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Franchise Brands plc

**Recommended All Share Offer
for
Filta Group Holdings plc ("Filta")
by
Franchise Brands plc ("Franchise Brands")**

Offer Update – Offer unconditional save for Admission

On 16 February 2022, Franchise Brands announced a recommended all share offer for Filta (the "Offer"). The full terms of, and conditions to, the Offer and the procedures for acceptance were set out in the offer document dated 18 February 2022 (the "Offer Document"). Terms used but not defined in this announcement have the same meaning as set out in the Offer Document.

Acceptance levels – Offer unconditional save for Admission

Pursuant to the Acceptance Condition, the Offer is conditional upon Franchise Brands receiving valid acceptances in respect of, and/or having otherwise acquired, Filta Shares which constitute more than 75 per cent. of the voting rights relating to the Filta Shares.

Franchise Brands announces that, as at 12.30 p.m. on 8 March 2022, valid acceptances of the Offer had been received in respect of 23,930,192 Filta Shares, representing 81.94 per cent. of the issued share capital of Filta, to which the Offer relates, which Franchise Brands may count towards the satisfaction of the Acceptance Condition.

This total includes acceptances received in respect of:

- 18,095,280 Filta Shares, representing approximately 61.96 per cent. of the issued share capital of Filta, which were subject to irrevocable undertakings given by certain of the Filta Directors (and those of their connected parties, including the Meredian Settlement trust); and
- 5,768,000 Filta Shares, representing approximately 19.75 per cent. of the issued share capital of Filta, which were subject to an irrevocable undertaking given by Gresham House Asset Management Limited.

The percentages of Filta Shares referred to in this announcement are based upon a figure of 29,203,164 Filta Shares in issue at close of business on 8 March 2022.

With valid acceptances of the Offer received in respect of 23,930,192 Filta Shares, representing 81.94 per cent. of the issued share capital of Filta, and the passing of the resolution at the General Meeting, as announced on 7 March 2022, Franchise Brands has waived all other conditions to the Offer save for Admission. Therefore, with the consent of the Panel, all conditions (save for Admission) have been satisfied.

The Offer remains subject to condition 2.2 (in relation to admission to trading on AIM of New Franchise Brands Shares issued and allotted pursuant to the Offer (Admission)) as set out in Part A of Appendix 1 of the Offer Document. Admission is expected to take place tomorrow, 10 March 2022, with the admission to trading on AIM of New Franchise Brands Shares to be issued pursuant to acceptances of the Offer received in respect of 23,930,192 Filta Shares. On Admission, the Offer will become wholly unconditional.

The Offer will remain open for acceptance until further notice and no later than 19 April 2022.

Filta Shareholders who have not yet accepted the Offer are urged to do so as soon as possible in accordance with the procedure set out below.

Cancellation of trading of Filta Shares on AIM

Filta Shares are currently admitted to trading on AIM. Filta Shareholders should be aware that as Franchise Brands has received acceptances under the Offer in respect of 75 per cent. or more of the voting rights carried by the Filta Shares, it is intended that admission of the Filta Shares to trading on AIM will be cancelled, subject to the Offer becoming wholly unconditional on Admission.

It is anticipated that cancellation of admission to trading on AIM will take effect on 24 March 2022, assuming the Offer becomes wholly unconditional. Cancellation of admission to trading on AIM will significantly reduce the liquidity and marketability of all Filta Shares not assented to the Offer at that time.

Procedure for acceptance of the Offer

Filta Shareholders who have not yet accepted the Offer are urged to do so by the following deadlines:

- **If you hold Filta Shares in certificated form (that is, not in CREST)**
If you hold your Filta Shares, or any of them, in certificated form (that is, NOT in CREST), to accept the Offer in respect of those Filta Shares, you should complete, sign and return the personalised Form of Acceptance along with your valid share certificate(s) and/or any other relevant documents of title as soon as possible and, in any event, so as to be received by post at the Receiving Agent, Computershare at Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom by no later than 1.00 p.m. on 19 April 2022 or, if earlier, the Unconditional Date.
- **If you hold your Filta Shares in uncertificated form (that is, in CREST)**
If you hold your Filta Shares, or any of them, in uncertificated form (that is, in CREST), to accept the Offer in respect of those Filta Shares, you should follow the procedure for Electronic Acceptance through CREST so that the TTE instruction settles as soon as possible and, in any event, not later than 1.00 p.m. on 19 April 2022 or, if earlier, the Unconditional Date.

Full details on how to accept the Offer are set out in the Offer Document, a copy of which is available on Franchise Brands' website at <https://www.franchisebrands.co.uk/investor-information/>. Further copies of the Offer Document and the Form of Acceptance are available from Computershare by written request to Computershare at Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom or request to Computershare by telephone on (0370) 707 1807 (from within the UK) or on +44 370 707 1807 (from outside the UK).

Interests in relevant securities

As at close of business on 8 March 2022, being the latest practicable date prior to publication of this announcement, neither Franchise Brands nor any of the directors of Franchise Brands nor (so far as Franchise Brands is aware) any person acting in concert with Franchise Brands (a) is interested in, or has any rights to subscribe for, any relevant securities of Filta, or securities convertible or exchangeable into Filta Shares, (b) has any short position (whether conditional or absolute and whether in the money or otherwise) in, including any short position under a derivative or any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery of, any relevant securities of Filta or (c) has any borrowing or lending of any relevant securities of Filta.

