between Britvic and Carlsberg, which would create an enlarged international group, benefiting from Britvic's portfolio of leading brands within the attractive soft drinks category. The Britvic Directors believe that the Combined Group would be well-placed to capture growth opportunities and drive synergies through global scale and optimisation, while building on Britvic's strength in Great Britain and Ireland. As such, the Britvic Directors believe that the combination would deliver a number of strategic benefits to Britvic's business as part of a large, well-capitalised, international beer and soft drinks group, positioned to play a leading role in further industry developments.

The Britvic Directors considered the Acquisition Value of 1,315 pence per Britvic Share in this context and believe that this provides Britvic's Shareholders with the opportunity to receive on completion of the Acquisition the certainty of cash consideration at a level that reflects the strength of the Britvic business and its future prospects, and the challenges of achieving an appropriate future rating and valuation for Britvic versus its historical range of trading multiples. The strategic alternative for Britvic would be to continue to pursue its course as an independent soft drinks company, although with less certain long-term alignment with regard to its PepsiCo bottling business.

The Britvic Directors have also taken account of Carlsberg's intentions for the business, management, employees, pension schemes and other stakeholders of Britvic. The Britvic Directors are encouraged and reassured by Carlsberg's confirmation that it greatly values the skills, experience and expertise of the Britvic management team and employees, and attaches great importance to their value and contribution in the context of the future success of the Combined Group.

Accordingly, following careful consideration of the above factors, the Britvic Directors intend to recommend unanimously that Britvic Shareholders vote in favour of the Scheme.

## **6. Information on Carlsberg**

Carlsberg is among the world's largest international brewing groups, with strong market positions in Western Europe, Central and Eastern Europe and Asia. Carlsberg holds the number one or two market position by volume in a wide range of countries across all the regions in which it operates. Carlsberg's business is primarily in the production, marketing, distribution, and sale of beer through a portfolio consisting of international and local premium beer brands as well as portfolios of strong local mainstream brands. In addition to Carlsberg's beer operations, Carlsberg's beverage portfolio includes Beyond Beer brands such as Somersby and Garage as well as a selection of non-alcoholic beverages including, but not limited to, carbonated and non-carbonated soft drinks, water, and energy drinks.

Carlsberg has enjoyed a strong commercial partnership with PepsiCo for over 25 years and has exclusive bottling agreements with PepsiCo in Norway, Sweden, Switzerland, Laos and Cambodia. Carlsberg reported group revenue of DKK74 billion (£8.6 billion) and operating profit of DKK11 billion (£1.3 billion) in the year to 31 December 2023. Carlsberg has a market capitalisation of DKK118 billion (£13 billion) and net interest bearing debt of DKK22 billion (£3 billion), and a credit rating of Baa1 and BBB+ from Moody's and Fitch, respectively.

## **7. Information on Britvic**

Britvic is an international soft drinks business rich in history and heritage. Founded in Great Britain in the 1930s, Britvic has grown into a global organisation with 39 much-loved brands sold in over 100 countries. Today, Britvic's purpose is to make life's everyday moments more enjoyable. Britvic is dedicated to creating and building brands that people can trust. Britvic combines its own leading brand portfolio including Fruit Shoot, Robinsons, Tango, J2O, London Essence, Teisseire, Plenish, Jimmy's

Iced Coffee and MiWadi with PepsiCo brands such as Pepsi, 7UP and Lipton Ice Tea which Britvic produces, markets and sells in Great Britain and Ireland under exclusive agreements with PepsiCo.

Britvic is the largest supplier of branded still soft drinks and the number two supplier of branded carbonated soft drinks in Great Britain. Britvic is an industry leader in Ireland with brands such as MiWadi and Ballygowan, in France with brands such as Teisseire, Pressade and Moulin de Valdonne and in Brazil with brands such as Maguary, Bela Ischia, Extra Power and Dafruta. Britvic is also growing its reach into other territories through franchising, export and licensing.

Britvic wants to have a net positive impact on society. Britvic's Healthier People strategy is focused on its consumers, employees, and communities. By providing great tasting drinks that are better for consumers, Britvic helps consumers make healthier choices with affordable drinks that taste great. Britvic is building a diverse culture that prioritises performance, inclusion and wellbeing, and is working hard to make a positive contribution in the communities it serves. At the same time, Britvic's Healthier Planet strategy recognises its role in tackling climate change and using natural resources responsibly, while also working to minimise the environmental impact of its packaging. Working together with its many partners, Britvic strives to be the most dynamic soft drinks company, creating a better tomorrow.

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

### **Carlsberg's strategic plans and intentions for Britvic**

Carlsberg recognises that Britvic is one of the leading soft drinks businesses in Great Britain, Europe and Brazil. It believes that the Acquisition represents a highly attractive opportunity for Carlsberg and supports its overall growth ambitions. The Acquisition will build on Carlsberg's very successful bottling business in the Nordic region, and deepen and strengthen its footprint in the United Kingdom and Western Europe, an important region that offers stable and attractive growth prospects. Carlsberg's intention is to accelerate commercial and supply chain investments in Britvic, driving the future growth trajectory of the business.

Carlsberg has today separately agreed to acquire Marston's minority stake in CMBC, conditional on the approval of Marston's shareholders (if required, as explained in paragraph 14), thereby becoming the sole owner of CMBC (the "**CMBC Transaction**"). CMBC has a strong portfolio of beer and ale brands alongside a strong distribution and logistics network. Marston's will remain an important partner for the new enlarged business, and the long-term Drinks Supply and Distribution Agreement between Marston's and CMBC will remain in place on substantially the same terms to ensure availability of CMBC's brands across Marston's pub estate. The CMBC Transaction is expected to close in the third quarter of 2024.

Carlsberg intends to create a single integrated beverage company in the United Kingdom, to be named Carlsberg Britvic. Carlsberg intends that Carlsberg Britvic shall be led by a management team comprised of individuals from each of Carlsberg, CMBC and Britvic. The enlarged business will have a portfolio of leading brands across the beer and soft drinks categories. Carlsberg envisages that a phased integration will start as soon as practicable after completion of the Acquisition and in conjunction with the Post-Completion Review.

The Combined Group will be able to take advantage of the highly synergistic relationship between beer and soft drinks, including within the areas of procurement, production, warehousing and distribution to increase efficiency and better serve customer needs. Carlsberg's portfolio of soft drinks currently accounts for approximately 16% of total Carlsberg Group volumes and 27% of volumes in Western Europe.

It is expected that the Acquisition will further strengthen Carlsberg's close relationship with PepsiCo, who have been a long-standing partner for Carlsberg in a number of Carlsberg's core markets across Europe and Asia. PepsiCo has agreed to waive the change of control clause in the bottling arrangements it has with Britvic. This waiver will come into effect should an acquisition of Britvic by

Carlsberg, which has the recommendation of Britvic's board, proceed to completion. In addition, Carlsberg has agreed certain terms in respect of bottling arrangements for Britvic that would come into force on completion of the Acquisition (as described in paragraph 13 of this announcement). As a result, following completion Carlsberg is expected to become the largest PepsiCo bottling partner in Europe.

Carlsberg also owns the second largest beer business in France, Brasseries Kronenbourg, which generates sales of approximately DKK6.1 billion (£0.7 billion) and employs approximately 1,000 people. Carlsberg believes that this strong platform provides a compelling opportunity for Britvic's Teisseire business to enhance its customer and consumer proposition and its financial performance, for the benefit of the people, brands and customers of both organisations.

As Carlsberg has no local company presence in Ireland, it intends to retain Britvic Ireland on an as-is basis.

Carlsberg has been granted limited access to Britvic's senior management during customary confirmatory due diligence into certain aspects of Britvic's business and operations. This has enabled it to develop a preliminary strategy for the Combined Group as well as to make a preliminary assessment of the potential synergy opportunities.

Carlsberg has formed a preliminary view that the integration of Britvic could deliver annual cost savings and efficiency improvements in the region of £100 million (in the region of £75 million on a post-tax basis), which Carlsberg expects to be delivered over the five years following completion of the Acquisition. Of these, Carlsberg expects to realise approximately £80 million (in aggregate) by the end of 2027. The one-off costs to achieve these annual cost savings are expected to amount to approximately £83 million, which Carlsberg expects to be incurred over the five years following completion of the Acquisition. These savings are expected to be realised across a number of areas including direct and indirect procurement, supply chain, administration and overheads and will be achieved from across Carlsberg and Britvic's combined business. Carlsberg is committed to invest into Britvic across a number of areas, including into its sales organisation, and it has identified a number of revenue synergies from the combination which would be additional to the cost savings and efficiency improvements referred to above. It is noted that, due to legal requirements in France, the Post-Completion Review conducted in respect of that jurisdiction will be accompanied by the appropriate Britvic and Carlsberg works council or trade union consultations.

Upon completion of the Acquisition, Carlsberg intends to work with the Britvic leadership team to undertake a detailed review of Britvic's business to assess how it can be most effectively and efficiently integrated with Carlsberg's operations (the "**Post-Completion Review**"). The scope of the Post-Completion Review will include:

- a review of the existing and future potential strategy of Britvic, including an evaluation of opportunities for accelerating growth;
- a detailed review of Britvic's operations across each of the markets in which it operates, noting that the Post-Completion Review in relation to operations in certain European countries including France and the Netherlands will, due to the relevant jurisdictions' legal requirements, be accompanied by the appropriate Britvic and Carlsberg works council and/or employee representative consultations;
- a detailed review of Carlsberg's synergy and cost saving assessment, primarily focused on the Combined Group's procurement, supply chain and administrative functions. The review will include the identification of duplicative roles across Carlsberg's, CMBC's and Britvic's respective businesses in (i) corporate and head office, including senior management and roles relating to Britvic's status as a public listed company, (ii) UK administrative functions, and (iii) non-UK administrative and sales functions or similar;

- the identification of any duplicative locations of business across Carlsberg's, CMBC's and Britvic's respective businesses;
- the finalisation of Carlsberg's plans to accelerate commercial and supply chain investments in Carlsberg Britvic;
- a review of Britvic's existing innovation and research operations in partnership with Britvic, ensuring the function benefits from Carlsberg Group's expertise, scale and heritage in research and development; and
- the finalisation of an integration programme designed to minimise disruption to employees, customers and suppliers whilst delivering the expected benefits of the Acquisition.

Carlsberg intends to complete the Post-Completion Review within twelve months of completion.

### **Management and employees**

Carlsberg greatly values the skills, experience and expertise of Britvic's management and employees and attaches great importance to their value and contribution in the context of the future success of the Combined Group. Identifying and retaining key staff following completion is of critical importance to Carlsberg. Carlsberg believes that employees of the Combined Group will benefit from greater growth and career opportunities through being part of a larger organisation with a significantly broader international presence.

As such, Carlsberg intends to approach employee and management integration, following completion of the Acquisition, with the aim of retaining and motivating the best talent across the Combined Group to create a best-in-class organisation. Carlsberg intends to find practical solutions to address conscientious and/or religious concerns, if any, from employees related to the production and sale of alcoholic beverages. Further details of retention arrangements between Carlsberg and Britvic management are set out in paragraph 10 of this announcement.

Carlsberg's intention is to accelerate commercial and supply chain investments in Britvic, driving the future growth trajectory of the business. This is expected to include significant investment in the Combined Group's sales functions in the UK and Ireland, with the addition of a significant number of new sales representatives.

