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FOR IMMEDIATE RELEASE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

19 August 2019

RECOMMENDED CASH ACQUISITION

of

GREENE KING PLC

by

CK NOBLE (UK) LIMITED

(a wholly-owned subsidiary of CK Asset Holdings Limited)

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

Summary

- The boards of CK Noble (UK) Limited ("**CK Bidco**") and Greene King plc ("**Greene King**") are pleased to announce that they have reached agreement on the terms of a recommended cash offer by CK Bidco for the entire issued and to be issued share capital of Greene King, not already owned by or on behalf of the CKA Group. It is intended that the Acquisition will be implemented by way of a scheme of arrangement.

Acquisition terms

- Under the terms of the Acquisition, each Greene King Shareholder will be entitled to receive:

For each Greene King Share

850 pence in cash

(the "Cash Consideration")

- In addition, the Acquisition allows for the distribution of the previously announced final dividend for the 52 weeks ended 28 April 2019 of 24.4 pence per Greene King Share to be paid (subject to approval by Greene King Shareholders at Greene King's upcoming annual general meeting) on 13 September 2019 to Greene King Shareholders on the register as at the close of business on 9 August 2019 (the "**Final Dividend**").

- The Cash Consideration under the terms of the Acquisition values the entire issued and to be issued share capital of Greene King at approximately £2.7 billion on a fully diluted basis and implies an enterprise value of approximately £4.6 billion. The Cash Consideration represents:
 - a premium of approximately 51.0 per cent. to the Closing Price of 563 pence per Greene King Share on 16 August 2019 (being the last Business Day prior to the date of this announcement);
 - a premium of approximately 42.8 per cent. to the adjusted three month volume weighted average price of 595 pence per Greene King Share to 16 August 2019 (being the last Business Day prior to the date of this announcement);
 - a premium of approximately 39.6 per cent. to the adjusted six month volume weighted average price of 609 pence per Greene King Share to 16 August 2019 (being the last Business Day prior to the date of this announcement); and
 - an enterprise value multiple of approximately 9.5x Greene King's EBITDA of £482 million for the 52 week period to 28 April 2019, or 10.0x including the fair value of interest rate swap liabilities as at 28 April 2019.
- If, on or after the date of this announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital (other than the Final Dividend) is declared, made or paid or becomes payable in respect of the Greene King Shares, CK Bidco reserves the right to reduce the Cash Consideration payable under the terms of the Acquisition for the Greene King Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this announcement to the Cash Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, Greene King Shareholders would be entitled to retain any such dividend and/or other distribution and/or return of capital.
- The Cash Consideration payable by CK Bidco to Greene King Shareholders under the terms of the Acquisition will be funded from the existing cash resources of the CKA Group.

Recommendation

- The Greene King Directors, who have been so advised by Citigroup and Rothschild & Co 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 Greene King Directors, Citigroup and Rothschild & Co have taken into account the commercial assessments of the Greene King Directors.
- Accordingly, the Greene King Directors intend unanimously to recommend that Greene King Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Acquisition at the Greene King General Meeting as the Greene King Directors who hold Greene King Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 155,026 Greene King Shares (representing approximately 0.050 per cent. of the existing issued ordinary share capital of Greene King) as at 16 August 2019, being the last Business Day prior to the date of this announcement.
- Further details of these irrevocable undertakings (including the circumstances in which they cease to be binding) are set out in Appendix 3

to this announcement.

CKA Shareholder approval and irrevocable undertakings from CKA Shareholders

- CK Bidco is a newly incorporated wholly-owned indirect subsidiary of CKA, which is a limited liability company incorporated in the Cayman Islands, registered in Hong Kong, and listed on the Main Board of the Hong Kong Stock Exchange.
- As the Acquisition constitutes a major transaction of CKA pursuant to the Hong Kong Listing Rules, the Acquisition will be subject to approval by CKA Shareholders by simple majority.
- The CKA Directors intend unanimously to recommend that CKA Shareholders vote in favour of the resolutions to approve and implement the Acquisition at the CKA General Meeting as the CKA Directors who have personal interests in any CKA Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 481,758 CKA Shares (representing approximately 0.013 per cent. of the existing issued ordinary share capital of CKA) as at 16 August 2019, being the last Business Day prior to the date of this announcement.
- In addition, CKA has agreed to procure that the relevant trustees of the Li family trusts provide to Greene King an irrevocable undertaking to vote in favour of, or procure that the registered holders vote in favour of, the resolutions relating to the Acquisition at the CKA General Meeting in respect of the 1,160,195,710 CKA Shares which they hold directly or indirectly (representing approximately 31.4 per cent. of the existing issued share capital of CKA as at 16 August 2019, being the last Business Day prior to the date of this announcement).

Background to and reasons for the Acquisition

- CKA is a long-term and strategic investor in stable, profitable and cash flow generating businesses that benefit from real estate backing. CKA believes that the United Kingdom pub and brewing sector shares these characteristics and that pubs will continue to be an important part of British culture and the eating and drinking out market. CKA has invested in the United Kingdom pub sector and owns a small portfolio of freehold pubs, all of which are leased to the Greene King Group.
- The specific attractions of Greene King include its: established position in the United Kingdom pub and brewing market; freehold and long leasehold backed property estate; and resilient financial profile.
- CKA's strategic philosophy is to support management teams to develop and implement plans which create long-term value. This is underpinned by access to strong financial backing. CKA believes it has the financial resources to invest capital in new initiatives, where appropriate, to improve the sustainability, profitability and competitiveness of Greene King.

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 (although CK Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel).
- The Acquisition will be subject to the Conditions and further terms set out in Appendix 1 to this announcement, and to be set out in full in the Scheme

Document, including, amongst others:

- approvals of Greene King Shareholders and CKA Shareholders at the Greene King Meetings and the CKA General Meeting, respectively;
 - receipt of the required decision(s) from the European Commission; and
 - the sanction of the Scheme by the Court.
- It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and Greene King General Meeting, together with the associated forms of proxy, will be posted to Greene King Shareholders within 28 days of this announcement (or such later time as Greene King, CK Bidco and the Panel agree) and the Greene King Meetings are expected to be held shortly thereafter. It is expected that the CKA Circular will be published by CKA on or about 16 September 2019, which is expected to be the same date as the date on which the Scheme Document is posted to Greene King Shareholders, with the CKA General Meeting being held on the same date as the Greene King Meetings. The Acquisition is currently expected to complete in the fourth quarter of 2019, subject to approval of Greene King Shareholders and CKA Shareholders and receipt of the required decision(s) from the European Commission and the sanction of the Scheme by the Court. An expected timetable of key events relating to the Acquisition will be provided in the Scheme Document.

Commenting on the Acquisition, George Colin Magnus, OBE, BBS, Non-executive Chairman Designate of CK Bidco, said:

"CKA's strategy is to look for businesses with stable and resilient characteristics and strong cash flow generating capabilities. The UK pub and brewing sector shares these characteristics and we believe that this sector will continue to be an important part of British culture and the eating and drinking out market in the long run. Greene King, being a leading integrated pub retailer and brewer with strong real estate backing, is well positioned to capture the opportunities that lie ahead.

We are proud of our track record in the UK and our philosophy is to support strong management teams and provide investee companies with access to patient capital in order to create sustainable long-term value."

Commenting on the prospect of working with Greene King's team, Gerald Ma, Executive Committee Member and General Manager, Corporate Business Development Department of CKA said:

"We have come to know Greene King well as we have been an owner of a portfolio of pubs which have been leased to them since late 2016. We share the strategy which Greene King has set out in its recent results announcement, that is to focus efforts on developing the brand, enhancing the service offering, training and retaining talent, executing an active estate management strategy, and all under a prudent financial management policy. I look forward to working closely with the management team as we embark on the next stage in the company's growth."

