

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)

Mandatory Final Cash Offer unconditional in all respects and
Posting of Mandatory Offer Document

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.

On 18 November 2019, Hanover Bidco announced a recommended revised final cash offer of 18 pence in cash for each Brady Share (the "**Revised Offer**").

Subsequently on 18 November 2019, Hanover Bidco announced that it had purchased Brady Shares at a price of 18 pence per Brady Share and consequently as a result of such purchases, Hanover Bidco held 38,400,018 Brady Shares, representing 46.1 per cent. of Brady's issued share capital. It consequently also announced that the Revised Offer had therefore become 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. Hanover Bidco also announced that it would send an offer document to Brady Shareholders setting out the full terms and conditions of the Mandatory Offer as soon as possible following the announcement of the Mandatory Offer (the "**Mandatory Offer Document**").

Since the announcement of the Mandatory Offer, Hanover Bidco has contracted to acquire a further 8,465,000 Brady Shares, representing 10.2 per cent. of Brady's issued share capital. 46,320,660 Brady Shares have settled as at the date of this announcement and 544,358 Brady Shares are still subject to settlement. Consequently, as a result of such purchases, Hanover Bidco now holds 46,320,660 Brady Shares, representing 55.56 per cent. of Brady's issued share capital.

Offer unconditional in all respects

Pursuant to Rule 9 of the Takeover Code, the only condition to the Mandatory Offer was that valid acceptances were received which, together with Brady Shares acquired or agreed to be acquired before such time, would result in Hanover Bidco holding Brady Shares representing, in aggregate, more than 50 per cent. of the voting rights exercisable at a general meeting of Brady.

As Hanover Bidco now holds 46,320,660 Brady Shares, representing 55.56 per cent. of Brady's issued share capital, Hanover Bidco is pleased to announce that the only condition to the Mandatory Offer has been satisfied, and so the Mandatory Offer is now unconditional in all respects.

Posting of Mandatory Offer Document in respect of Recommended Mandatory Final Cash Offer

Hanover Bidco announces that today it will post to Brady Shareholders a document containing the full terms of the Mandatory Offer (the "**Mandatory Offer Document**") together with a Revised Form of Acceptance. The Mandatory Offer Document and specimen Revised Form of Acceptance will also be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions on the Hanover Bidco website www.hanoverinvestors.com/possible-offer and the Brady website www.bradyplc.com shortly.

Timetable and actions to be taken

The closing date of the Mandatory Offer is 3.00 p.m. on 5 December 2019 (which may be extended by Hanover Bidco, subject to the Code).

Further details of the Mandatory Offer and the action to be taken to accept the Mandatory Offer are set out in the Mandatory Offer Document and, for Brady Shareholders who hold their shares in certificated form, the Revised Form of Acceptance copies of which will be posted to Brady shareholders as soon as practicable and be made available at www.hanoverinvestors.com/possible-offer and www.bradyplc.com.

If you have any questions about acceptance of the Mandatory Offer, please call Computershare between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales) on 0370 702 0000 (if calling from within the UK) or +44 (0)370 702 0000 (if calling from outside the UK). Please note that Computershare cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Brady Shareholders who have previously validly accepted the Offer (and have not withdrawn those acceptances (if applicable)) will automatically be deemed to have accepted the Mandatory Offer by virtue of their prior acceptances and therefore need take no further action.

Withdrawal rights

As Hanover Bidco withdrew its "no increase" statement when it announced its Revised Offer on 18 November 2019, following the announcement by Brady on the 18 November 2019 of an unnamed possible competing offeror, in accordance with Note 3(b) on Rule 32.2 of the Code, any acceptance of the Offer or Revised Offer after 17 October 2019, being the date of the Offer, could be withdrawn not later than the eighth day following the date of the Revised Offer announcement, being 26 November 2019 (the "**Note 3(b) on Rule 32.2 withdrawal right**").

As the Mandatory Offer is now unconditional in all respects, the Note 3(b) on Rule 32.2 withdrawal right no longer applies.

Settlement

Settlement for those Brady Shareholders who have validly accepted the Mandatory Offer by 20 November 2019 (and have not withdrawn those acceptances (if applicable)) will be effected on or before 4 December 2019.

Settlement for valid acceptances in respect of the Mandatory Offer received after 20 November 2019 will be effected within 14 days of receipt of that acceptance.

General

Terms and expressions used in this announcement shall, unless defined herein or unless the context otherwise requires, have the same meanings as given to them in the Mandatory Offer Document, a copy of which is available on Hanover Bidco's website at www.hanoverinvestors.com and Brady's website at www.bradyplc.com.

Enquiries:

Hanover Investors Management LLP

Matthew Peacock Tel: +44 (0) 20 7766 8400

Fred Lundqvist

Panmure Gordon (UK) Limited (financial adviser to Hanover Bidco)

Dominic Morley Tel: +44(0)20 7886 2500

Nicholas Harland

Charles Leigh-Pemberton

Brady plc

Carmen Carey Tel: +44(0)20 3301 1200

Martin Thorneycroft

Cenkos Securities plc (financial adviser and nominated adviser to Brady)

Ben Jaynes Tel: +44(0)20 7397 8900

Nick Wells

Further information

This announcement is not intended to and does not constitute, or form part of, any offer to sell or subscribe for or an invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Mandatory Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Brady in any jurisdiction in contravention of applicable law. This announcement does not constitute a prospectus or equivalent document.

Any acceptance or other response to the Mandatory Offer should only be made on the basis of the information contained in the Mandatory Offer Document and the Form of Acceptance. Brady Shareholders who have not yet accepted the Mandatory Offer are advised to read the formal documentation in relation to the Mandatory Offer carefully.

Panmure Gordon (UK) Limited, which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Hanover Bidco and no-one else in connection with the Mandatory Offer and other matters referred to in this announcement and will not be responsible to anyone other than Hanover Bidco for providing the protections afforded to clients of 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.