Based on Carlsberg's preliminary assessment, it intends that some duplicative roles across Carlsberg's, CMBC's and Britvic's respective businesses in (i) corporate and head office, including senior management and roles relating to Britvic's status as a public listed company, (ii) UK administrative functions, and (iii) non-UK administrative and sales functions or similar, will no longer be needed. These intended headcount reductions are expected to amount to less than approximately 1% across the Combined Group, which is expected to have a total headcount of approximately 34,500 employees. Carlsberg will only be able to finalise its plans following the Post-Completion Review (and, insofar as this may impact operations in France, following the appropriate Britvic and Carlsberg works council or trade union consultations).

The planning, preparation, finalisation and implementation of any possible headcount reductions will be subject to comprehensive planning and appropriate engagement with stakeholders, including affected employees and prior consultation of appropriate employee representative bodies. It is anticipated that efforts will be made to mitigate headcount reductions made as a result of redundancies, via natural attrition, the elimination of vacant roles and alternative job opportunities. Any individuals impacted will be treated in a manner consistent with Carlsberg's high standards, culture and practices.

Carlsberg confirms that, upon completion of the Acquisition, the existing contractual and statutory employment rights of all management and employees of Britvic and its subsidiaries will be fully safeguarded in accordance with applicable law.

### **Incentivisation and retention arrangements**

Other than as set out in paragraph 10 of this announcement, Carlsberg has not entered into, nor has it had discussions on or proposals to enter into, any form of incentivisation arrangements with members of Britvic management.

### **Location of business, fixed assets and headquarters**

Subject to the Post-Completion Review, Carlsberg does not intend to undertake any material change in the locations of Britvic's business nor to change the location of the Britvic headquarters nor to redeploy the fixed assets of Britvic.

Carlsberg intends that the current Britvic UK head office at Breakspear Park, Hemel Hempstead, will become the head office for the Carlsberg Britvic business. Carlsberg does not intend that the Acquisition will result in any change in the function of the Britvic headquarters.

As Carlsberg has no local company presence in Ireland, it intends to retain Britvic Ireland on an as-is basis.

Carlsberg does not intend that the Acquisition will result in the closure of any of Britvic's existing production facilities.

### **Innovation, research and development**

Carlsberg intends to maintain Britvic's position at the forefront of the carbonated and non-carbonated soft drinks industry and to continue to innovate through employing the best talent to continue to drive industry leading new product development.

As part of the Post-Completion Review, Carlsberg intends to undertake a detailed review of the existing innovation and research operation in partnership with the Britvic management team, ensuring the function benefits from Carlsberg's international expertise, scale and heritage in research and development.

### **Pension schemes**

Carlsberg does not intend to make any changes to the agreed employer contributions to the Britvic existing defined benefit and defined contribution pension schemes (including with regard to any current arrangements for the funding of any scheme deficit in the defined benefit pension schemes) or to make any changes to the accrual of benefits for existing members or the admission of new members to such pension schemes following completion of the Acquisition.

### **Trading Facilities**

Britvic is currently admitted to the premium listing segment of the Official List and to trading on the Main Market of the London Stock Exchange and, as set out in paragraph 16 of this announcement, applications will be made to the FCA and the London Stock Exchange for the cancellation of the listing of Britvic Shares on the Official List and the cancellation of trading of the Britvic Shares on the Main Market of the London Stock Exchange.

It is also intended that, following the Effective Date, Britvic's ADS Programme will be terminated and the listing of Britvic ADRs on OTCQX will be terminated.

It is also intended that, following the Effective Date and de-listing, Britvic will be re-registered as a private company.

No statements in this paragraph 8 constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

## 9. **Britvic Share Plans**

Participants in the Britvic Share Plans will be contacted regarding the effect of the Acquisition on their rights under the Britvic Share Plans and, where required, appropriate proposals shall be made to such participants pursuant to Rule 15 of the Takeover Code in due course.

Further details of the terms of such proposals shall be included in the Scheme Document (or, if Carlsberg has elected (with the consent of the Panel and subject to the terms of the Cooperation Agreement) to exercise its right to implement the Acquisition by way of an Offer, the Offer Document) and in separate letters to be sent to participants in the Britvic Share Plans.

## 10. **Arrangements between Carlsberg and Britvic Management**

Britvic wishes to incentivise and retain key employees in the Britvic business in order to ensure successful completion of the Acquisition and to protect the business to be acquired. Accordingly, Carlsberg has acknowledged that Britvic may implement certain employee retention awards of an aggregate value up to a maximum of £16.5 million (gross) for between 130 and 180 Britvic Group employees identified by Britvic as being business critical (the "**Retention Arrangements**"). Up to 50 per cent. of such awards will be payable as soon as reasonably practicable following Britvic ceasing to be listed on the Official List of the London Stock Exchange and the balance as soon as reasonably practicable following the date falling nine months after the Effective Date, subject to the relevant employees being employed by the Britvic Group or Carlsberg Group on, and not having resigned prior to, the relevant payment date except that where the relevant employee has, on or prior to the payment date, been subject to a Qualifying Termination or given or received notice of Qualifying Termination in which case payment shall be made in full within 30 days of the date of such Qualifying Termination if earlier.

As part of the Retention Arrangements, Simon Litherland, Chief Executive Officer of the Britvic Group, and Rebecca Napier, Chief Financial Officer of the Britvic Group, will each be entitled to receive cash payments of 175 per cent. of their annual base salaries, respectively, less any legally required deductions, subject to the completion of the Acquisition and Britvic ceasing to be listed on the Official List of the London Stock Exchange (the "**Executive Retention Arrangements**").

### **Confirmation from Morgan Stanley and Europa Partners**

As required by, and solely for the purposes of, Rule 16.2 of the Takeover Code, Morgan Stanley and Europa Partners have (in their capacity as independent advisers to Britvic for the purposes of Rule 3 of the Takeover Code) reviewed the terms of the Retention Arrangements and the Executive Retention Arrangements as described above, together with other information deemed relevant by them and advised Britvic that the Retention Arrangements and the Executive Retention Arrangements are fair and reasonable. In providing their advice, Morgan Stanley and Europa Partners have taken into account the commercial assessments of the Britvic Directors.

## 11. **Financing**

The full cash consideration payable under the terms of the Acquisition, together with certain fees and expenses in connection with the Acquisition, will be funded through third party debt incurred by Carlsberg Breweries, a wholly owned subsidiary of Carlsberg. Such third party debt is to be provided under a bridge facility agreement arranged by BNP Paribas, Danske Bank A/S and Skandinaviska Enskilda Banken AB (publ). The funds will be made available by Carlsberg Breweries to Bidco.

Nomura, financial adviser to Carlsberg, confirms that it is satisfied that sufficient resources are available to Bidco to satisfy in full the cash consideration payable to Britvic Shareholders under the terms of the Acquisition.

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



## 12. Offer-related Arrangements

### **Confidentiality Agreement**

Carlsberg Breweries and Britvic entered into a confidentiality agreement on 21 June 2024 (the "**Confidentiality Agreement**"), pursuant to which, among other things, Carlsberg Breweries and Britvic have undertaken to keep information relating to each other confidential and not to disclose it to third parties (other than to certain authorised recipients) unless required by law or regulation. Carlsberg Breweries and Britvic have also undertaken to use confidential information relating to each other only in connection with the Acquisition, it being acknowledged, however, that nothing in the Confidentiality Agreement shall restrict Carlsberg Breweries from engaging in further discussions with PepsiCo and PCS, provided no confidential information is shared with PepsiCo and PCS. These obligations shall remain in force for a period of 18 months from the date of the Confidentiality Agreement or until completion of the Acquisition.

The Confidentiality Agreement also contains mutual undertakings from Carlsberg Breweries and Britvic to not, for a period of one year from the date of the Confidentiality Agreement, solicit or employ (subject to certain customary exceptions) certain of each other's employees, officers or senior managers.

Carlsberg has also agreed to customary standstill arrangements pursuant to which Carlsberg has agreed (subject to certain customary exceptions) that it shall not (among other things) acquire Britvic Shares or any interest in any Britvic Shares without the prior written consent of Britvic. These restrictions fall away immediately following the making of this announcement.

### **Cooperation Agreement**

Pursuant to a cooperation agreement dated on or around the date of this announcement between Britvic and Bidco (the "**Cooperation Agreement**"), among other things: (i) Britvic and Bidco have agreed to certain undertakings to co-operate and provide each other with information, assistance and access in a timely manner in relation to the filings, notifications or submissions as are necessary for the purposes of satisfying the regulatory conditions; (ii) Bidco has agreed to provide Britvic with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; (iii) Bidco and Britvic have agreed to certain provisions providing Bidco with the ability to effect the Acquisition by way of a takeover offer rather than the Scheme (and Bidco and Britvic have agreed to certain customary provisions if Bidco elects to implement the Acquisition by means of a takeover offer); and (iv) Britvic and Bidco have agreed certain arrangements in respect of Britvic's employees and the Britvic Share Plans, as well as directors' and officers' insurance.

Pursuant to the Cooperation Agreement, Bidco shall use, and shall procure that each member of the Carlsberg Group shall use, all reasonable endeavours to achieve and otherwise satisfy the regulatory conditions as promptly as reasonably practicable (and, in any event, in sufficient time so as to enable the Effective Date to occur prior to the Long Stop Date) provided that all reasonable endeavours shall require Bidco to take, or agree to take all actions necessary to satisfy the regulatory conditions set out in paragraphs 3.1 and 3.2 of Part A of Appendix 1 to this announcement (including accepting any relevant remedies), in each case except to the extent that such actions would, individually or in the aggregate, be of material significance to Bidco in the context of the Acquisition (as such material significance standard is or would fall to be determined by the Panel under the Takeover Code), in which case Bidco shall not be required to take, or agree to take, such actions.

The Cooperation Agreement shall be terminated with immediate effect (amongst others): (a) if Bidco and Britvic so agree in writing at any time prior to the Effective Date; (b) upon service of written notice by Bidco to Britvic, if the Britvic Directors change their recommendation in certain circumstances; (c) upon service of written notice by either Bidco to Britvic or Britvic to Bidco, if: (i) the Scheme is not approved by the requisite majority of Britvic Shareholders at the Court Meeting or the Resolutions are not passed by the requisite majority of Britvic Shareholders at the General Meeting; (ii) the Court Meeting and/or the General Meeting are not held on or before the 22<sup>nd</sup> day after the expected date of

the Court Meeting and/or General Meeting; (iii) the Court makes a final determination not to sanction the Scheme; (iv) prior to the Long Stop Date, any Condition has been invoked by Bidco (where the invocation of the relevant Condition has been specifically permitted by the Panel); (v) prior to the Long Stop Date, a "competing proposal" (as defined therein) is recommended in whole or in part by the Britvic Board or completes, becomes effective or is declared or becomes unconditional; or (vi) if the Acquisition lapses, terminates or is withdrawn on or prior to the Long Stop Date other than: (A) as a result of Bidco's right to switch to a takeover offer; or (B) it is otherwise to be followed within six business days by a firm offer announcement made by Bidco (or a person acting in concert with Bidco) to implement the Acquisition by a different offer or scheme on substantially the same or improved terms and which is (or is intended to be) recommended by the Britvic Directors.