Commenting on the Acquisition, Philip Yea, Chairman of Greene King, said:

"The Greene King board is confident in the long term prospects of the business but believes this offer represents a good opportunity for shareholders to realise value for their investment at an attractive premium, while also ensuring the future success of Greene King for employees, partners, customers and suppliers. We are therefore unanimously recommending it to our shareholders."

Nick Mackenzie, Chief Executive of Greene King, added:

"Greene King has a well-invested estate in prime locations, leading brands, a rich history and a talented team of c.38,000 people serving millions of customers across the country every week.

CKA is an experienced UK investor and shares many of Greene King's business philosophies. They understand the strengths of our business and we welcome their commitment to working with the existing management team, evolving the strategy and investing in the business to ensure its continued long term growth."

This summary should be read in conjunction with the following announcement and the Appendices. The Conditions to, and certain further terms of, the Acquisition are set out in Appendix 1. The bases and sources for certain financial information contained in this announcement are set out in Appendix 2. Details of irrevocable undertakings are set out in Appendix 3 to this announcement. Certain definitions and terms used in this announcement are set out in Appendix 4.

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Clifford Chance LLP is acting as legal adviser to CKA and CK Bidco. Linklaters LLP is acting as legal adviser to Greene King.

Further information

*HSBC Bank plc ("**HSBC**"), which is authorised by the PRA and regulated by the PRA and the FCA in the United Kingdom, is acting exclusively for CKA and CK Bidco and no one else in connection with the Acquisition and will not be responsible to anyone other than CKA and CK Bidco for providing the protections afforded to clients of HSBC nor for giving advice in relation to the Acquisition or any matter or arrangement referred to in this announcement. Neither HSBC, 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 HSBC in connection with this announcement, any statement contained herein or otherwise. HSBC has given, and not withdrawn, its consent to the inclusion in this announcement of the references to its name in the form and context in which they appear.*

*Citigroup Global Markets Limited ("**Citigroup**"), which is authorised by the PRA and regulated in the UK by the FCA and the PRA, is acting exclusively as financial adviser to Greene King and no one else in connection with the Acquisition and other matters described in this announcement and shall not be responsible to anyone other than Greene King for providing the protections afforded to clients of Citigroup nor for providing advice in connection with the Acquisition or any matter referred to in this announcement.*

*N.M. Rothschild and Sons Limited ("**Rothschild & Co**"), which is authorised and regulated by the FCA in the United Kingdom, is acting as financial adviser to Greene King and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Greene King for providing the protections afforded to clients of Rothschild & Co nor for providing advice in connection with any matter referred to herein. Neither Rothschild & Co 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 Rothschild & Co in connection with this announcement, any statement contained herein, the Acquisition or otherwise.*

*Peel Hunt LLP ("**Peel Hunt**"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Greene King and for no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters referred to in this announcement and the offer and will not be responsible to anyone other than Greene King for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement.*

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation 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. The Acquisition will be made solely through the Scheme Document (or, if the Acquisition is implemented by way of a Takeover 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 acceptance or other response to the Acquisition should be made only on the basis of the information in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document).

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

Overseas Shareholders

This announcement has been prepared in accordance with English law, the Takeover Code, 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.

The availability of the Acquisition to Greene King 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. In particular, the ability of persons who are not resident in the United Kingdom to vote their Greene King 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.

Unless otherwise determined by CK Bidco 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 or from a 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 custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it 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 a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, 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 Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

In accordance with the Takeover Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Citigroup and its respective affiliates will continue to act as exempt principal trader in Greene King securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Takeover Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Notice to US investors in Greene King

*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 company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Securities Exchange Act of 1934 (the "**US 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 US tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

If, in the future, CK Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, which is to be made into the US, such Takeover Offer will be made in compliance with the applicable US laws and regulations, including Section 14(e) and Regulation 14E under the US Exchange Act.

It may be difficult for US holders of Greene King Shares and Greene King ADR Holders to enforce their rights and any claim arising out of the US federal laws, since CK Bidco and Greene King are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Greene King Shares and Greene King ADR Holders 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.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Acquisition, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the US.

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

Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by CK Bidco and Greene King 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 CK Bidco and Greene King 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 CK Bidco and Greene King (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 "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "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. Although CK Bidco and Greene King believe that the expectations reflected in such forward-looking statements are reasonable, CK Bidco and Greene King 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; as future market conditions, changes in general economic and business conditions, the behaviour of other market participants, 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 CK Bidco and Greene King 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 CK Bidco and Greene King 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 in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither CK Bidco nor Greene King, 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. Other than in accordance with their legal or regulatory obligations, neither CK Bidco nor Greene King is under any obligation, and CK Bidco and Greene King 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.

Disclosure requirements of the Takeover Code

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) 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 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 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 Takeover 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.

Publication on a website

This announcement and the documents required to be published pursuant to Rule 26.1 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on CKA's website at <https://webfilter.ckah.com/WF06/> and on Greene King's website at <https://www.greeneking.co.uk/investor-centre/> promptly and in any event by no later than 12 noon (London time) on the Business Day following the publication of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

No profit forecasts, estimates or quantified benefits statements

Nothing in this announcement is intended, or is to be construed, 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 Greene King for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Greene King.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Greene King Shareholders, persons with information rights and participants in the Greene King Share Plans may request a hard copy of this announcement by contacting Greene King's registrars, Link Asset Services, during business hours on 0871 664 0300 (or +44(0) 371 664 0300 from abroad) or at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. 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. Such persons 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.

Electronic Communications

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

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.

Rule 2.9 of the Takeover Code

For the purposes of Rule 2.9 of the Takeover Code, Greene King confirms that, as at 16 August 2019, it had in issue 310,011,031 ordinary shares of 12.5 pence each. The ISIN for the shares is GB00B0HZP136.

Greene King has in place the Greene King ADR programme sponsored and administered by Deutsche Bank Trust Company Americas. One Greene King ADR represents two Greene King Shares. The Greene King ADRs are traded over-the-counter. The ISIN for the Greene King ADRs is US3947022030.

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CK NOBLE (UK) LIMITED

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

1. Introduction

The boards of CK Noble (UK) Limited ("**CK Bidco**") and Greene King plc ("**Greene King**") are pleased to announce that they have agreed the terms of a recommended cash offer by CK Bidco for the entire issued and to be issued share capital of Greene King, not already owned by or on behalf of the CKA Group.

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 (although CK Bidco reserves the right to effect the Acquisition by way of a Takeover Offer, subject to the consent of the Panel).

2. The Acquisition

The Acquisition, which will be on the terms and subject to the Conditions and further terms set out in Appendix 1 to this announcement, and to be set out in full in the Scheme Document, will be made on the following basis:

For each Greene King Share

850 pence in cash

(the "Cash Consideration")

In addition, the Acquisition allows for the distribution of the previously announced final dividend for the 52 weeks ended 28 April 2019 of 24.4 pence per Greene King Share to be paid (subject to approval by Greene King Shareholders at Greene King's upcoming annual general meeting) on 13 September 2019 to Greene King Shareholders on the register as at the close of business on 9 August 2019 (the "**Final Dividend**").

The Cash Consideration under the terms of the Acquisition values the entire issued and to be issued share capital of Greene King at approximately £2.7 billion on a fully diluted basis and implies an enterprise value approximately of £4.6 billion. The Cash Consideration represents:

- a premium of approximately 51.0 per cent. to the Closing Price of 563 pence per Greene King Share on 16 August 2019 (being the last Business Day prior to the date of this announcement);
- a premium of approximately 42.8 per cent. to the adjusted three month volume weighted average price of 595 pence per Greene King Share to 16 August 2019 (being the last Business Day prior to the date of this announcement);
- a premium of approximately 39.6 per cent. to the adjusted six month volume weighted average price of 609 pence per Greene King Share to 16 August 2019 (being the last Business Day prior to the date of this announcement); and
- an enterprise value multiple of approximately 9.5x Greene King's EBITDA of £482 million for the 52 week period to 28 April 2019, or 10.0x including the fair value of interest rate swap liabilities as at 28 April 2019.

