

**Recommended Mandatory Final Cash Offer
for
Brady plc ("Brady")
by
Hanover Acquisition Limited ("Hanover Bidco")
(an investment vehicle ultimately wholly owned
by Hanover Active Equity Fund II,
S.C.A. SICAV-RAIF)**

Introduction

On 14 October 2019, the Boards of Hanover Bidco and Brady announced that they had reached agreement on the terms of a unanimously recommended final cash offer of 10 pence in cash for each Brady Share to be made by Hanover Bidco for the entire issued and to be issued share capital of Brady (the "**Offer**"). Hanover Bidco is an investment vehicle ultimately wholly-owned by Hanover Active Equity Fund II, S.C.A. SICAV-RAIF.

Earlier today, 18 November 2019, Hanover Bidco announced a recommended revised final cash offer of 18 pence in cash for each Brady Share (the "**Revised Offer**"). Further to that announcement of the Revised Offer by Hanover Bidco earlier today, Hanover Bidco announces that it has today subsequently purchased 21,894,018 Brady Shares from Kestrel Partners LLP and 16,506,000 Brady Shares from Coltrane Master Fund L.P. at a price of 18 pence per Brady Share and consequently as a result of such purchases, Hanover Bidco now holds 38,400,018 Brady Shares, representing 46.1 per cent of Brady's issued share capital ("**Share Purchases**").

As a result of the Share Purchases, under Rule 9 of the Takeover Code, Hanover Bidco is required to make a mandatory cash offer (the "**Mandatory Offer**") for the Brady Shares not already held by Hanover Bidco (or any persons acting in concert with it), at a price of 18 pence per Brady Share (such price being no less than the highest price paid by Hanover Bidco (or any persons acting in concert with it) for any Brady Share during the 12 months prior to the date of this announcement).

Mandatory Final Cash Offer

Hanover Bidco therefore announces that the Revised Offer is now a recommended mandatory final cash offer ("**Mandatory Offer**") for the entire issued and to be issued share capital of Brady, not already held by Hanover Bidco (or any persons acting in concert with it), at a price of 18 pence per Brady Share. The Mandatory Offer is final and will not be increased.

In accordance with Rule 9 of the Code, all of the conditions set out in Part A of Appendix I to the Offer Document other than the acceptance condition in paragraph 1(a) of Part A of Appendix I shall immediately cease to apply. Hanover Bidco will send an offer document to Brady Shareholders setting out the full terms and conditions of the Mandatory Offer as soon as possible following the date of this announcement. The closing date of the Mandatory Offer will be 14 days from the date the offer document in respect of which the Mandatory Offer is published (which may be further extended by Hanover Bidco, subject to the Code).

Panmure Gordon nor for providing advice in relation to the Mandatory Offer, this announcement or any other matter referred to herein. Neither Panmure Gordon nor any of its subsidiaries, branches or 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 Panmure Gordon in connection with this announcement, any statement contained herein or otherwise.

Overseas jurisdictions

The availability of the Mandatory Offer or the release, publication or distribution of this announcement in or into, jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this announcement comes who are not resident in the United Kingdom should inform themselves about, and observe, any applicable restrictions. Brady Shareholders who are in any doubt regarding such matters should consult an appropriate independent adviser in the relevant jurisdiction without delay. Any failure to comply with such restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement has been prepared for the purposes of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom. The statements contained in this announcement are not to be construed as legal, business, financial or tax advice.

Notice to US shareholders of Brady Shares

It may be difficult for US holders of Brady securities to enforce their rights under and any claim arising out of the US federal securities laws, since Hanover Bidco and Brady are located outside the United States, and some or all of their officers and directors may be resident outside the United States. US Brady Shareholders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement and a US court may lack jurisdiction over such persons.

The Mandatory Offer will be made for securities of an English company and is being made in the United States in compliance with, and in reliance on, Section 14(e) of the United States Securities Exchange Act of 1934 (the "Exchange Act"), Regulation 14E thereunder and the exemption therefrom provided by Rule 14d-1(d) under the Exchange Act. The Mandatory Offer is being made in the United States by Hanover Bidco and no one else. The Mandatory Offer is subject to disclosure and procedural requirements of the United Kingdom which are different from those in the United States. In addition, US investors should be aware that this announcement has been prepared in accordance with English law and the Code and applicable disclosure requirements, format and style thereunder, all of which differ from those in the United States. Furthermore, the payment and settlement procedures with respect to the Mandatory Offer will comply with the relevant UK rules, which differ from US payment and settlement procedures. Neither the United States Securities Exchange Commission, nor any securities commission of any state or other jurisdiction of the United States, has approved the Mandatory Offer or passed upon the adequacy or completeness of this announcement.

The receipt of cash pursuant to the Mandatory Offer may have tax consequences in the United States and under other applicable tax laws and such consequences, if any, are not described herein. US Brady Shareholders are urged to consult with their own legal, tax and financial advisors in connection with making a decision regarding the Mandatory Offer.

To the extent permitted by applicable law, in accordance with, and to the extent permitted by, the Code and normal UK market practice, Hanover Bidco or

nominees or brokers of Hanover Bidco (acting as agents) or their respective affiliates may from time to time make certain purchases of, or arrangements to purchase, Brady Shares or other Brady securities outside the United States other than pursuant to the Mandatory Offer at any time prior to completion of the Mandatory Offer. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any such purchases, or arrangements to purchase, will comply with all applicable requirements of the Code, the Listing Rules and Regulation 14E under the US Exchange Act including Rule 14e-5, to the extent applicable. In addition, in accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Panmure Gordon and Cenkos Securities plc will continue to act as connected exempt market maker or connected exempt principal trader in Brady Shares or other Brady securities on the London Stock Exchange. To the extent required to be disclosed in accordance with applicable regulatory requirements, information about any such purchases and activities, including without limitation, such purchases and activities by the connected exempt market maker or connected exempt principal trader, will be disclosed on a next day basis to the Panel and will be available from any Regulatory Information Service, including the Regulatory News Service on the London Stock Exchange website, 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.

Publication of this announcement

A copy of this announcement will be available subject to certain restrictions relating to persons resident in Restricted Jurisdictions on www.hanoverinvestors.com and www.bradyplc.com by no later than 12 noon on the business day following the date of this announcement. The contents of Hanover Investors' website and Brady's website are not incorporated into and do not form part of this announcement.