### **Confidentiality and Joint Defense Agreement**

On 28 June 2024, Carlsberg Breweries, Britvic and their respective external regulatory counsel entered into a confidentiality and joint defense agreement, the purpose of which is to ensure that the exchange and/or disclosure of certain materials relating to the parties and in relation to, in particular, the anti-trust and regulatory workstream only takes place between their respective external regulatory counsel and external experts, and does not diminish in any way the confidentiality of such materials and does not result in a waiver of any privilege, right or immunity that might otherwise be available.

### **Clean Team Agreement**

Carlsberg Breweries and Britvic entered into a clean team agreement dated 28 June 2024 (the "**Clean Team Agreement**"), the purpose of which is to set out the terms governing the disclosure of commercially sensitive information by or on behalf of Britvic to certain specified employees of Carlsberg who are not involved in the day-to-day commercial or strategic operations and decisions of Carlsberg and their external advisers only, as well as the related analysis, reporting and potential return or destruction of such information.

## **13. Arrangements with PepsiCo**

Britvic has certain exclusive bottling arrangements with PepsiCo to manufacture, sell and distribute in Great Britain, Northern Ireland and the Republic of Ireland with respect to certain non-alcoholic ready-to-drink beverages (the "**Britvic Bottling Appointments**"), which contain change of control provisions. Completion of the Acquisition, and thereby the change in control of Britvic, without the prior consent of PepsiCo would give rise to a right by PepsiCo to terminate the Britvic Bottling Appointments (the "**Change of Control**").

Carlsberg, PepsiCo and one of PepsiCo's affiliates, Portfolio Concentrate Services U.C. ("**PCS**") have entered into an agreement on 31 May 2024 (the "**Franchise Rights Agreement**") under which, amongst other things, PepsiCo and PCS have agreed to waive the right to terminate the Britvic Bottling Appointments in the event of the Change of Control, with effect from immediately prior to the completion of the Acquisition (as defined below) provided that completion occurs prior to (but subject to certain provisos) 1 August 2025.

As part of the Franchise Rights Agreement, Carlsberg, PepsiCo and PCS have agreed the terms of concentrate and marketing agreements and business development agreements for the relevant markets. Furthermore, Carlsberg, PepsiCo and PCS have also agreed that they will negotiate with each other, each acting reasonably and in good faith, with a view to settling on terms of new exclusive long-term bottling appointments for Britvic to manufacture, sell and distribute in Great Britain, Northern Ireland and the Republic of Ireland (together with the marketing agreements and business development agreements referred to above, the "**New Bottling Appointments**") and entering into the New Bottling Appointments at or promptly following completion of Acquisition and in any event by (but subject to certain provisos) 1 August 2025.

For the purposes of this agreement, completion of the Acquisition means, if the Acquisition is effected by way of a contractual offer, such offer becoming or being declared unconditional or if effected by way of a scheme of arrangement, such scheme of arrangement becoming effective provided, in either case, that upon such acquisition, Carlsberg shall hold at least 75% (or with the prior written consent of PepsiCo, such lower percentage (being more than 50%) as Carlsberg shall determine) of the share capital of Britvic.

PepsiCo and PCS have agreed that they will not for the period of 12 months from the date of the Franchise Rights Agreement, either alone or acting in concert with others, acquire, agree or offer to acquire, or otherwise become interested in any transferable securities of Britvic without the prior consent of Carlsberg.

Carlsberg and PepsiCo Lipton International Limited have entered into a franchise rights agreement on 31 May 2024 under which the parties thereto have agreed to use reasonable endeavours to agree in good faith the form of certain new long-term franchise agreements with respect to Great Britain, Northern Ireland and the Republic of Ireland, the structure and non-commercial terms of which shall be in substantially the same form as the analogous franchise agreements referred to above unless otherwise specified in the heads of terms attached to the agreement.

#### **14. Arrangements with Marston's**

The CMBC Transaction constitutes a Class 1 transaction for Marston's under the current Listing Rules and is, therefore, as at the date of this announcement, conditional on Marston's shareholders passing a resolution approving the CMBC Transaction (the "**Marston's Shareholder Approval Condition**"). The CMBC Transaction is not subject to any other conditions. The Marston's Shareholder Approval Condition can be waived by Marston's (at its discretion) to take account of the fact that the Listing Rules, which are applicable to Marston's, are expected to change in the Summer of 2024 in a manner that would mean the Marston's Shareholder Approval Condition is no longer required for Class 1 transactions. If the UK Listing Rules are amended within an appropriately short time frame, the Marston's directors propose to waive the Marston's Shareholder Approval Condition. If the Listing Rules are not amended within an appropriately short time frame, the directors of Marston's will seek shareholder approval for the CMBC Transaction.

#### **15. Structure of the Acquisition**

It is intended that the Acquisition will be implemented by means of a Court-approved scheme of arrangement between Britvic and Britvic Shareholders under Part 26 of the Companies Act, although Carlsberg and/or Bidco reserves the right to implement the Acquisition by means of an Offer (subject to the consent of the Panel and the terms of the Cooperation Agreement).

The purpose of the Scheme is to provide for Bidco to become the holder of the entire issued and to be issued share capital of Britvic. This is to be achieved by the transfer of the Britvic Shares to Bidco, in consideration of which the Britvic Shareholders who are on the register of members at the Scheme Record Time shall receive cash consideration on the basis set out in paragraph 2 of this announcement. The transfer of the Britvic Shares to Bidco will result in Britvic becoming a wholly owned subsidiary of Bidco.

The Acquisition is subject to the Conditions and further terms set out below and in Appendix 1 to this announcement and to be set out in the Scheme Document and will only become Effective if, among other things, the following events occur on or before 11.59 p.m. on the Long Stop Date:

- (i) the approval of the Scheme by a majority in number of the Britvic Shareholders who are present and vote (and are entitled to vote), whether in person or by proxy, at the Court Meeting and who represent 75% or more in value of the Britvic Shares voted by such Britvic Shareholders;

- (ii) the Resolutions required to approve and implement the Scheme being duly passed by Britvic Shareholders representing the requisite majority or majorities of the votes cast at the General Meeting;
- (iii) competition law approvals from the CMA and European Commission being obtained;
- (iv) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Britvic and Bidco); and
- (v) following such sanction, the delivery of a copy of the Court Order to the Registrar of Companies.

The Conditions in paragraph 2 of Part A of Appendix 1 to this announcement provide, among other things, that the Scheme will lapse if:

- the Court Meeting and/or the General Meeting are not held by the 22<sup>nd</sup> day after the expected date for such meetings that shall be specified in the Scheme Document in due course (or such later date as may be agreed between Carlsberg and Britvic);
- the Sanction Hearing is not held by the 22<sup>nd</sup> day after the expected date of such hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Bidco and Britvic); or
- the Scheme does not become Effective by 11.59 p.m. on the Long Stop Date,

provided, however, that the deadlines for the timing of the Court Meeting and the General Meeting as set out above may be waived by Bidco, and the Long Stop Date may be extended by agreement between Britvic and Bidco and with the consent of the Panel and (where relevant) the Court. Subject to satisfaction (or waiver, where applicable) of the Conditions, the Scheme is expected to become Effective during the first quarter of 2025.

Upon the Scheme becoming Effective: (i) it shall be binding on all Britvic Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting (and, if they voted, irrespective of whether or not they voted in favour); and (ii) any share certificates in respect of Britvic Shares will cease to be valid and should be destroyed, and entitlements to Britvic Shares held within the CREST system will be cancelled.

The terms of the Scheme will provide that the Britvic Shares acquired under the Scheme shall be acquired fully paid and free from all liens, equitable interests, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid, or any other return of value (whether by reduction of share capital or share premium account or otherwise) made, on or after the Effective Date. Those Britvic Shareholders who are eligible (by reference to the record date chosen by Britvic if the Special Dividend is paid) will be entitled to retain the Special Dividend.

Further details of the Scheme, including an indicative timetable for its implementation, shall be set out in the Scheme Document. It is expected that the Scheme Document and the Forms of Proxy accompanying the Scheme Document for use at the Court Meeting and the General Meeting will be distributed to Britvic Shareholders as soon as reasonably practicable and in any event within 28 days of the date of this announcement or such later date as Britvic, Bidco and the Panel may agree, and that the Court Meeting and the General Meeting will be held as soon as practicable thereafter. The Scheme Document and associated Forms of Proxy will be made available to all Britvic Shareholders at no charge to them.

## **16. Delisting, and cancellation of trading and re-registration**

It is intended that the London Stock Exchange and the FCA will be requested respectively to cancel trading of Britvic Shares on the Main Market of the London Stock Exchange and the listing of Britvic Shares from the premium listing segment of the Official List to take effect on or shortly after the Effective Date.

It is expected that the last day of dealings in Britvic 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. on that date.

It is intended that Britvic will be re-registered as a private limited company and for this to take effect as soon as practicable on or following the Effective Date.

## **17. The Britvic ADS Programme**

The Britvic Shares underlying the Britvic ADS Programme will be included in the Acquisition. The entitlement of Britvic ADS Holders to receive the Acquisition Value under the terms of the Acquisition in respect of the Britvic Shares underlying their Britvic ADS will be determined in accordance with the terms and conditions of the Britvic ADS Programme Deposit Agreement.

It is intended that, following the Effective Date, the Britvic ADS Programme and the listing of the Britvic ADRs on the OTCQX will be terminated.

In addition, Britvic ADS Holders will not be entitled to vote directly on the Scheme or the Acquisition. Britvic ADS Holders will have the right to instruct the Depositary how to vote the Britvic Shares in respect of the Britvic Shares underlying their Britvic ADS, subject to and in accordance with the terms and conditions of the Britvic ADS Programme Deposit Agreement. Britvic ADS Holders should take particular notice of the deadline for providing voting instructions, which may be earlier than that applicable to holders of Britvic Shares.

Britvic ADS Holders that wish to vote directly on the Scheme and the Acquisition must surrender their Britvic ADS to the Depositary, pay the Depositary's fees and charges in accordance with the Britvic ADS Programme Deposit Agreement and become holders of Britvic Shares prior to the Voting Record Time, and in each case subject to and in accordance with the terms of the Britvic ADS Programme Deposit Agreement. Britvic ADS Holders that wish to vote directly on the Scheme and the Acquisition should take care to surrender their Britvic ADS in time to permit processing to be completed by the Depositary and its custodian prior to the Voting Record Time. Britvic ADS Holders that hold Britvic ADS through a broker or other securities intermediary should contact the intermediary to determine the date by which they must instruct that intermediary to act in order that the necessary processing can be completed on time.

## **18. Disclosure of interests in Britvic**

As at the close of business on the Latest Practicable Date prior to the date of this announcement and so far as Carlsberg is aware, neither Bidco nor any of its directors or any person acting, or deemed to be acting, in concert (within the meaning of the Takeover Code) with Bidco:

- had any interest in, or right to subscribe for, or had any arrangement in relation to, Britvic Shares or any relevant securities of Britvic;
- had any short position in relation to any Britvic Shares or any relevant securities of Britvic, whether conditional or absolute and whether in the money or otherwise, including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, any Britvic Shares or any relevant securities of Britvic;

- had any dealing arrangement of the kind referred to in Note 11 on the definition of "acting in concert" in the Takeover Code, in relation to Britvic Shares or in relation to any securities convertible or exchangeable into Britvic Shares; or
- has borrowed or lent any Britvic Shares or relevant securities of Britvic (including, for these purposes, any financial or collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code).