If, on or after the date of this announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital (other than the Final Dividend) is declared, made or paid or becomes payable in respect of the Greene King Shares, CK Bidco reserves the right to reduce the Cash Consideration payable under the terms of the Acquisition for the Greene King Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this announcement to the Cash Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, Greene King Shareholders would be entitled to retain any such dividend and/or other distribution and/or return of capital.

3. Background to and reasons for the Acquisition

CKA is a long-term and strategic investor in stable, profitable and cash flow generating businesses that benefit from real estate backing. CKA believes that the United Kingdom pub and brewing sector shares these characteristics and that pubs will continue to be an important part of British culture and the eating and drinking out market. CKA has invested in the United Kingdom pub sector and owns a small portfolio of freehold pubs, all of which are leased to the Greene King Group.

The specific attractions of Greene King include its: established position in the United Kingdom pub and brewing market; freehold and long leasehold backed property estate; and resilient financial profile.

The CKA Board believes that the CKA Group would benefit from the Acquisition as it represents an attractive investment opportunity for CKA's investors. The Acquisition is consistent with CKA's global diversification policy and is in accordance with CKA's investment criteria. Upon the Acquisition becoming Effective, the CKA Group is expected to benefit from being able to extend its reach to other business areas and the stable recurrent income generated from such reach, and from consolidating its holdings in and through the United Kingdom.

CKA's strategic philosophy is to support management teams to develop and implement plans which create long-term value. This is underpinned by access to strong financial backing. CKA believes it has the financial resources to invest capital in new initiatives, where appropriate, to improve the sustainability, profitability and competitiveness of Greene King.

CKA looks forward to working with all stakeholders of the Greene King business, including its existing management, employees and tenants, to enhance Greene King's long term value and market position.

4. **Recommendation**

The Greene King Directors, who have been so advised by Citigroup and Rothschild & Co as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing advice to the Greene King Directors, Citigroup and Rothschild & Co have taken into account the commercial assessments of the Greene King Directors.

Accordingly, the Greene King Directors intend unanimously to recommend that Greene King Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Acquisition at the Greene King General Meeting as the Greene King Directors who hold Greene King Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 155,026 Greene King Shares (representing approximately 0.050 per cent. of the existing issued ordinary share capital of Greene King) as at 16 August 2019, being the last Business Day prior to the date of this announcement.

Further details of these irrevocable undertakings are set out in Appendix 3 to the announcement.

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

Greene King's overall strategic objective is to be the best pub and brewing company in Britain. To achieve this, Greene King has pursued a consistent strategy which is built on five key pillars: building distinct brands that more customers choose; providing offers that deliver compelling value, service and quality; developing engaged and high performing teams; maintaining a well-located and invested estate; and executing prudent financial management.

In June 2015, Greene King completed the acquisition of Spirit Pub Company plc ("**Spirit**") to create the UK's leading integrated pub company. The integration of Spirit was completed a year ahead of schedule and realised synergies in excess of those announced at the time of the acquisition. Since then, Greene King has consolidated its position as the leading integrated UK pub company and at 28 April 2019 the company operated 2,730 pubs, restaurants and hotels across England, Wales and Scotland, of which 1,687 were retail pubs, restaurants and hotels and 1,043 were tenanted, leased and franchised pubs.

In recent years there has been substantial industry change combined with increased macroeconomic and political uncertainty. During this time, the Greene King Board has taken a number of strategic decisions to continue to deliver value for Greene King Shareholders. Through its focus on Value, Service and Quality (VSQ), Greene King has continued to invest effectively in its high-quality estate and its four leading core brands (Greene King Local Pubs, Chef & Brewer, Farmhouse Inns and Hungry Horse). It has also proactively managed its assets, successfully refinanced (since June 2017 the Greene King Group has repaid a total of £487 million of Spirit secured bonds which represents 63 per cent. of the nominal value of the Spirit secured debt outstanding as at 30 April 2017) and delivered value to Greene King Shareholders through Greene King's sustainable dividend policy, reduced costs and increased balance sheet flexibility.

Greene King performed strongly for the 52 weeks ended 28 April 2019, "Pub Company" like-for-like sales outperformed the market at +2.9 per cent., driven by effective investment in VSQ. "Pub Partners" delivered like-for-like net income of +1.5 per cent. Like-for-like growth was achieved whilst successfully limiting the impact of cost inflation affecting the broader industry with £35 million of mitigation, limiting cost inflation to £14 million.

The Greene King Board is fully confident in the ongoing execution of its strategy under the leadership of Nick Mackenzie (who was appointed as CEO on 1 May 2019) and that this strategy will continue to deliver long-term value for Greene King Shareholders. However, the Greene King Board believes that the terms of the Acquisition recognise the quality of Greene King's business, its potential and longer term prospects. In reaching its conclusion, the Greene King Board considered:

- the terms of the Acquisition in relation to the value and prospects of Greene King's business;
- that the Cash Consideration under the Acquisition represents the premia and enterprise value / EBITDA multiples set out in paragraph 2 above;
- the impact of the Acquisition on all stakeholders, including CKA's intentions for the Greene King business, including its name, brand, business mix, ongoing investment and continuing head office presence in Bury St Edmunds, and support centre in Burton upon Trent and the assurances given by CK Bidco in relation to Greene King employees; and
- that the Acquisition provides Greene King Shareholders with the opportunity to receive full cash value for Greene King now, without any of the inherent execution, industry and macroeconomic risks facing the business.

Accordingly, following careful consideration of the above factors, the Greene King Board intends unanimously to recommend the offer to Greene King Shareholders.

6. **CKA General Meeting and irrevocable undertakings from CKA Shareholders**

As the Acquisition constitutes a major transaction of CKA pursuant to the Hong Kong Listing Rules, the Acquisition will be subject to approval by CKA Shareholders by simple majority and a general meeting of CKA will be convened for this purpose.

The CKA Directors intend unanimously to recommend that CKA Shareholders vote in favour of the resolutions to approve and implement the Acquisition at the CKA General Meeting as the CKA Directors who have personal interests in any CKA Shares have irrevocably undertaken to do in respect of their own beneficial holdings totalling 481,758 CKA Shares (representing approximately 0.013 per cent. of the existing issued ordinary share capital of CKA) as at 16 August 2019, being the last Business Day prior to the date of this announcement.

In addition, CKA has agreed to procure that the relevant trustees of the Li family trusts provide to Greene King an irrevocable undertaking to vote in favour of, or procure that the registered holders vote in favour of, the resolutions relating to the Acquisition at the CKA General Meeting in respect of the 1,160,195,710 CKA Shares which they hold directly or indirectly (representing approximately 31.4 per cent. of the existing issued share capital of CKA as at 16 August 2019, being the last Business Day prior to the date of this announcement).

7. Directors, management, employees, pensions, research and development and locations

CK Bidco's strategic plans for Greene King

CK Bidco regards the Greene King brand as a cornerstone of Greene King's success and, following the Acquisition becoming Effective, intends that Greene King will continue to operate as a standalone business group and will retain the current company name. CK Bidco supports Greene King's current strategy and intends to work with the existing Greene King management team to develop and implement the strategy following the Acquisition becoming Effective. CK Bidco acknowledges that Greene King has recently published its Capital Allocation Policy which contains a shared philosophy of generating cash to re-invest in the business where return thresholds are met and to meet other external commitments. Greene King disposes of non-core pubs and/or transfers pubs between "Pub Company" and "Pub Partners" as part of its ongoing estate optimisation programme(s), and CK Bidco intends to continue to support such programme(s) following the Effective Date. Absent new investment opportunities, a material change in asset value or in market circumstances, CK Bidco does not intend to significantly change Greene King's current business composition of "Pub Company", "Pub Partners" and "Brewing & Brands".