Enquiries:

Franchise Brands plc Stephen Hemsley, Executive Chairman Chris Dent, Chief Financial Officer Julia Choudhury, Corporate Development Director	+44 (0) 1625 813231
Filta Group Holdings plc Jason Sayers, Chief Executive Officer Brian Hogan, Chief Financial Officer	+1 407 996 5550
Allenby Capital Limited <i>Financial Adviser, Nominated Adviser and Joint Broker to Franchise Brands</i> Jeremy Porter / Liz Kirchner (Corporate Finance) Amrit Nahal (Sales and Corporate Broking)	+44 (0) 20 3328 5656
Dowgate Capital Limited <i>Financial Adviser and Joint Broker to Franchise Brands</i> James Serjeant / Russell Cook / Nicholas Chambers	+44 (0) 20 3903 7715
Cenkos Securities plc <i>Financial Adviser, Rule 3 Adviser, Nominated Adviser and Broker to Filta</i> Stephen Keys / Camilla Hume / Callum Davidson	+44 (0) 20 7397 8900
MHP Communications <i>PR advisers to Franchise Brands</i> Katie Hunt / Catherine Chapman	+44 (0) 20 3128 8100 +44 (0) 7884 494112 +44 (0) 7711 191518 franchisebrands@mhpc.com
Yellow Jersey PR <i>PR advisers to Filta</i> Charles Goodwin Henry Wilkinson	+44 (0) 7747 788 221 +44 (0) 7951 402336

IMPORTANT NOTICES

Allenby Capital, which is authorised and regulated by the FCA in the UK, is acting as financial adviser, nominated adviser and joint broker exclusively for Franchise Brands and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than Franchise

Brands for providing the protections afforded to clients of Allenby Capital or for providing advice in relation to the Offer, the content of this announcement or any matter referred to herein.

Dowgate, which is authorised and regulated by the FCA in the UK, is acting as financial adviser and joint broker exclusively for Franchise Brands and no one else in connection with the Offer and this announcement and will not be responsible to anyone other than Franchise Brands for providing the protections afforded to clients of Dowgate or for providing advice in relation to the Offer, the content of this announcement or any matter referred to herein.

Cenkos, which is authorised and regulated by the FCA in the UK, is acting as financial adviser and Rule 3 adviser exclusively for Filta and no one else in connection with the Offer and the matters set out in this announcement and will not be responsible to any person other than Filta for providing the protections afforded to clients of Cenkos, nor for providing advice in relation to the Offer, the content of this announcement or any matter referred to herein.

Further Information

This announcement is for information purposes only and is not intended to and does not constitute or form part of an offer, invitation or the solicitation of an offer or invitation to purchase, or otherwise acquire, subscribe for, sell or otherwise dispose of any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise nor shall there be any sale, issuance or transfer of securities of Franchise Brands or Filta pursuant to the Offer in any jurisdiction in contravention of applicable laws. The Offer will be implemented solely pursuant to the terms of the Offer Document (or, in the event that the Offer is to be implemented by means of a scheme, the Scheme Document), which contains the full terms and conditions of the Offer, including details of how to accept the Offer. Any decision in respect of, or other response to, the Offer should be made solely on the basis of the information contained in the Offer Document.

Allenby Capital and Cenkos urge Filta Shareholders to read the Offer Document carefully because it contains important information in relation to the Offer, the New Franchise Brands Shares and the Enlarged Group, and to take appropriate advice. Any action in relation to the Offer or related matters should be made only on the basis of the information contained in the Offer Document.

This announcement does not constitute a prospectus or prospectus equivalent document.

Dealing and Opening Position Disclosure Requirements

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

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm (London time) 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 one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the Business Day following the date of the relevant dealing. If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4). Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at 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.

Information relating to Filta Shareholders

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

Overseas jurisdictions

The attention of Filta Shareholders who are citizens or residents of jurisdictions outside the UK (including guidance for US shareholders is drawn to paragraph Part C of Appendix 1 of the Offer Document).

Publication on website

Pursuant to Rule 26.1 of the Code, a copy of this announcement and other documents in connection with the Offer as detailed in paragraph 16 of this announcement will, subject to certain restrictions, be available for inspection on Franchise Brands' website at <https://www.franchisebrands.co.uk/investor-information/> and by Filta on its website at <https://filtapl.com/investor-relations> no later than 12 noon (London time) on the business day following this announcement. The contents of the websites referred to in this announcement are not incorporated into, and do not form part of, this announcement.

Requesting hard copy documents

Pursuant to Rule 30.3 of the Code, a person so entitled may request a copy of this announcement and any information incorporated into it by reference to another source in hard copy form by writing to Chris Dent at Franchise Brands plc, Ashwood Court, Springwood Close, Tytherington Business Park, Macclesfield SK10 2XF. A person may also request that all future documents, announcements and information to be sent to that person in relation to the Offer should be in hard copy form.