"Interests in securities" for these purposes arise, in summary, where a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who has a short position in securities is not treated as interested in those securities). In particular, a person shall be treated as having an "interest" by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

## 19. General

Carlsberg and/or Bidco (as the case may be) reserves the right to elect (with the consent of the Panel and subject to the terms of the Cooperation Agreement) to implement the Acquisition by way of an Offer for the entire issued and to be issued share capital of Britvic as an alternative to the Scheme.

In such event, the Offer shall be implemented on substantially the same terms, so far as applicable, and subject to the terms of the Cooperation Agreement, as those which would apply to the Scheme, subject to appropriate amendments, including, without limitation, the inclusion of an acceptance condition set (subject to the Cooperation Agreement) at a level permitted by the Panel. Further, if sufficient acceptances of such Offer are received and/or sufficient Britvic Shares are otherwise acquired to do so, it would be the intention of Carlsberg and/or Bidco (as the case may be) to apply the provisions of the Companies Act to acquire compulsorily any outstanding Britvic Shares to which the Offer relates. As referred to in paragraph 13 above, in order for the waiver of the Change of Control to be effective, completion of the Acquisition must take place prior to (subject to certain provisos) 1 August 2025 and for these purposes, completion of the Acquisition means, if the Acquisition is effected by way of a contractual offer, such offer becoming or being declared unconditional with Carlsberg holding at least 75% (or with the prior written consent of PepsiCo, such lower percentage (being more than 50%) as Carlsberg shall determine) of the share capital of Britvic. Accordingly, if Carlsberg wishes the waiver of the Change of Control to be effective, Carlsberg will not be able to reduce the threshold in any acceptance condition in respect of the Offer to a level below 75% without the prior written consent of PepsiCo.

The Acquisition shall be made subject to the Conditions and further terms set out in Appendix 1 to this announcement and to be set out in the Scheme Document. The bases and sources of certain financial information contained in this announcement are set out in Appendix 2 to this announcement. Certain terms used in this announcement are defined in Appendix 4 to this announcement.

It is expected that the Scheme Document will be published as soon as reasonably practicable and in any event within 28 days of this announcement or such later date as Britvic, Carlsberg and/or Bidco (as the case may be) and the Panel agree, and that the Court Meeting and the General Meeting will be held as soon as practicable thereafter. It is expected that the Scheme will become Effective (subject to, among other things, the satisfaction of certain regulatory conditions) during the first quarter of 2025. The Scheme Document and Forms of Proxy will be made available to Britvic Shareholders at no charge to them.

Nomura, Morgan Stanley and Europa Partners have each 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.

## 20. Documents

Copies of the following documents will be available promptly on Carlsberg's website at <https://www.carlsberggroup.com>, and Britvic's website at <https://www.britvic.com>, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, and in any event by no later than noon on the Business Day following this announcement:

- this announcement;
- the Confidentiality Agreement;
- the Clean Team Agreement;
- the Cooperation Agreement;
- the Confidentiality and Joint Defense Agreement;
- the irrevocable undertakings summarised in Appendix 3 to this announcement;
- the documents entered into for the financing of the Acquisition referred to in paragraph 11 above, including the Bridge Facility; and
- the consent from Nomura, Morgan Stanley and Europa Partners to being named in this announcement.

Neither the content of the websites referred to in this announcement, nor any website accessible from hyperlinks set out in this announcement, is incorporated into or forms part of this announcement.

### Enquiries

#### Carlsberg and Bidco

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Baker McKenzie LLP is acting as legal adviser to Carlsberg.

Linklaters LLP is acting as legal adviser to Britvic.

**Inside Information**

*This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (as applicable in Denmark as well as the United Kingdom by incorporation into law by virtue of the European Union (Withdrawal) Act 2018 as amended by virtue of the Market Abuse (Amendment) (EU Exit) Regulations 2019). Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

**Further information**

*This announcement is for information purposes only and is not intended to and does not constitute, or form any part of any 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 Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Britvic in any jurisdiction in contravention of applicable law. The Acquisition will be made and implemented solely pursuant to the terms of the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document), which*



*will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any vote in respect of, or other response to, the Acquisition should be made only on the basis of the information contained in the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document).*

*Britvic and Bidco will prepare the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document) to be distributed to Britvic Shareholders. Britvic urges Britvic Shareholders to read the Scheme Document (or if the Acquisition is implemented by way of an Offer, the Offer Document) when it becomes available because it will contain important information relating to the Acquisition.*

*This announcement does not constitute a prospectus, prospectus equivalent document or an exempted document.*

*The statements contained in this announcement are made as at the date of this announcement, unless some other time is specified in relation to them, and publication of this announcement shall not give rise to any implication that there has been no change in the facts set forth in this announcement since such date.*

### **Disclaimers**

*This announcement does not constitute any advice or recommendation with respect to such securities or other financial instruments.*

*Nomura International plc ("**Nomura**"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting for Carlsberg and for no one else in connection with the distribution of this document and Nomura, its affiliates and its respective officers, employees, agents, representatives and/or associates will not regard any other person as their client, nor will they be responsible to anyone other than Carlsberg for providing the protections afforded to clients of Nomura nor for giving advice in connection with the Acquisition or any matter referred to herein.*

*Morgan Stanley & Co. International plc ("**Morgan Stanley**") is acting as financial advisor to Britvic PLC and to no one else. Morgan Stanley is authorised by the PRA and regulated by the FCA and the PRA. In connection with such matters, Morgan Stanley's and its affiliates' respective directors, officers, employees and agents will not regard any other person as its client, nor will Morgan Stanley be responsible to anyone other than Britvic for providing the protections afforded to their clients or for providing advice in connection with the matters described in this announcement or any matter referred to herein.*

*Europa Partners Limited ("**Europa Partners**"), which is authorised and regulated by the FCA in the United Kingdom, is acting as joint financial adviser exclusively for Britvic and no one else in connection with the possible offer and will not be responsible to anyone other than Britvic for providing the protections afforded to its clients or for providing advice in connection with the possible offer. Neither Europa Partners, nor any of its affiliates, owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Europa Partners in connection with the possible offer, this announcement, any statement contained herein or otherwise.*

### **Overseas jurisdictions**

*The release, publication or distribution of this announcement in or into jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the United Kingdom and Denmark should inform themselves about, and observe, any applicable requirements. Any failure to comply with such requirements 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This announcement has been prepared in accordance with and for the purpose of complying with English law, the Takeover Code, the Listing Rules, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England or Denmark.*

*The availability of the Acquisition to Britvic Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Any person (including, without limitation, nominees, trustees and custodians) who would, or otherwise intends to, forward this announcement, the Scheme Document or any accompanying document to any jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action. In particular, the ability of persons who are not resident in the United Kingdom to vote their Britvic 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 Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document).*

*Unless otherwise determined by Carlsberg and/or Bidco (as the case may be) or required by the Takeover Code, and permitted by applicable law and regulation, the Acquisition will not be made available, directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction where to do so would violate the laws in that jurisdiction and no person may vote in favour of the Scheme by any such use, means, instrumentality or from within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this announcement and any formal documentation relating to the Acquisition are not being, and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in or into or from any Restricted Jurisdiction and persons receiving such documents (including, without limitation, agents, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send such documents in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of an Offer (unless otherwise permitted by applicable law and regulation), the Offer may not be made directly or indirectly, in, into, from, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction and the Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.*

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

#### **Notice to U.S. Britvic Shareholders**

*The Acquisition relates to the shares of an English company and is being made 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 or proxy solicitation rules under the U.S. Securities Exchange Act of 1934 (the "**U.S. Exchange Act**"). Accordingly, the Acquisition is subject to the disclosure requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the tender offer and proxy solicitation rules under the U.S. Exchange Act. The financial information included in this announcement has been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.*

*If, in the future, Carlsberg and/or Bidco (as the case may be) exercises its right to implement the Acquisition by way of an Offer, which is to be made into the United States, such Offer will be made in compliance with the applicable laws and regulations of the United Kingdom and the United States, including any applicable exemptions under the U.S. Exchange Act.*

*Carlsberg and Bidco and Britvic are located in a non-U.S. jurisdiction, and some or all of their officers and directors may be residents of a non-U.S. jurisdiction. As a result, U.S. holders of Britvic Shares or U.S. holders of Britvic ADSs may not be able to effect service of process upon a non-U.S. company or its officers or directors or to enforce against them a judgement of a U.S. court for violations of the federal or state securities laws of the United States.*

*In accordance with normal United Kingdom practice and pursuant to Rule 14e-5(b) of the U.S. Exchange Act, Carlsberg, Bidco, certain affiliated companies and their nominees or brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Britvic Shares outside of the U.S., other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. Also, in accordance with Rule 14e-5(b) of the U.S. Exchange Act, Nomura will continue to act as an exempt principal trader in Britvic Shares on the London Stock Exchange. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any such purchases will not be made at prices higher than the price of the Acquisition provided in this announcement unless the price of the Acquisition is increased accordingly. Any information about such purchases will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be made available on the London Stock Exchange website, [www.londonstockexchange.com](http://www.londonstockexchange.com). To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.*

*U.S. Britvic Shareholders should also be aware that the transaction contemplated herein may have tax consequences in the U.S. and, that such consequences, if any, are not described herein. U.S. Britvic Shareholders are urged to consult with legal, tax and financial advisers in connection with making a decision regarding this transaction.*

*Neither the Acquisition nor this announcement have been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other U.S. regulatory authority, nor have such authorities approved or disapproved or passed judgement upon the fairness or the merits of the Acquisition, or determined if the information contained in this announcement is adequate, accurate or complete. Any representation to the contrary is a criminal offence in the United States.*

## **Forward Looking Statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Carlsberg and/or Bidco (as the case may be) and Britvic 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 Carlsberg and/or Bidco (as the case may be) and Britvic 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 Acquisition on Carlsberg and/or Bidco (as the case may be) and Britvic (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition 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 "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "cost saving", "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. Forward looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Carlsberg's and/or Bidco's (as the case may be), Britvic's, any member of the Carlsberg Group or any member of the Britvic Group's, operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Carlsberg's and/or Bidco's*

(as the case may be), Britvic's, any member of the Carlsberg Group or any member of the Britvic Group's, business.

Although Carlsberg and/or Bidco (as the case may be) and Britvic believe that the expectations reflected in such forward-looking statements are reasonable, Carlsberg and/or Bidco (as the case may be) and Britvic 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 ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; changes in the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Carlsberg and/or Bidco (as the case may be) and Britvic operate; weak, volatile or illiquid capital and/or credit markets; changes in tax rates, interest rate and currency value fluctuations, the degree of competition in the geographic and business areas in which Carlsberg and/or Bidco (as the case may be) and Britvic operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves incorrect, actual results may differ materially from those expected, estimated or projected. Such forward-looking statements should therefore be construed in the light of such factors. Neither Carlsberg nor Bidco (as the case may be) nor Britvic, 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 any reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Britvic Group, there may be additional changes to the Britvic Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

The forward-looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to any member of the Carlsberg Group or the Britvic Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Other than in accordance with their legal or regulatory obligations, neither Carlsberg nor Bidco (as the case may be) nor Britvic is under any obligation, and Carlsberg and/or Bidco (as the case may be) and Britvic 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.