Following the Acquisition becoming Effective, CK Bidco intends to procure that Greene King continues to operate within the terms of its current securitisation arrangements and not to seek to amend these structures without the consent of bondholders or the agreement of the bond trustee. The Acquisition will be funded by existing cash resources within the CKA Group and will not be reliant on Greene King's dividends.

Existing employment rights and pensions

CK Bidco greatly values the skills, knowledge and expertise of Greene King's existing management and employees and therefore CK Bidco does not intend to make material changes with regard to the continued employment of the employees and management of the Greene King Group (including the conditions of employment or the balance of skills and functions of the employees and management), nor does CK Bidco intend to initiate any material headcount reductions within the Greene King organisation as a result of the Acquisition, although it is expected that each of the Greene King non-executive directors will resign as directors of Greene King on or shortly after the Effective Date. CK Bidco intends to continue to support Greene King's apprentice scheme.

CK Bidco confirms that, following the Effective Date, the existing contractual and statutory employment rights, including in relation to pensions, of all Greene King management and employees will be fully safeguarded in accordance with applicable law.

Greene King's defined benefit pension schemes are closed to new members and future accruals. CK Bidco does not intend to make any changes to the current employer pension contribution arrangements (including with regard to current arrangements for the funding of any scheme deficit), the accrual of benefits for existing members or the closure of admission of new members. Following the Acquisition becoming Effective, CK Bidco intends to work with the pension trustees to maintain or optimise the future investment strategy of the pension schemes.

Management incentive arrangements

Following the Acquisition becoming Effective, CK Bidco intends to review management incentive structures and to put in place cash-based long-term incentive plans, focusing on profitability, return on equity, cash generation and operational quality relating to the Greene King business, to replace the Greene King Performance Share Plan 2013 which will come to an end as a result of the Acquisition. Except as described below, CK Bidco has not had any detailed discussions on proposals to enter into any form of incentivisation arrangements for or with members of Greene King's management.

In order to promote the retention of certain Greene King employees (including the Greene King executive directors) following the Effective Date, CK Bidco has agreed that, following the Effective Date, it will grant to employees who held awards granted on or after 1 May 2018 under the Greene King Performance Share Plan 2013 immediately prior to the Court Order ("**Relevant Awards**") cash bonuses payable on 30 July 2021 subject to continued employment (the "**Transition Awards**"). The value of each eligible participant's Transition Award will be calculated by reference to an agreed formula based on the value of the participant's Relevant Awards that lapsed due to the Acquisition.

As required by, and solely for the purposes of Rule 16.2 of the Takeover Code, Citigroup and Rothschild & Co have (in their capacity as independent advisors to Greene King for the purposes of Rule 3 of the Takeover Code) reviewed the terms of the Transition Awards together with other information deemed relevant and advised Greene King that the Transition Awards are fair and reasonable so far as the Greene King Shareholders are concerned. In providing their advice, Citigroup and Rothschild & Co have taken into account the commercial assessments of the Greene King Directors.

Headquarters, fixed assets and research and development

CK Bidco intends to keep Greene King's headquarters and headquarter functions in Bury St. Edmunds and its support centre in Burton upon Trent following the Effective Date and does not intend to make any material changes in the locations of Greene King's places of business (including its existing business support centres in other locations) beyond the ordinary course pub investments, divestments or transfers consistent with previous years as part of Greene King's ongoing estate optimisation programme(s) referred to above.

No changes are envisaged by CK Bidco with respect to the redeployment of Greene King's fixed asset base. Greene King does not currently have a research and development function and CK Bidco has no plans in this regard.

Corporate governance and social responsibility

CKA is committed to good corporate governance and, following the delisting of Greene King, CK Bidco intends to procure that Greene King adopts a governance code appropriate to its status as a large UK incorporated private limited company and a member of a Hong Kong listed group and maintains or enhances those key control processes and procedures which continue to be relevant to Greene King, including compliance with the Pub's Code, applicable accounting and tax reporting standards and its approach to corporate social responsibility.

None of the statements in this paragraph 7 are "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

8. Information relating to CK Bidco and CKA

CK Bidco

CK Bidco is a newly incorporated wholly owned indirect subsidiary of CKA. CK Bidco is a private limited company incorporated in England and Wales.

CK Bidco has not traded since incorporation, nor has it entered into any obligations, other than in connection with the Acquisition.

CKA

CKA is a limited liability company incorporated in the Cayman Islands, which is registered in Hong Kong, and is listed on the Main Board of the Hong Kong Stock Exchange.

CKA is a leading multinational corporation and has diverse capabilities with activities encompassing property development and investment, hotel and serviced suite operation, property and project management, investment in infrastructure and utility asset operation and aircraft leasing.

Further details in relation to CK Bidco and CKA will be contained in the Scheme Document.

9. Information relating to Greene King

Greene King is the UK's leading integrated pub retailer and brewer operating over 2,700 pubs, restaurants and hotels across England, Wales and Scotland and has a proud history of brewing award-winning ales for more than 200 years. Greene King's three main trading divisions are "Pub Company", "Pub Partners" and "Brewing & Brands".

Since the acquisition of Spirit in 2015, Greene King has successfully consolidated its Pub Company portfolio of managed pubs around four leading retail brands: Greene King Local Pubs, Chef & Brewer, Farmhouse Inns and Hungry Horse.

As at 28 April 2019, Greene King had 1,687 managed pubs, restaurants and hotels.

Greene King's Pub Partners business offers people the opportunity to run Greene King's pubs on a tenanted, leased or franchised basis. As at 28 April 2019 Greene King had 1,043 primarily wet-led sites in Greene King's Pub Partners estate, of which the majority are run under brewery-tied tenancy agreements.

81 per cent. of the Greene King estate was either freehold or long leasehold as at 28 April 2019.

Greene King's Brewing & Brands business brews, sells and distributes a wide range of award-winning ales to both the on and off trade. These are brewed in one of Greene King's two breweries, in Bury St Edmunds, Suffolk and Dunbar, Scotland. The strategy is focused on Greene King's core brands: Greene King IPA, the fastest-selling national cask ale brand in the on-trade; Old Speckled Hen, the UK's number one premium ale brand by volume; Abbot Ale, the UK's number one premium cask ale brand; and Belhaven Best, the number one ale brand in Scotland.

The total number of Greene King employees as at 28 April 2019 was c.38,000.

For the 52 week financial period ended 28 April 2019, Greene King's revenue was £2,216.9 million and its operating profit before exceptional and non-underlying items was £368.2 million. Profit before tax and exceptional and non-underlying items was £246.9 million, while adjusted basic earnings per share were 64.5 pence. Net profit before tax was £172.8 million, net profit after tax was £120.4 million and net assets were £2,107.9 million.

For the 52 week financial period ended 29 April 2018, Greene King's revenue was £2,176.7 million and its operating profit before exceptional and non-underlying items was £373.1 million. Profit before tax and exceptional and non-underlying items was £243.0 million, while adjusted basic earnings per share were 62.7 pence. Net profit before tax was £197.5 million, net profit after tax was £183.3 million and net assets were £2,073.1 million.

10. **Financing of the Acquisition**

The Cash Consideration payable by CK Bidco pursuant to the Acquisition will be funded from the existing cash resources of the CKA Group.