### **Dealing and Opening Position Disclosure Requirements**

Under Rule 8.3(a) of the Takeover 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) of the Takeover Code applies must be made by no later than 3.30 p.m. on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

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

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement and the documents required to be published under Rule 26 of the Takeover Code will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Britvic's website at <https://www.britvic.com> and Carlsberg's website at <https://www.carlsberggroup.com> by no later than 12 noon on the Business Day following this announcement. For the avoidance of doubt, neither the content of these websites nor of any website accessible from hyperlinks set out in this announcement is incorporated by reference or forms part of this announcement.

#### **No profit forecasts, estimates or quantified benefits statements**

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 Britvic or Carlsberg for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Britvic or Carlsberg (as the case may be).

#### **Requesting hard copy documents**

In accordance with Rule 30.3 of the Takeover Code, Britvic Shareholders, persons with information rights and participants in Britvic Share Plans may request a hard copy of this announcement, free of charge, by contacting Britvic's registrar, Equiniti Limited, either in writing to Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom or by calling +44 (0) 121 415 7019. You may also request that all future documents, announcements and information to be sent to you in relation to the Acquisition should be in hard copy form.

*Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 8.30 a.m. and 5.30 p.m. Monday to Friday excluding public holidays in England and Wales. For persons who receive a copy of this announcement in electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. In accordance with Rule 30.3 of the Takeover Code, such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.*

### **Electronic Communications**

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

### **Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.*

### **General**

*Carlsberg and/or Bidco (as the case may be) reserves the right to elect, with the consent of the Panel (where necessary) and subject to the terms of the Cooperation Agreement, to implement the Acquisition by way of an Offer as an alternative to the Scheme. In such an event, an Offer will be implemented on substantially the same terms, so far as applicable, as those which would apply to the Scheme (subject to appropriate amendments).*

*If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act so as to acquire compulsorily the remaining Britvic Shares in respect of which the Offer has not been accepted.*

*Investors should be aware that Carlsberg and/or Bidco may purchase Britvic Shares otherwise than under any Offer or the Scheme, including pursuant to privately negotiated purchases.*

*The Acquisition will be subject to English law, the jurisdiction of the Court, and the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.*

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

*For the purposes of Rule 2.9 of the Takeover Code, Britvic confirms that, as at 5 July 2024, it had in issue 248,906,262 ordinary shares of 20 pence each. The International Securities Identification Number (ISIN) for the ordinary shares is GB00B0N8QD54.*

*Britvic has a sponsored American Depositary Shares ("**Britvic ADS**") programme for which the Bank of New York Mellon acts as the sponsored depositary bank and registrar. One Britvic ADS represents two Britvic Shares. The Britvic ADSs are evidenced by American Depositary Receipts (the "**Britvic ADR**"), which trade on OTCQX. The trading symbol for the Britvic ADRs is BTVCY and the ISIN is US1111901047.*

## Appendix 1

### Conditions and Further Terms of the Acquisition

#### Part A

##### *Conditions to the Scheme and the Acquisition*

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

1. The Acquisition is conditional upon the Scheme becoming unconditional and Effective, subject to the provisions of the Takeover Code, by no later than 11.59 p.m. on the Long Stop Date.

##### **Scheme approval condition**

2. The Scheme shall be subject to the following conditions:
  - 2.1 (i) its approval by a majority in number and representing not less than 75% in value of the Britvic Shareholders who are on the register of members of Britvic (or the relevant class or classes thereof, if applicable) at the Voting Record Time, present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required by the Court (or any adjournment thereof); and (ii) such Court Meeting and any separate class meeting (or any adjournment of any such 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, (a) as may be agreed between Bidco and Britvic, or (b) (in a competitive situation) as may be specified by Bidco with the consent of the Panel, and in each case that (if required) the Court may allow);
  - 2.2 (i) the Resolutions being duly passed by the requisite majority or majorities at the General Meeting (or any adjournment thereof); and (ii) such General Meeting (or any adjournment thereof) 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, (a) as may be agreed between Bidco and Britvic, or (b) (in a competitive situation) as may be specified by Bidco with the consent of the Panel, and in each case that (if required) the Court may allow); and
  - 2.3 (i) the sanction of the Scheme by the Court with or without modification (but subject to any such modification being acceptable to Bidco and Britvic) and the delivery of a copy of the Court Order to the Registrar of Companies; and (ii) the Sanction Hearing being held on or before the 22<sup>nd</sup> day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date, if any, (a) as may be agreed between Bidco and Britvic, or (b) (in a competitive situation) as may be specified by Bidco with the consent of the Panel, and in each case that (if required) the Court may allow).

##### **General Conditions**

3. In addition, subject as stated in Part B of this Appendix 1 and to the requirements of the Panel, the Acquisition shall be conditional upon the following Conditions and, accordingly, the Court Order will not be delivered to the Registrar of Companies unless such Conditions (as amended if appropriate) have been satisfied or, where capable of waiver, waived:

##### *Competition law approvals*

##### *United Kingdom*

- 3.1 the CMA issuing a decision that it is not the CMA's intention to subject the Acquisition or any matter arising therefrom or related thereto or any part of it to a reference under sections 22 or 33 of the United Kingdom Enterprise Act 2002 (a "**Phase 2 CMA Reference**"), such decision

being either unconditional or conditional on the CMA's acceptance of undertakings in lieu under Section 73 of the United Kingdom Enterprise Act 2002 (or the applicable time period for the CMA to issue either decision having expired without it having done so and without it having made a Phase 2 CMA Reference).

#### *European Commission*

- 3.2** insofar as the Acquisition constitutes, or is deemed to constitute, a concentration with a Union dimension within the meaning of the EU Merger Regulation, or, following a request pursuant to Article 22(1) of the EU Merger Regulation, the European Commission decides (or is deemed to have decided) that it shall examine the Acquisition pursuant to Article 22(3) of Council Regulation (EC) No. 139/2004 (the "**EU Merger Regulation**"), the European Commission:
- 3.2.1** issuing a decision under Articles 6(1)(b) or 6(2) of the EU Merger Regulation declaring the Acquisition compatible with the internal market (or having been deemed to do so pursuant to Article 10(6) of the EU Merger Regulation); or
- 3.2.2** issuing a decision to refer (or being deemed to have taken a decision to refer) the Acquisition in whole or in part to the competent authorities of one or more Member States of the European Union under Articles 4 or 9 of the EU Merger Regulation and
- (i) each such authority issuing a decision with equivalent effect to that in Condition 3.2.1 with respect to those parts of the Acquisition referred to it; and
- (ii) where applicable, the European Commission issuing a decision as referred to in Condition 3.2.1 with respect to any part of the Acquisition retained by it;
- 3.3** if and to the extent that any or all of Conditions 3.1 to 3.2 (inclusive) are waived or are not invoked by Bidco, all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals from the authorities referred to in Conditions 3.1 to 3.2 (inclusive) (for the purposes of this Condition 3.3 each a "**Clearance**") including, without limitation, any Clearance in connection with any Phase 2 CMA Reference and/or any "phase 2" or similar "in depth" review by any of the authorities referred to in Conditions 3.2 to 3.2.2 (inclusive) having been obtained and all such Clearances remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional.

#### **Third Party clearances**

- 3.4** other than in respect of or in connection with Conditions 3.1 to 3.2 (inclusive), the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a "**Third Party**") of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition) arising as a result of or in connection with the Scheme or the Acquisition;
- 3.5** other than in respect of or in connection with Conditions 3.1 to 3.2 (inclusive), all material notifications, filings or applications which are necessary having been made in connection with the Acquisition and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Acquisition or the acquisition by any member of the Wider Carlsberg Group of any shares or other securities in, or control of, Britvic and all authorisations, orders, recognitions, grants, determinations, confirmations, consents, licences, clearances,



permissions, exemptions and approvals deemed necessary or appropriate by Bidco or any member of the Wider Carlsberg Group (in each such case, acting reasonably) for or in respect of the Acquisition including without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, Britvic or any member of the Wider Britvic Group by any member of the Wider Carlsberg Group having been obtained in terms and in a form reasonably satisfactory to Bidco from all appropriate Third Parties or persons with whom any member of the Wider Britvic Group has entered into contractual arrangements and all such authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals reasonably considered necessary or appropriate to carry on the business of any member of the Wider Britvic Group which are material in the context of the Wider Carlsberg Group or the Wider Britvic Group as a whole or for or in respect of the Acquisition including, without limitation, its implementation or financing remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Acquisition becomes otherwise unconditional and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;

**3.6** other than in respect of or in connection with Conditions 3.1 to 3.2 (inclusive), no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice and there not continuing to be outstanding any statute, regulation, decision or order which would or might:

**3.6.1** make the Scheme or Acquisition or, in each case, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Britvic Group by any member of the Wider Carlsberg Group void, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or restrain, restrict, impede, challenge, delay or otherwise interfere with the implementation of, or impose material additional conditions or obligations with respect to, the Acquisition or require amendment of the Scheme;

**3.6.2** require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Carlsberg Group or by any member of the Wider Britvic Group of all or any material part of their businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof) to an extent which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;

**3.6.3** impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Carlsberg Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities in Britvic (or the equivalent) or any member of the Wider Britvic Group or any member of the Wider Carlsberg Group or to exercise voting or management control over any such member, in each case to an extent which is material in the context of the Wider Britvic Group or the Wider Carlsberg Group taken as a whole or in the context of the Acquisition;

**3.6.4** other than pursuant to the implementation of the Scheme or, if applicable, sections 974 to 991 of the Companies Act, require any member of the Wider Carlsberg Group or the Wider Britvic Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Britvic Group or any asset owned by

any third party which is material in the context of the Wider Britvic Group or the Wider Carlsberg Group, in either case, taken as a whole;

- 3.6.5** require, prevent or materially delay a divestiture by any member of the Wider Carlsberg Group of any shares or other securities in Britvic;
- 3.6.6** result in any member of the Wider Britvic Group ceasing to be able to carry on business under any name which it presently does so to an extent which is material in the context of the Wider Britvic Group taken as a whole or the Wider Carlsberg Group taken as a whole, as applicable;
- 3.6.7** impose any limitation on the ability of any member of the Wider Carlsberg Group or any member of the Wider Britvic Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Carlsberg Group and/or the Wider Britvic Group in a manner which is adverse and material to the Wider Carlsberg Group and/or the Wider Britvic Group, in either case, taken as a whole or in the context of the Acquisition; or
- 3.6.8** otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Britvic Group or any member of the Wider Carlsberg Group in each case in a manner which is adverse to and material in the context of the Wider Britvic Group taken as a whole or the Wider Carlsberg Group taken as a whole or of the financing of the Acquisition;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or proposed acquisition of any Britvic Shares or otherwise intervene having expired, lapsed, or been terminated;

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

- 3.7** except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Britvic Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition or the proposed acquisition by any member of the Wider Carlsberg Group of any shares or other securities in Britvic or because of a change in the control or management of any member of the Wider Britvic Group or otherwise, would or might reasonably be expected to result in any of the following to an extent which is material and adverse in the context of the Wider Britvic Group or the Wider Carlsberg Group, in either case, taken as a whole or in the context of the Acquisition:
  - 3.7.1** any monies borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - 3.7.2** any such agreement, arrangement, licence, permit, franchise, lease or other instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any obligation or liability arising, or any adverse action being taken or arising thereunder;
  - 3.7.3** any asset or interest of any such member being or failing to be disposed of or charged or ceasing to be available to any such member or any right arising under which any

such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;

- 3.7.4** the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member;
- 3.7.5** the rights, liabilities, obligations or interests of any such member, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or adversely affected;
- 3.7.6** the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
- 3.7.7** any such member ceasing to be able to carry on business under any name under which it presently does so;
- 3.7.8** the creation or acceleration of any liability, actual or contingent, by any such member (including any material tax liability or any obligation to obtain or acquire any material authorisation, order, grant, recognition, determination, confirmation, consent, licence, clearance, permission, exemption, approval, notice, waiver, concession, agreement or exemption from any Third Party or any person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Acquisition; or
- 3.7.9** any liability of any such member to make any severance, termination, bonus or other payment to any of its directors or other officers,

and no event having occurred which, under any provision of any arrangement, agreement, lease, licence, permit, franchise or other instrument to which any member of the Wider Britvic Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in sub-paragraphs 3.7.1 to 3.7.9 (inclusive) of this paragraph 3.7;

**No material transactions, claims or changes in the conduct of the business of the Britvic Group since 31 March 2024**

- 3.8** except as Disclosed, no member of the Wider Britvic Group having since 31 March 2024:
  - 3.8.1** save as between Britvic and its wholly-owned subsidiaries or for Britvic Shares issued under or pursuant to the exercise of options or vesting of awards granted in the ordinary course under the Britvic Share Plans, issued or agreed to issue, authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class or sale of Britvic Shares out of treasury;
  - 3.8.2** save as between Britvic and its wholly-owned subsidiaries or for the grant of options and awards and other rights under the Britvic Share Plans, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
  - 3.8.3** other than the Special Dividend and other than to Britvic or one of its wholly-owned subsidiaries, prior to the Acquisition becoming Effective, recommended, declared, paid or made or agreed to recommend, declare, pay or make any bonus issue, dividend or other distribution whether payable in cash or otherwise or made any bonus issue;

- 3.8.4** save as between Britvic and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so, in each case, other than in the ordinary course of business and, in each case, to an extent which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.5** save as between Britvic and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital in each case, to the extent which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.6** issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save as between Britvic and its wholly-owned subsidiaries or between such wholly-owned subsidiaries), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
- 3.8.7** purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in sub-paragraphs 3.8.1 or 3.8.2 above, made any other change to any part of its share capital in each case, to the extent which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.8** entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any material contract, transaction, arrangement, agreement or commitment (whether in respect of capital expenditure or otherwise) (otherwise than in the ordinary course of business) which is of a long-term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude, in each case, to the extent which is or is reasonably likely to be material to the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.9** entered into any licence or other disposal of intellectual property rights of any member of the Wider Britvic Group which are material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition and outside the normal course of business;
- 3.8.10** save to the extent arising as a result of any change in applicable law, entered into or varied the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Britvic Group save for salary increases, bonuses or variations of terms in the ordinary course of business, which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition, other than as agreed by Bidco and (if required) by the Panel;
- 3.8.11** 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 employee of the Wider Britvic Group which, taken as a whole, are material in the context of the Wider Britvic Group taken as a whole, other than as agreed by Bidco and (if required) by the Panel;

- 3.8.12** (excluding the trustee of any pension scheme(s) established by a member of the Wider Britvic Group other than Britvic itself) made, agreed or consented to or procured any material change to:
- (i) the terms of any existing trust deeds, rules, policy or other governing documents, or entered into or established any new trust deeds, rules, policy or other governing documents, constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Britvic Group or their dependants and established by a member of the Wider Britvic Group (a "**Relevant Pension Plan**");
  - (ii) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan;
  - (iii) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; or
  - (iv) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
- 3.8.13** waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.14** made any alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme) which is material in the context of the Acquisition;
- 3.8.15** (other than in respect of a member of the Wider Britvic Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case, which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.16** been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business, in each case, which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.8.17** entered into any contract, commitment, agreement or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition;
- 3.8.18** terminated or varied the terms of any agreement or arrangement between any member of the Wider Britvic Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider Britvic Group taken as a whole; or

- 3.8.19** taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Britvic Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

**No adverse change, litigation or regulatory enquiry since 31 March 2024**

**3.9** save as Disclosed, since 31 March 2024:

- 3.9.1** no adverse change or deterioration having occurred in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Britvic Group which, in any such case, is material to the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.9.2** no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Britvic Group is or may become a party (whether as claimant or defendant or otherwise) and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or other investigative body against or in respect of any member of the Wider Britvic Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Britvic Group which, in any such case, has had or might reasonably be expected to have a material adverse effect on the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.9.3** no contingent or other liability of any member of the Wider Britvic Group having arisen or become apparent to Bidco or increased other than in the ordinary course of business which has or might reasonably be expected to adversely affect any member of the Wider Britvic Group in a way that is material to the Wider Britvic Group taken as a whole or in the context of the Acquisition; or
- 3.9.4** no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider Britvic Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and reasonably be expected to have a material adverse effect on the Wider Britvic Group taken as a whole or in the context of the Acquisition;

**No discovery of certain matters**

**3.10** save as Disclosed, Bidco not having discovered:

- 3.10.1** that any financial, business or other information concerning the Wider Britvic Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Britvic Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the date of this announcement by disclosure either publicly or otherwise to Bidco or its professional advisers, in each case, to the extent which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.10.2** that any member of the Wider Britvic Group or any partnership, company or other entity in which any member of the Wider Britvic Group has a significant economic interest and which is not a subsidiary undertaking of Britvic is subject to any liability (contingent or otherwise), other than in the ordinary course of business and in each case, to the extent material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;

- 3.10.3** any past or present member of the Wider Britvic Group has failed to comply in a material respect with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which storage, carriage, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any material liability (actual or contingent) or cost on the part of any member of the Wider Britvic Group and which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.10.4** there is, or is reasonably likely to be, for any reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Britvic Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Britvic Group (or on its behalf) or by any person for which a member of the Wider Britvic Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, regulation, notice, circular or order of any Third Party and which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;
- 3.10.5** circumstances exist (whether as a result of proceeding with the Acquisition or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Carlsberg Group or any present or past member of the Wider Britvic Group would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Britvic Group (or on its behalf) or by any person for which a member of the Wider Britvic Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;  
or
- 3.10.6** circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider Britvic Group which claim or claims would be likely, materially and adversely, to affect any member of the Wider Britvic Group and which is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition;

### **Intellectual Property**

**3.11** save as Disclosed, Bidco not having discovered:

- 3.11.1** that any circumstance has arisen or event has occurred in relation to any intellectual property owned or used by any member of the Wider Britvic Group which would be

reasonably expected to have a material adverse effect on the Wider Britvic Group taken as a whole or is otherwise material in the context of the Acquisition, including:

- (i) any member of the Wider Britvic Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Britvic Group and material to its business being revoked, cancelled or declared invalid; or
- (ii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Britvic Group being terminated or varied;

### **Anti-corruption, economic sanctions, criminal property and money laundering**

**3.12** save as Disclosed, Bidco not having discovered that (in each case, to an extent that it is material in the context of the Wider Britvic Group taken as a whole or in the context of the Acquisition):

**3.12.1** any past or present member, director, officer or employee of the Wider Britvic Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) which would constitute an offence under the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977 (so far as is applicable) or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks;

**3.12.2** any asset of any member of the Wider Britvic 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 proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider Britvic Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering;

**3.12.3** any past or present member, director, officer or employee of the Wider Britvic Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt 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 U.S., United Kingdom 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 U.S., United Kingdom or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HM Revenue and Customs; or
- (ii) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law;

**3.12.4** any past or present member, director, officer or employee of the Wider Britvic Group, or any other person for whom any such person may be liable or responsible:

- (i) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act;



- (ii) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;
- (iii) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
- (iv) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organization or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or

**3.12.5** any member of the Wider Britvic Group is or has been engaged in any transaction which would cause any member of the Wider Carlsberg Group to be in breach of any law or regulation upon its acquisition of Britvic, including but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or HM Revenue and Customs, or any other relevant government authority.

## **Part B**

### ***Further terms of the Acquisition***

1. Subject to the requirements of the Panel and the Takeover Code, 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 2.1(i), 2.2(i) and 2.3(i), which cannot be waived. The deadlines set out in Conditions 2.1(ii), 2.2(ii) and 2.3(ii) may be extended to such later date as may be agreed: (a) in writing by Bidco and Britvic; or (b) (in a competitive situation) specified by Bidco with the consent of the Panel, and in either case with the approval of the Court, if such approval is required. If any such deadline is not met, Bidco shall make an announcement by 8:00 a.m. on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines, or agreed with Britvic (or, as the case may be, the Panel) to extend the relevant deadline in relation to the relevant Condition.
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 in Part A of Appendix 1 above that are capable of waiver by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
3. Under Rule 13.5(a) of the Takeover Code and subject to paragraph 5 below, Bidco may not invoke a Condition so as to cause the Acquisition not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Bidco in the context of the Acquisition with the consent of the Panel. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
4. Conditions 1, 2.1, 2.2, or 2.3 in Part A of Appendix 1 above, and, if applicable, any acceptance condition if the Acquisition is implemented by means of an Offer, are not subject to Rule 13.5(a) of the Takeover Code. Bidco may only invoke a Condition that is subject to Rule 13.5(a) with the consent of the Panel and any Condition that is subject to Rule 13.5(a) may be waived by Bidco.
5. If the Panel requires Bidco to make an offer or offers for Britvic Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
6. Bidco reserves the right to elect to implement the Acquisition by way of an Offer as an alternative to the Scheme, subject to the Panel's consent (where necessary) and the terms of the Cooperation Agreement. In such event, such Offer will be implemented on the same terms and conditions so far as is applicable (and subject to the terms of the Cooperation Agreement), as those which would apply to the Scheme (subject to appropriate amendments), including (without limitation) an acceptance condition set at 75% of the Britvic Shares on a fully diluted basis (or such other percentage as Bidco and Britvic may agree in accordance with the terms of the Cooperation Agreement), and, to the extent necessary with the consent of the Panel and PepsiCo, being in any case more than 50% of the voting rights attaching to the Britvic Shares (or any amendments required by, or deemed appropriate by, Bidco under applicable law or any amendments necessary to reflect the Offer) as those that would apply to the Scheme. If the Acquisition is effected by way of an Offer, and such Offer becomes or is declared unconditional and sufficient acceptances are received in respect of such Offer, Bidco intends to exercise its rights to apply the provisions of the Companies Act so as to acquire compulsorily the remaining Britvic Shares in respect of which the Offer has not been accepted.
7. Britvic Shares which will be acquired pursuant to the Acquisition will be acquired by Bidco fully paid and free from all liens, charges, encumbrances and other third party rights of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them as at the Effective Date, including voting rights and the right to receive and retain all dividends and distributions (if any) declared, made or

paid or any other return of capital or value after the Acquisition becomes Effective save for the Special Dividend.

- 8.** If, on or after the date of this announcement and prior to the Acquisition becoming Effective, any dividend and/or other distribution and/or other return of capital or value is announced, declared, made or paid by Britvic or becomes payable by Britvic in respect of the Britvic Shares (other than the Special Dividend), Bidco reserves the right to reduce the consideration payable under the terms of the Acquisition for the Britvic Shares by an amount up to the aggregate amount of such dividend and/or distribution and/or other return of capital or value, in which case any reference in this announcement to the consideration payable under the terms of the Acquisition will be deemed to be a reference to the consideration as so reduced. 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 terms of the Scheme or the Acquisition. In such circumstances, Britvic Shareholders would be entitled to receive and retain any such dividend, distribution and/or other return of capital or value to which they are entitled.
- 9.** The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
- 10.** The Acquisition will be governed by the laws of England and Wales and be subject to the jurisdiction of the English Courts and to the Conditions set out above and to the full terms to be set out in the Scheme Document. The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the FCA, the Listing Rules and the Registrar of Companies.
- 11.** Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
- 12.** The Acquisition will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or e-mail) of interstate or foreign commerce of, or of any facility of, any Restricted Jurisdiction.