HSBC, as financial adviser to CKA and CK Bidco, is satisfied that sufficient resources are available to CK Bidco to satisfy in full the Cash Consideration payable to Greene King Shareholders under the terms of the Acquisition.

11. **Greene King Share Plans**

Participants in the Greene King Share Plans will be contacted regarding the effect of the Acquisition on their options and awards under the Greene King Share Plans and appropriate proposals, where required, will be made to such participants in due course. Details of the proposals will be set out in the Scheme Document and in separate letters to be sent to participants in the Greene King Share Plans.

The Acquisition will extend to any Greene King Shares which are unconditionally allotted or issued at or before the Scheme Record Time, including those allotted or issued to satisfy the exercise of options or vesting of awards under the Greene King Share Plans.

The Scheme will not extend to Greene King Shares issued after the Scheme Record Time. However, it is proposed to amend Greene King's articles of association at the Greene King General Meeting to provide that, if the Acquisition becomes Effective, any Greene King Shares issued to any person other than CK Bidco or its nominees after the Scheme Record Time (including in satisfaction of an option exercised under one of the Greene King Share Plans) will be automatically transferred to CK Bidco in consideration for the payment by CK Bidco to such persons of an amount

equal to the Cash Consideration available under the terms of the Acquisition for each Greene King Share so transferred.

12. Offer-related arrangements

Confidentiality Agreement

On 17 July 2019, CKA and Greene King entered into a confidentiality agreement (the "**Confidentiality Agreement**") in relation to the Acquisition, pursuant to which, amongst other things, CKA has undertaken to keep confidential information relating to Greene King and to the Acquisition and not to disclose it to third parties (with certain exceptions). These confidentiality obligations will remain in force until the second anniversary of the date of the Confidentiality Agreement. The Confidentiality Agreement contains standstill provisions which restricted CKA from acquiring or seeking to acquire interests in certain securities of Greene King; with those restrictions ceasing to apply upon the release of this announcement. The Confidentiality Agreement contains provisions pursuant to which CKA has agreed not to solicit certain employees of Greene King's Group, subject to customary carve-outs, for a period of 12 months from the date of the Confidentiality Agreement.

Cooperation Agreement

On 19 August 2019, CKA, CK Bidco and Greene King entered into a cooperation agreement (the "**Cooperation Agreement**"), pursuant to which, among other things (i) CKA and CK Bidco have agreed to use all reasonable efforts to satisfy the antitrust condition in paragraph 3(b) of Part A of Appendix 1 to this announcement and Greene King has agreed to cooperate for the purposes of ensuring the satisfaction of such Condition; (ii) each of CKA and CK Bidco have agreed to provide Greene King with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; (iii) Greene King has agreed to provide CKA with certain information for the purposes of the CKA Circular and to otherwise assist with the preparation of the CKA Circular; and (iv) CKA, CK Bidco and Greene King have agreed provisions that will apply in respect of the Greene King Share Plans and certain other employee incentive arrangements.

The Cooperation Agreement will terminate in certain circumstances, including (subject to certain exceptions): (i) at CKA and CK Bidco's election if (a) the Greene King Directors make a Greene King Adverse Recommendation Change, (b) a third party announces a firm intention to make an offer for Greene King which is recommended by the Greene King Directors, (c) Greene King announces that it will not convene the Greene King General Meeting or Court Meeting or it does not intend to publish the Scheme Document or, (d) once published, the date set out in the Scheme Document for the Greene King General Meeting and Court Meeting is more than 28 days after the date of the Scheme Document, unless such later date is to ensure such meetings are held later than, but on the same date as, the CKA General Meeting; (ii) at Greene King's election if there is a CKA Board Recommendation Change; (iii) if a competing proposal becomes effective or is declared or becomes unconditional in all respects; (iv) if the Acquisition lapses, terminates or is withdrawn on or prior to the Long Stop Date, including where a Condition has not been satisfied and has been successfully invoked by CK Bidco; (v) at the election of CKA, CK Bidco or Greene King following the occurrence of a break fee event (as described below); and (vi) as otherwise agreed between CKA, CK Bidco and Greene King.

CKA has undertaken to pay a break fee to Greene King of £53.1 million if:

- both of the following events occur:
 - CKA fails to procure that, not later than five Business Days after the CKA Circular has been despatched to CKA Shareholders, the relevant trustees of the Li family trusts provide to Greene King an irrevocable undertaking to vote in favour of the resolutions relating to the Acquisition at the CKA General Meeting, or the relevant trustees of the Li family trusts fail to vote their CKA Shares in favour of such resolutions at the CKA General Meeting in accordance with such irrevocable undertaking; and
 - with a vote having been held on the resolutions relating to the Acquisition at a CKA General Meeting, the resolutions are not passed by the CKA Shareholders; or
- CKA fails to include the CKA Board Recommendation in the CKA Circular or there is a CKA Board Recommendation Change prior to the CKA General Meeting and either: (i) the CKA General Meeting is not held in sufficient time to enable completion of the Acquisition to occur by the Long Stop Date; or (ii) with a vote having been held on the resolutions relating to the Acquisition at a CKA General Meeting, the resolutions are not passed by the CKA Shareholders; or
- any of the CKA Directors or CK Bidco Directors, Mr Li Ka-shing or any of the members of the executive committee of CKA make a public statement at or prior to the CKA General Meeting which is reasonably likely to have an adverse effect on the passing of the resolutions relating to the Acquisition at the CKA General Meeting and with a vote having been held on the resolutions relating to the Acquisition at a CKA General Meeting, the resolutions are not passed by the CKA Shareholders.

However, no break fee will be payable if: (i) at the time of the relevant break fee event the Cooperation Agreement has already been terminated, (ii) the relevant break fee event has been caused by Greene King's material breach of its obligations under certain provisions of the Cooperation Agreement; or (iii) prior to the time of the relevant break fee event, there has been a Greene King Adverse Recommendation Change.

13. **Scheme process and Conditions to the Acquisition**

It is intended that the Acquisition shall be effected by means of a Court-approved scheme of arrangement between Greene King and the Greene King Shareholders under Part 26 of the Companies Act.

The effect of the Scheme is to provide for CK Bidco to become the holder of the entire issued and to be issued ordinary share capital of Greene King. This is to be achieved by the transfer of the Greene King Shares to CK Bidco, in consideration for which the Greene King Shareholders who are on the register of members at the Scheme Record Time shall receive the Cash Consideration on the basis set out in paragraph 2 of this announcement.

CKA has an indirect interest in Greene King Shares held via a wholly-owned subsidiary of CKA (being 8,990,182 Greene King Shares representing approximately 2.9 per cent. of the existing issued ordinary share capital of Greene King as at 16 August 2019, being the last Business Day prior to the date of this announcement), which will not be Scheme Shares and will not be acquired by CK Bidco pursuant to the Acquisition. CKA's wholly-owned subsidiary who is the registered holder of the 8,990,182 Greene King Shares will not be permitted to vote such Greene

King Shares at the Court Meeting, but will be permitted to vote such Greene King Shares at the Greene King General Meeting.

To become Effective, the Scheme requires, among other things:

- the approval of a majority in number of the Greene King Shareholders who are present and vote, whether in person or by proxy, at the Court Meeting and who represent not less than 75 per cent. in value of the Greene King Shares voted by those Greene King Shareholders;
- the passing of the resolutions necessary to implement the Acquisition at the Greene King General Meeting (which will require the approval of Greene King Shareholders representing at least 75 per cent. of the votes cast at the Greene King General Meeting either in person or by proxy);
- the approval of CKA Shareholders at the CKA General Meeting;
- receipt of the required decision(s) from the European Commission; and
- the sanction of the Scheme by the Court and, following such sanction, the delivery of a copy of the Court Order to the Registrar of Companies.