## Appendix 2

### Bases and Sources of Information

In this announcement, unless otherwise stated or the context otherwise requires, the following sources and bases have been used.

1. Financial information concerning Britvic has been extracted from the Annual Report and Accounts of Britvic for the year ended 30 September 2023 and Britvic's interim results for the six months ended 31 March 2024 ("**Britvic's Interim Results 2024**").
2. Financial information concerning Carlsberg has been extracted from the Annual Report and Accounts of Carlsberg for the year ended 31 December 2023.
3. Britvic's fully diluted share capital of 251,807,735 Britvic Shares has been calculated as:
  - 3.1 248,906,262 Britvic Shares in issue on 5 July 2024 (being the Latest Practicable Date before this announcement); *plus*
  - 3.2 6,028,506 Britvic Shares which may be issued on or after the date of this announcement pursuant to the Britvic Share Plans; *plus*
  - 3.3 351,897 Britvic Shares which may be issued on or after the date of this announcement pursuant to future share grants<sup>1</sup>; *less*
  - 3.4 1,693,930 Britvic Shares held by the Britvic Employee Benefit Trust; *less*
  - 3.5 1,785,000 Britvic Shares which may be purchased by the Britvic Employee Share Trust under hedging arrangements to satisfy awards under the Britvic Share Plans.
4. The value attributed to Britvic's entire issued and to be issued share capital ("**Britvic Equity Value**") of £3,311 million is based on:
  - 4.1 the Acquisition Value of 1,315 pence in cash for each Britvic Share, inclusive of the Special Dividend payment of 25 pence per Britvic Share;
  - 4.2 multiplied by Britvic's entire issued and to be issued share capital of 251,807,735 shares.
5. The implied enterprise value of £4,104 million is calculated as:
  - 5.1 Britvic Equity Value of £3,311 million; *plus*
  - 5.2 adjusted net debt of £694 million as at 31 March 2024 sourced from Britvic's Interim Results 2024; *plus*
  - 5.3 lease liabilities of £70 million as at 31 March 2024 sourced from Britvic's Interim Results 2024; *plus*
  - 5.4 cash used to fund the 2024 Britvic share buyback programme prior to suspension of the programme on 25 June 2024 of £5.5 million; *plus*
  - 5.5 estimated cash to be used to satisfy awards under the Britvic Share Plans of £23.9 million.

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<sup>1</sup> Assumption based on estimated number of Britvic Shares required to satisfy: (a) share-settled dividend equivalents arising on outstanding share awards between now and end of Britvic's current financial year; and (b) PSP awards for year commencing 1 October 2024 which assumes 1/6th vesting.

- 6.** Reported adjusted EBITDA for the 12 month period ending 31 March 2024 of £303 million is calculated as reported adjusted EBITDA for the year ended 30 September 2023 of £288 million;
- 6.1** *plus* adjusted EBITDA for the six months ended 31 March 2024 of £132 million calculated as:
- 6.1.1** adjusted EBIT of £100 million; *plus*
  - 6.1.2** depreciation of property, plant and equipment of £24 million; *plus*
  - 6.1.3** depreciation of right-of-use assets of £5 million; *plus*
  - 6.1.4** amortisation of £10 million; *less*
  - 6.1.5** acquisition-related amortisation of £6 million;
- in each case for the 6-month period ending 31 March 2024 sourced from Britvic's Interim Results 2024;
- 6.2** *less* adjusted EBITDA for the six months ended 31 March 2023 of £118 million calculated as:
- 6.2.1** adjusted EBIT of £85 million; *plus*
  - 6.2.2** depreciation of property, plant and equipment of £22 million; *plus*
  - 6.2.3** depreciation of right-of-use assets of £5 million; *plus*
  - 6.2.4** amortisation of £8 million; *plus*
  - 6.2.5** loss on disposal of property, plant and equipment and intangible assets of £2 million; *less*
  - 6.2.6** acquisition-related amortisation of £4 million;
- in each case for the 6-month period ending 31 March 2023 sourced from Britvic's Interim Results 2024.
- 7.** Reported adjusted earnings for the 12 month period ended 31 March 2024 of £165 million is calculated as adjusted earnings for the year ended 30 September 2023 of £157 million;
- 7.1** *plus* reported adjusted earnings for the six months ended 31 March 2024 of £67 million; *less*
- 7.2** reported adjusted earnings for the six months ended 31 March 2023 of £59 million, sourced from Britvic's Interim Results 2024.
- 8.** The implied enterprise value of £4,104 million implies:
- 8.1** a multiple of approximately 13.6 times Britvic's reported adjusted EBITDA; and
  - 8.2** a multiple of approximately 10.2 times Britvic's pro forma adjusted EBITDA of £403 million, comprising Britvic's reported adjusted EBITDA for the 12 month period ending 31 March 2024 of £303 million *plus* Carlsberg's estimated full run-rate cost savings and efficiency improvements of £100 million.
- 9.** The Britvic Equity Value of £3,311 million implies:
- 9.1** a multiple of approximately 20.1 times Britvic's reported adjusted earnings for the 12 month period ended 31 March 2024 of £165 million; and
  - 9.2** a multiple of approximately 13.8 times Britvic's pro forma adjusted earnings of £240 million, comprising Britvic's reported adjusted earnings for the 12 month period ended 31 March 2024

of £165 million *plus* Carlsberg's estimated full run-rate post-tax cost savings and efficiency improvements of £75 million.

10. All prices for Britvic Shares are the Closing Price derived from Bloomberg for the relevant date.
11. Exchange rates have been derived from Bloomberg and have been rounded to the nearest four decimal places.
12. The exchange rate of DKK1:£0.1133 for the conversion of Danish Krone into Pounds Sterling has been derived from Bloomberg and is based on the exchange rate as at 4:30 p.m. on 5 July 2024 (being the Latest Practicable Date before the date of this announcement).
13. The exchange rate used for conversion of the Carlsberg's FY2023A group revenue and FY2023A operating profit, as disclosed in the Carlsberg Group audited final results for the year ended 31 December 2023, from DKK into GBP is 0.1167, derived from Bloomberg, based on an average daily exchange rate as at 4.30 p.m. from 3 January 2023 (being the first Business Day of 2023) to 29 December 2023 (being the last Business Day of 2023).
14. Certain figures included in this announcement have been subject to rounding adjustments.

## Appendix 3

### Details of Irrevocable Undertakings

#### 1. Britvic Directors and Senior Employees

The following Britvic Directors have given irrevocable undertakings to vote (or, where applicable, procure the voting) in favour of the Scheme at the Court Meeting and the Resolutions at the General Meeting (or in the event that the Acquisition is implemented by way of an Offer, to accept, or procure the acceptance of, the Offer) in respect of their own beneficial holdings (or those Britvic Shares over which they have control) of Britvic Shares:

<b>Name</b>	<b>Total Number of Britvic Shares*</b>	<b>Percentage of Existing Issued Share Capital</b>
Ian Durant	3,075	0.0%
Simon Litherland	441,189	0.2%
Rebecca Napier	13,124	0.0%
<b>Total</b>		

*\*Not including shares held under the UK SIP or the Irish PSS.*

These irrevocable undertakings also extend to any Britvic Shares acquired by the Britvic Directors, whether as a result of the exercise of options or the vesting of awards under the Britvic Share Plans or otherwise (except pursuant to the UK SIP or the Irish PSS).

These irrevocable undertakings given by the Britvic Directors will continue to be binding in the event that offer is made competing with the Acquisition.

The irrevocable undertakings given by Britvic Directors will cease to be binding, inter alia:

- if the Scheme Document or Offer Document (as the case may be) has not been posted within 28 days of the issue of this announcement (or such later date as the Panel may agree);
- on the date on which the Scheme or Offer (as the case may be) is withdrawn or lapses in accordance with its terms;
- if Carlsberg and/or Bidco (as the case may be) announces, with the consent of the Panel, and before the Scheme Document is published, that it does not intend to proceed with the Acquisition and no new, revised or replacement Scheme or Offer is announced by Carlsberg and/or Bidco (as the case may be) in accordance with Rule 2.7 of the Takeover Code; or
- any competing offer for the Britvic Shares is made which becomes or is declared unconditional (if implemented by way of takeover offer) or otherwise becomes effective (if implemented by way of a scheme of arrangement).

## Appendix 4

### Definitions

The following definitions apply throughout this document unless the context otherwise requires:

<b>"Acquisition" or "Britvic Acquisition"</b>	the acquisition of the entire issued and to be issued share capital of Britvic by Bidco to be implemented by way of the Scheme or, should Bidco so elect (with the consent of the Panel (and subject to the terms of the Cooperation Agreement)) by way of the Offer, and, where the context admits, any subsequent revision, variation, extension or renewal thereof
<b>"Acquisition Price"</b>	1,290 pence in cash per Britvic Share
<b>"Acquisition Value"</b>	1,315 pence per Britvic Share
<b>"All Employee Share Incentive Plan" or "UK SIP"</b>	the Britvic Share Incentive Plan
<b>"Bidco"</b>	Carlsberg UK Holdings Limited, a company incorporated England and Wales with registered number 00867160
<b>"Blocking Law"</b>	means: (i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018
<b>"Bridge Facility"</b>	has the meaning given to it in paragraph 11 of this announcement
<b>"Britvic"</b>	Britvic PLC, a company incorporated under the laws of England and Wales with registered number 05604923
<b>"Britvic ADR"</b>	American Depositary Receipts listed on the OTCOX under the trading symbol BTVCY, which evidence Britvic ADSs
<b>"Britvic ADS"</b>	American Depositary Shares of Britvic, each representing a unit of beneficial ownership in two Britvic Shares, registered in the name of the Depositary, and which are evidenced by Britvic ADRs listed on the OTCOX
<b>"Britvic ADS Holders"</b>	the holders of Britvic ADS
<b>"Britvic ADS Programme"</b>	the Britvic ADS programme for which the Bank of New York Mellon acts as the sponsored depositary bank and registrar
<b>"Britvic ADS Programme Deposit Agreement"</b>	the Britvic ADS Programme Deposit Agreement between Britvic and Bank of New York Mellon dated 2 February 2010
<b>"Britvic Articles"</b>	the articles of association of Britvic from time to time
<b>"Britvic Board"</b>	the board of directors of Britvic



<b>"Britvic Bottling Appointments"</b>	has the meaning given to it in paragraph 13 of this announcement
<b>"Britvic Directors"</b>	the directors of Britvic as at the date of this announcement
<b>"Britvic Equity Value"</b>	the value attributed to Britvic's entire issued and to be issued ordinary share capital as implied by the Acquisition Value of 1,315 pence per Britvic Share
<b>"Britvic Group"</b>	Britvic and its subsidiary undertakings and associated undertakings
<b>"Britvic Share Plans"</b>	the Performance Share Plan, the RSP, the DBP, the Buy Out Award, the Executive Share Option Plan, the UK SIP, the Irish PSS and the International Phantom SIP, each as amended from time to time
<b>"Britvic Shareholders"</b>	the holders of Britvic Shares from time to time
<b>"Britvic Shares"</b>	the ordinary shares of 20 pence each in the capital of Britvic
<b>"Business Day"</b>	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London, England
<b>"Buy Out Award"</b>	the buy-out award agreement entered into between Britvic and the Britvic Chief Financial Officer on 6 October 2023
<b>"Carlsberg"</b>	Carlsberg A/S, a company incorporated under the laws of Denmark
<b>"Carlsberg Breweries"</b>	Carlsberg Breweries A/S, a company incorporated under the laws of Denmark and a wholly owned subsidiary of Carlsberg
<b>"Carlsberg Group"</b>	Carlsberg and its subsidiary undertakings and associated undertakings
<b>"Change of Control"</b>	has the meaning given to it in paragraph 13 of this announcement
<b>"Clean Team Agreement"</b>	the clean team agreement between Carlsberg Breweries and Britvic dated 28 June 2024, as described in paragraph 12 of this announcement
<b>"Closing Price"</b>	the closing middle market quotation of a share derived from the Daily Official List of the London Stock Exchange
<b>"CMA"</b>	the Competition and Markets Authority
<b>"CMBC"</b>	Carlsberg Marston's Limited, a company incorporated under the laws of England and Wales with registered number 12577732
<b>"CMBC Transaction"</b>	the proposed acquisition by Carlsberg of Marston's minority stake in CMBC announced by Carlsberg on the date of this announcement

<b>"Combined Group"</b>	the Carlsberg Group as enlarged following the Acquisition and, if applicable, Marston's minority stake in CMBC (as the case may be)
<b>"Companies Act"</b>	the Companies Act 2006
<b>"Conditions"</b>	the conditions to the Acquisition set out in Part A of Appendix 1 and to be set out in the Scheme Document
<b>"Confidentiality Agreement"</b>	the confidentiality agreement between Carlsberg Breweries and Britvic dated 21 June 2024, as described in paragraph 12 of this announcement
<b>"Confidentiality and Joint Defense Agreement"</b>	the confidentiality and joint defense agreement between Carlsberg Breweries, Britvic and their respective external regulatory counsel dated 28 June 2024, as described in paragraph 12 of this announcement
<b>"Cooperation Agreement"</b>	the cooperation agreement between Bidco and Britvic dated 8 July 2024, as described in paragraph 12 of this announcement
<b>"Court"</b>	the High Court of Justice of England and Wales
<b>"Court Meeting"</b>	the meeting(s) of Britvic Shareholders to be convened by the Court pursuant to Part 26 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and agreed to by Bidco and Britvic) including any adjournment, postponement or reconvention of any such meeting, notice of which shall be contained in the Scheme Document
<b>"Court Order"</b>	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
<b>"DBP"</b>	the Britvic Deferred Bonus Plan
<b>"Dealing Disclosure"</b>	has the meaning given in Rule 8 of the Takeover Code
<b>"Depositary"</b>	the Bank of New York Mellon, as sponsored depositary bank and registrar for the Britvic ADS Programme
<b>"Disclosed"</b>	the information which has been fairly disclosed: (i) in writing prior to the date of this announcement by or on behalf of Britvic to Carlsberg and/or Bidco (as the case may be) including (without limitation) via the virtual data room operated on behalf of Britvic in respect of the Acquisition or via email; (ii) during the management presentations by or on behalf of Britvic to Carlsberg; (iii) in Britvic's published annual or half year report and accounts published prior to the date of this announcement; (iv) in a public announcement by Britvic prior to the date of this announcement by way of any Regulatory Information Service; or (v) in this announcement

<b>"EBITDA"</b>	earnings before interest, taxes, depreciation, and amortisation
<b>"Effective" or "completion of the Acquisition"</b>	means: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective in accordance with its terms; or (ii) if the Acquisition is implemented by way of an Offer, the Offer having been declared or become wholly unconditional in accordance with the requirements of the Takeover Code
<b>"Effective Date"</b>	the date on which the Acquisition becomes Effective
<b>"EU Merger Regulation"</b>	Council Regulation (EC) No. 139/2004
<b>"Europa Partners"</b>	Europa Partners Limited, an investment bank authorised and regulated by the FCA in the United Kingdom
<b>"Executive Retention Arrangements"</b>	has the meaning given to it in paragraph 10 of this announcement
<b>"Executive Share Option Plan" or "ESOP"</b>	the Britvic PLC 2015 Executive Share Option Plan
<b>"FCA"</b>	the United Kingdom Financial Conduct Authority or any successor regulatory authority
<b>"Forms of Proxy"</b>	the form of proxy in connection with each of the Court Meeting and the General Meeting, which shall accompany the Scheme Document
<b>"Franchise Rights Agreement"</b>	has the meaning given to it in paragraph 13 of this announcement
<b>"FSMA"</b>	the Financial Services and Markets Act 2000, as amended from time to time
<b>"General Meeting"</b>	the general meeting of Britvic Shareholders (including any adjournment or postponement thereof) to be convened for the purpose of considering and, if thought fit, approving the Resolutions, notice of which shall be contained in the Scheme Document
<b>"Great Britain"</b>	England, Scotland, Wales and the Isle of Man and the Island of Gibraltar
<b>"International Phantom SIP"</b>	the Britvic International Share Incentive Plan
<b>"Irish PSS"</b>	the Britvic Irish Profit Sharing Scheme
<b>"Latest Practicable Date"</b>	5 July 2024
<b>"Listing Rules"</b>	the rules and regulations made by the FCA under FSMA and contained in the publication of the same name, as amended from time to time or (as applicable) any set of rules and regulations replacing the same from time to time
<b>"London Stock Exchange"</b>	London Stock Exchange plc
<b>"Long Stop Date"</b>	15 July 2025, or such later date, if any, (a) as Bidco and Britvic may agree, or (b) (in a competitive situation) as may

			be specified by Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow
<b>"Market Abuse Regulation"</b>			Regulation (EU) No 596/2014, as it forms part of domestic law of Denmark and of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018, as amended from time to time
<b>"Marston's"</b>			Marston's PLC, a company incorporated under the laws of England and Wales with company number 00031461
<b>"Marston's Condition"</b>	<b>Shareholder</b>	<b>Approval</b>	has the meaning given in paragraph 14 of this announcement
<b>"Morgan Stanley"</b>			Morgan Stanley & Co. International plc, an investment bank authorised by the PRA and regulated by the FCA and PRA in the United Kingdom
<b>"New Bottling Appointments"</b>			has the meaning given to it in paragraph 13 of this announcement
<b>"Nomura"</b>			Nomura International plc
<b>"Offer"</b>			if the Acquisition is implemented by way of a takeover offer (as that term is defined in section 974 of the Companies Act), the offer to be made by or on behalf of Bidco, or an associated undertaking thereof, to acquire the entire issued and to be issued ordinary share capital of Britvic including, where the context admits, any subsequent revision, variation, extension or renewal of such offer
<b>"Offer Document"</b>			should the Acquisition be implemented by means of an Offer, the document to be sent to Britvic Shareholders which will contain, amongst other things, the terms and conditions of the Offer
<b>"Official List"</b>			the official list maintained by the FCA pursuant to Part 6 of FSMA
<b>"Opening Position Disclosure"</b>			an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to an offer if the person concerned has such a position, as defined in Rule 8 of the Takeover Code
<b>"Overseas Shareholders"</b>			Britvic Shareholders who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
<b>"Panel"</b>			the United Kingdom Panel on Takeovers and Mergers
<b>"PCS"</b>			has the meaning given to it in paragraph 13 of this announcement
<b>"PepsiCo"</b>			PepsiCo, Inc., a company incorporated under the laws of the State of North Carolina with company number 0198463
<b>"Performance Share Plan" or "PSP"</b>			the Britvic PLC 2015 Performance Share Plan (last amended 28 January 2021)

<b>"Phase 2 CMA Reference"</b>	has the meaning given to it in paragraph 3.1 of Appendix 1, Part A of this announcement
<b>"Post-Completion Review"</b>	has the meaning given to it in paragraph 8 of this announcement
<b>"PRA"</b>	the Prudential Regulation Authority as defined in FSMA or any successor regulatory authority
<b>"Qualifying Termination"</b>	termination, other than by a member of the Carlsberg Group or the Britvic Group 'for cause' or for gross misconduct, but not including resignation, except for constructive dismissal
<b>"Registrar of Companies"</b>	the Registrar of Companies of England and Wales
<b>"Regulatory Information Service"</b>	a primary information provider (as defined in the FCA's Handbook of Rules and Guidance)
<b>"Relevant Pension Plan"</b>	has the meaning given in paragraph 3.8.12(i) of Appendix 1
<b>"Resolutions"</b>	the resolutions to be proposed at the General Meeting in connection with the implementation of the Acquisition, including being to make certain amendments to the Britvic Articles
<b>"Restricted Jurisdiction"</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Britvic Shareholders in that jurisdiction
<b>"RSP"</b>	the Britvic Restricted Share Plan
<b>"Sanction Hearing"</b>	the hearing of the Court at which Britvic will seek the Court Order
<b>"Scheme" or "Scheme of Arrangement"</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between Bidco and Britvic Shareholders to implement the Acquisition to be set out in the Scheme Document, with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Bidco and Britvic
<b>"Scheme Document"</b>	the document to be sent to (amongst others) Britvic Shareholders containing, inter alia, the full terms and conditions of the Scheme and details of the Acquisition and convening the General Meeting and Court Meeting, including (as the context requires) any supplemental circular or document to be published in connection with such circular
<b>"Scheme Record Time"</b>	the time and date to be specified as such in the Scheme Document, expected to be 6.00 p.m. on the Business Day immediately preceding the Effective Date, or such other time as Bidco and Britvic may agree
<b>"Special Dividend"</b>	the special dividend of 25p per share expected to be paid to Britvic Shareholders prior to the Effective Date

"Takeover Code"	the City Code on Takeovers and Mergers
"Third Party"	has the meaning given in paragraph 3.4 of Appendix 1
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"U.S." or "United States"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"U.S. Exchange Act"	the U.S. Securities Exchange Act of 1934 (as amended)
"Voting Record Time"	the time and date to be specified in the Scheme Document by reference to which entitlement to vote at the Court Meeting will be determined, expected to be 6.00 p.m. on the day two days prior to the Court Meeting or any adjournment thereof (as the case may be)
"Wider Britvic Group"	Britvic and its subsidiary undertakings, associated undertakings and any other undertaking in which Britvic or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider Carlsberg Group
"Wider Carlsberg Group"	Carlsberg and its subsidiary undertakings, associated undertakings and any other undertakings in which Carlsberg or such undertakings (aggregating their interests) have a significant interest (in each case, from time to time) but excluding the Wider Britvic Group

All references to GBP, pence, Sterling, Pounds, Pounds Sterling, p or £ are to the lawful currency of the United Kingdom. All references to USD, \$, US\$, U.S. dollars, United States dollars and cents are to the lawful currency of the United States of America. All references to DKK or krone are to the lawful currency of Denmark.

The terms "**subsidiary undertakings**" and "undertakings" have the meanings given by the Companies Act. The term "**associated undertakings**" has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 19(1)(b) of Schedule 6 to those regulations which shall be excluded for this purpose. The term "**significant interest**" means a direct or indirect interest in 20% or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act).

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, amended, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

All the times referred to in this announcement are London times unless otherwise stated.

References to the singular include the plural and vice versa.