The Conditions in paragraph 2 of Appendix 1 to this announcement provide that the Scheme will lapse if:

- the Court Meeting and the Greene King General Meeting are not held by the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between CK Bidco and Greene King);
- the Sanction Hearing to approve the Scheme is not held by the 22nd 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 CK Bidco and Greene King); and
- 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, the Greene King General Meeting and the Sanction Hearing as set out above may be waived by CK Bidco, and the Long Stop Date may be extended by agreement between Greene King and CK Bidco.

If any Condition in paragraph 2 of Appendix 1 to this announcement is not capable of being satisfied by the date specified therein, CK Bidco shall make an announcement through a Regulatory Information Service as soon as practicable and, in any event, by not later than 7.00 a.m. on the Business Day following the date so specified, stating whether CK Bidco has invoked that Condition, (where applicable) waived that Condition or, with the agreement of Greene King, specified a new date by which that Condition must be satisfied.

Upon the Scheme becoming effective, it shall be binding on all Greene King Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the Greene King General Meeting.

It is expected that the Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and Greene King General Meeting, together with the associated forms of proxy, will be posted to Greene King Shareholders within 28 days of this announcement (or such later time as Greene King, CK Bidco and the Panel agree) and the Greene King Meetings are expected to be held shortly thereafter. It is expected that the CKA Circular will be published by CKA on or about 16 September 2019, which is expected to be the same date as the date on which the Scheme Document is posted to Greene King Shareholders, with the CKA General Meeting being held on the same date as the Greene King Meetings.

Subject to the satisfaction of the Conditions, the Scheme is expected to become effective in the fourth quarter of 2019.

14. Delisting, cancellation of trading and re-registration

It is intended that the London Stock Exchange and the FCA will be requested respectively to cancel trading in Greene King Shares on the London Stock Exchange's market for listed securities and the listing of the Greene King Shares from the Official List on or shortly after the Effective Date.

It is expected that the last day of dealings in Greene King Shares on the Main Market of the London Stock Exchange is expected to be the date of the Sanction Hearing and no transfers will be registered after 6.00 p.m. (London time) on that date.

It is intended that, following the Effective Date, Greene King's ADR programme will be terminated. Further details in relation to Greene King's ADR programme will be contained in the Scheme Document.

It is intended that Greene King be re-registered as a private limited company as soon as practicable on or following the Effective Date.

15. Disclosure of interests in Greene King securities

As at the close of business on 16 August 2019 (being the last Business Day prior to the date of this announcement), CKA had an indirect interest in Greene King Shares held via a wholly-owned subsidiary of CKA (being 8,990,182 Greene King Shares representing approximately 2.9 per cent. of the existing issued ordinary share capital of Greene King as of such date).

Save as disclosed in this announcement, as at the close of business on 16 August 2019 (being the last Business Day prior to the date of this announcement) neither CK Bidco, nor any of its directors, nor, so far as CK Bidco is aware, any person acting in concert (within the meaning of the Takeover Code) with it for the purposes of the Acquisition: (i) had any interest in or right to subscribe for or had borrowed or lent any Greene King Shares or securities convertible or exchangeable into Greene King Shares; or (ii) had any short positions in respect of relevant securities of Greene King (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; or (iii) has borrowed or lent any relevant securities of Greene King (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold; or (iv) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

It has not been practicable for CK Bidco to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, if CK Bidco becomes aware, following the making of such enquiries, that any of its concert parties have any additional interests in the relevant securities of Greene King, all relevant details in respect of CK Bidco's concert parties will be included in CK Bidco's Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Takeover Code which must be made on or before 12 noon (London time) on 2 September 2019.

16. Documents

Copies of the following documents will be available promptly on CKA's website and Greene King's website, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at <https://webfilter.ckah.com/WF06/> and <https://www.greeneking.co.uk/investor-centre/> respectively and in any event by no later than 12 noon (London time) on the Business Day following the publication of this announcement:

- (a) this announcement;
- (b) the Confidentiality Agreement;
- (c) the Cooperation Agreement; and
- (d) the irrevocable undertakings of the Greene King Directors referred to in paragraph 4 and the irrevocable undertakings of the CKA Directors referred to in paragraph 6 above.

The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

17. General

The Acquisition will be on the terms and subject to the Conditions set out in Appendix 1, and to be set out in full in the Scheme Document.

The Greene King Shares will be acquired pursuant to the Acquisition with full title guarantee, fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid with a record date on or after the Scheme Record Time.

This announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

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Clifford Chance LLP is acting as legal adviser to CKA. Linklaters LLP is acting as legal adviser to Greene King.

Further information

HSBC Bank plc ("HSBC"), which is authorised by the PRA and regulated by the PRA and the FCA in the United Kingdom, is acting exclusively for CKA and CK Bidco and no one else in connection with the Acquisition and will not be responsible to anyone other than CKA and CK Bidco for providing the protections afforded to clients of HSBC nor for giving advice in relation to the Acquisition or any matter or arrangement referred to in this announcement. Neither HSBC, 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 HSBC in connection with this announcement, any statement contained herein or otherwise. HSBC has given, and not withdrawn, its consent to the inclusion in this announcement of the references to its name in the form and context in which they appear.

Citigroup Global Markets Limited ("Citigroup"), which is authorised by the PRA and regulated in the UK by the FCA and the PRA, is acting exclusively as financial adviser to Greene King and no one else in connection with the Acquisition and other matters described in this announcement and shall not be responsible to anyone other than Greene King for providing the protections afforded to clients of Citigroup nor for providing advice in connection with the Acquisition or any matter referred to in this announcement.

N.M. Rothschild and Sons Limited ("Rothschild & Co"), which is authorised and regulated by the FCA in the United Kingdom, is acting as financial adviser to Greene King and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Greene King for providing the protections afforded to clients of Rothschild & Co nor for providing advice in connection with any matter referred to herein. Neither Rothschild & Co 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 Rothschild & Co in connection with this announcement, any statement contained herein, the Acquisition or otherwise.

*Peel Hunt LLP ("**Peel Hunt**")*, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Greene King and for no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters referred to in this announcement and the offer and will not be responsible to anyone other than Greene King for providing the protections afforded to its clients or for providing advice in relation to the Acquisition or any other matter or arrangement referred to in this announcement.

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation 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. The Acquisition will be made solely through the Scheme Document (or, if the Acquisition is implemented by way of a Takeover 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 acceptance or other response to the Acquisition should be made only on the basis of the information in the Scheme Document (or, if the Acquisition is implemented by way of a Takeover Offer, the offer document).

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

Overseas Shareholders

This announcement has been prepared in accordance with English law, the Takeover Code, 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.

The availability of the Acquisition to Greene King 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. In particular, the ability of persons who are not resident in the United Kingdom to vote their Greene King 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.

Unless otherwise determined by CK Bidco 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 or from a 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 custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it 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 a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, 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 Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

In accordance with the Takeover Code, normal United Kingdom market practice and Rule 14e-5(b) of the US Exchange Act, Citigroup and its respective affiliates will continue to act as exempt principal trader in Greene King securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Takeover Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

Notice to US investors in Greene King

*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 company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Securities Exchange Act of 1934 (the "**US 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 US tender offer and proxy solicitation rules. The financial information included in this announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.*

If, in the future, CK Bidco exercises its right to implement the Acquisition by way of a Takeover Offer, which is to be made into the US, such Takeover Offer will be made in compliance with the applicable US laws and regulations, including Section 14(e) and Regulation 14E under the US Exchange Act.

It may be difficult for US holders of Greene King Shares and Greene King ADR Holders to enforce their rights and any claim arising out of the US federal laws, since CK Bidco and Greene King are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Greene King Shares and Greene King ADR Holders 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.

Neither the US Securities and Exchange Commission nor any US state securities commission has approved or disapproved of the Acquisition, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence in the US.

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

Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by CK Bidco and Greene King 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 CK Bidco and Greene King 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 CK Bidco and Greene King (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 "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "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. Although CK Bidco and Greene King believe that the expectations reflected in such forward-looking statements are reasonable, CK Bidco and Greene King 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; as future market conditions, changes in general economic and business conditions, the behaviour of other market participants, 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 CK Bidco and Greene King 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 CK Bidco and Greene King 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 in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Neither CK Bidco nor Greene King, 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. Other than in accordance with their legal or regulatory obligations, neither CK Bidco nor Greene King is under any obligation, and CK Bidco and Greene King 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.

Disclosure requirements of the Takeover Code

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) 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 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 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 Takeover 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.

Publication on a website

This announcement and the documents required to be published pursuant to Rule 26.1 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on CKA's website at <https://webfilter.ckah.com/WF06/> and on Greene King's website at <https://www.greeneking.co.uk/investor-centre/> promptly and in any event by no later than 12 noon (London time) on the Business Day following the publication of this announcement. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.

No profit forecasts, estimates or quantified benefits statements

Nothing in this announcement is intended, or is to be construed, 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 Greene King for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Greene King.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Greene King Shareholders, persons with information rights and participants in the Greene King Share Plans may request a hard copy of this announcement by contacting Greene King's registrars, Link Asset Services, during business hours on 0871 664 0300 (or +44(0) 371 664 0300 from abroad) or at The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU. 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. Such persons 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.

Electronic Communications

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

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.

Rule 2.9 of the Takeover Code

For the purposes of Rule 2.9 of the Takeover Code, Greene King confirms that, as at 16 August 2019, it had in issue 310,011,031 ordinary shares of 12.5 pence each. The ISIN for the shares is GB00B0HZP136.

Greene King has in place the Greene King ADR programme sponsored and administered by Deutsche Bank Trust Company Americas. One Greene King ADR represents two Greene King Shares. The Greene King ADRs are traded over-the-counter. The ISIN for the Greene King ADRs is US3947022030.

APPENDIX 1
CONDITIONS AND FURTHER TERMS OF THE ACQUISITION

Part A: Conditions to the Scheme and Acquisition

1. The Acquisition will be 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

2. The Scheme will be subject to the following Conditions:
 - (a) (i) its approval by a majority in number of the Scheme Shareholders who are present and voting, whether in person or by proxy, at the Court Meeting and at any separate class meeting which may be required (or any adjournment thereof) and who represent 75 per cent. or more in value of the Scheme Shares voted by those Scheme Shareholders; and (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between CK Bidco and Greene King (and that the Court may allow));
 - (b) (i) the resolutions required to implement the Scheme being duly passed at the Greene King General Meeting (or any adjournment thereof); and (ii) such Greene King General Meeting being held on or before the 22nd day after the expected date of the Greene King General Meeting to be set out in the Scheme Document in due course (or such later date as may be agreed between CK Bidco and Greene King (and that the Court may allow)); and
 - (c) (i) the sanction of the Scheme by the Court (with or without modification (but subject to such modification being acceptable to CK Bidco and Greene King)) 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 22nd day after the expected date of the Sanction Hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between CK Bidco and Greene King (and that the Court may allow)).

Other conditions

3. The Acquisition will also be conditional upon the following conditions and, accordingly, the necessary actions to make the Scheme effective will not be taken unless the following Conditions (as amended if appropriate) have been satisfied or, where capable of waiver, waived:

CKA Shareholder approval

- (a) the passing at the CKA General Meeting (or any adjournment thereof) of such resolution or resolutions as are necessary to approve, implement and effect the Acquisition (as such resolutions may be set out in the CKA Circular);

Antitrust

- (b) in so far as the Acquisition constitutes a concentration with a Community dimension within the scope of Council Regulation (EC) 139/2004/EC (the "**Council Regulation**"), the European Commission:
- (i) taking a decision (or being deemed to have taken such a decision or one with equivalent effect) under Article 6(1)(b) of the Council Regulation declaring the Acquisition compatible with the common market, in terms reasonably satisfactory to CK Bidco (including, for the avoidance of doubt, where such a decision is taken on or after the date of withdrawal of the United Kingdom from the European Union as set out in the European Union (Withdrawal Act) 2018 (as amended from time to time) or where the European Commission indicates it will not take such a decision due to the withdrawal of the United Kingdom from the European Union and that withdrawal has occurred); or
 - (ii) taking a decision (or being deemed to have taken a decision) to refer the Acquisition to the competent authorities of one or more member states under Article 9(3) or Article 4(4) of the Council Regulation;

Other Third Party clearances

- (c) other than in respect of Condition 3(b) or the CMA, no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a "**Third Party**") having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), 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 in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
- (i) make the Acquisition, 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 Greene King Group by any member of the Wider CKA Group void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or materially restrain, restrict, impede, challenge, delay or otherwise materially interfere with the approval or implementation of, or impose additional material conditions or obligations with respect to, the Acquisition or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Greene King Group by any member of the Wider CKA Group;
 - (ii) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider CKA Group or by any member of the Wider Greene King 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 Greene King Group taken as a whole or the Wider CKA Group taken as a whole;

- (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider CKA Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Greene King (or any member of the Wider Greene King Group) or on the ability of any member of the Wider Greene King Group or any member of the Wider CKA Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Greene King Group to an extent which is material in the context of the Wider Greene King Group taken as a whole or the Wider CKA Group taken as a whole;
- (iv) other than pursuant to the implementation of the Scheme, require any member of the Wider CKA Group or the Wider Greene King Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Greene King Group or any asset owned by any third party which is material in the context of the Wider Greene King Group or the Wider CKA Group, in either case taken as a whole;
- (v) require, prevent or materially delay a divestiture by any member of the Wider CKA Group of any shares or other securities (or the equivalent) in any member of the Wider Greene King Group;
- (vi) result in any member of the Wider Greene King Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Greene King Group taken as a whole;
- (vii) impose any material limitation on the ability of any member of the Wider CKA Group or any member of the Wider Greene King 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 CKA Group and/or the Wider Greene King Group in a manner which is adverse to the Wider CKA Group and/or the Wider Greene King Group, in either case, taken as a whole; or
- (viii) except as Disclosed, otherwise affect the business, assets, value, profits, prospects or operational performance of any member of the Wider Greene King Group or any member of the Wider CKA Group in each case in a manner which is adverse to and material in the context of the Wider Greene King Group taken as a whole or of the obligations of any members of the Wider CKA Group taken as a whole;

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 Greene King Shares or otherwise intervene having expired, lapsed, or been terminated;

- (d) other than a notification or filing to the CMA, all notifications, filings or applications which are deemed by CK Bidco to be necessary or appropriate having been made in connection with the Acquisition and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Acquisition and all Authorisations which are deemed by CK Bidco to be necessary or appropriate in any jurisdiction for or in respect of the Acquisition or the proposed acquisition of any shares or other securities in, or control of, Greene King by any member of the Wider CKA Group having been obtained in terms and in a form reasonably satisfactory to CK Bidco from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Greene King Group or the Wider CKA Group has entered into contractual arrangements and all such Authorisations which are deemed by CK Bidco to be necessary or appropriate to carry on the business of any member of the Wider Greene King Group in any jurisdiction having been obtained in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Greene King Group, any member of the Wider CKA Group or the ability of CK Bidco to implement the Scheme and all such Authorisations remaining in full force and effect at the time at which the Scheme becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

Confirmation of absence of adverse circumstances

- (e) 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 Greene King 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 CKA Group of any shares or other securities in Greene King or because of a change in the control or management of any member of the Wider Greene King Group or otherwise, would or might reasonably be expected to result in, and in each case to an extent which is material in the context of the Wider Greene King Group taken as a whole:
- (i) any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider Greene King Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their 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;

- (ii) the rights, liabilities, obligations, interests or business of any member of the Wider Greene King Group or any member of the Wider CKA Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Greene King Group or any member of the Wider CKA Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or becoming capable of being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (iii) any member of the Wider Greene King Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Greene King Group being or falling to be disposed of or charged 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 member of the Wider Greene King Group otherwise than in the ordinary course of business;
- (v) the creation, save in the ordinary and usual course of business, or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Greene King Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;
- (vi) the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Greene King Group being prejudiced or adversely affected;
- (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Greene King Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- (viii) any liability of any member of the Wider Greene King Group to make any severance, termination, bonus or other payment to any of its directors or other officers;

No material transactions, claims or changes in the conduct of the business of the Greene King Group

- (f) except as Disclosed, no member of the Wider Greene King Group having since 28 April 2019:
 - (i) save as between Greene King and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of Greene King Shares on the exercise of options or vesting of awards granted in the ordinary course under the Greene King Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or

options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Greene King Shares out of treasury;

- (ii) save for the Final Dividend, recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than to Greene King or one of its wholly-owned subsidiaries;
- (iii) save as between Greene King 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, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any material assets or any right, title or material interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so;
- (iv) save as between Greene King 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;
- (v) issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as between Greene King and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider Greene King Group taken as a whole;
- (vi) 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 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 which is, in any such case, material in the context of the Greene King Group or in the context of the Acquisition, or which is or is reasonably likely to be restrictive on the business of any member of the Wider Greene King Group to an extent which is or is likely to be material to the Wider Greene King Group taken as a whole;
- (vii) entered into any licence or other disposal of intellectual property rights of any member of the Wider Greene King Group which are material in the context of the Wider Greene King Group taken as a whole and outside the normal course of business;
- (viii) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for

acceptance) to enter into or vary to a material extent the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Greene King Group save for salary increases, bonuses or variations of terms in the ordinary course;

- (ix) 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 Greene King Group which, taken as a whole, are material in the context of the Wider Greene King Group taken as a whole;
- (x) (I) proposed, made or agreed to any significant change to: (a) the terms of the 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 Greene King Group or their dependants (a "**Relevant Pension Plan**"); (b) 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; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; (d) the manner in which the assets of any Relevant Pension Plan are invested; (e) the basis or rate of employer contribution to a Relevant Pension Plan; or (II) enter into or propose to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (III) carry out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension Plan; (b) which would or might create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would or might give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 to 56 inclusive of the Pensions Act 2004 in relation to the scheme;
- (xi) changed the trustee or trustee directors or other fiduciary of any Relevant Pension Plan;
- (xii) entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement (other than the Scheme) otherwise than in the ordinary course of business which is material in the context of the Wider Greene King Group taken as a whole;
- (xiii) 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 of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital to an extent which (other than in the case of Greene King) is material in the context of the Wider Greene King Group taken as a whole;

- (xiv) other than with respect to claims between Greene King and its wholly owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Greene King Group taken as a whole;
- (xv) made any material alteration to its articles of association or other constitutional documents (in each case, other than in connection with the Scheme);
- (xvi) (other than in respect of a member of the Wider Greene King 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;
- (xvii) 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 which is material in the context of the Wider Greene King Group taken as a whole;
- (xviii) entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business 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;
- (xix) terminated or varied the terms of any agreement or arrangement between any member of the Wider Greene King 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 Greene King Group taken as a whole; or
- (xx) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Greene King Shareholders in a general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

No material adverse change

- (g) since 28 April 2019, and except as Disclosed, there having been:
 - (i) no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Greene King Group

to an extent which is material to the Wider Greene King Group taken as a whole;

- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Greene King Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Greene King Group or to which any member of the Wider Greene King 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 in respect of any member of the Wider Greene King Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Greene King Group which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Greene King Group taken as a whole;
 - (iii) no contingent or other liability having arisen, increased or become apparent other than in the ordinary course of business which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any member of the Wider Greene King Group to an extent which is material to the Greene King Group taken as a whole; and
 - (iv) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Greene King Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and likely to have an adverse effect on the Greene King Group taken as a whole;
- (h) since 28 April 2019, and except as Disclosed, CK Bidco not having discovered:
- (i) that any financial, business or other information concerning the Wider Greene King Group publicly announced prior to the date of this announcement or disclosed to any member of the Wider CKA Group prior to the date of this announcement by or on behalf of any member of the Wider Greene King Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider Greene King Group taken as a whole;
 - (ii) that any member of the Wider Greene King Group is subject to any liability, contingent or otherwise, which is material in the context of the Wider Greene King Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed to CK Bidco at any time by or on behalf of any member of the Wider Greene King Group which is material in the context of the Wider Greene King Group;

Environmental liabilities

- (i) except as Disclosed, CK Bidco not having discovered that:
 - (i) any past or present member of the Wider Greene King Group has not complied in any material respect with all applicable legislation or regulations, notices or other requirements of any jurisdiction or any Third Party or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or greenhouse gas, or any substance likely to impair the environment (including property) or harm the health of humans, animals or other living organisms or eco-systems or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Greene King Group taken as a whole; or
 - (ii) there has been a material disposal, discharge, spillage, accumulation, leak, emission, release or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or greenhouse gas or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation) would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider Greene King Group taken as a whole; or
 - (iii) there is or is likely to be any material obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, re-instate or clean up any property, asset currently or previously owned, occupied or made use of by any past or present member of the Wider Greene King Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, or other elements of the environment (including any controlled waters) under any environmental legislation, common law, regulation, notice, circular, Authorisation, other legally binding requirement or order of any Third Party or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto in any such case to an extent which is material in the context of the Wider Greene King Group taken as a whole; or
 - (iv) circumstances exist (whether as a result of the Acquisition or otherwise):
 - (I) which would be likely to lead to any Third Party instituting; or
 - (II) whereby any member of the Wider CKA Group or any member of the Wider Greene King Group would be likely to be required to institute,

an environmental audit or take any other steps which would in any such case be 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 Greene King Group (or on its behalf) or by any person for which a member of the Wider Greene King 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 Greene King Group taken as a whole; or

- (v) 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 Greene King Group which claim or claims would be likely to affect any member of the Wider Greene King Group and which is material in the context of the Wider Greene King Group taken as a whole;

Intellectual Property

- (j) no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Greene King Group which would have a material adverse effect on the Wider Greene King Group taken as a whole or is otherwise material in the context of the Acquisition, including:
 - (i) any member of the Wider Greene King Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Greene King Group and material to its business being revoked, cancelled or declared invalid;
 - (ii) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Greene King Group to, or the validity or effectiveness of, any of its intellectual property; or
 - (iii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Greene King Group being terminated or varied;

Anti-corruption and sanctions

- (k) except as Disclosed, CK Bidco not having discovered that:
 - (i) any past or present member of the Wider Greene King 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) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;
 - (ii) any member of the Wider Greene King Group is ineligible to be awarded any contract or business under section 23 of the Public Contracts Regulations 2006 or section 26 of the Utilities Contracts Regulations 2006 (each as amended);
 - (iii) any past or present member of the Wider Greene King Group has engaged in any activity or business with, or made any

investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; or

- (iv) a member of the Greene King Group has engaged in a transaction which would cause the CKA Group to be in breach of any law or regulation on completion of the Acquisition, including the economic sanctions administered by the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states;

No criminal property

- (l) except as Disclosed, CK Bidco not having discovered that any asset of any member of the Wider Greene King Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

Part B: Further terms of the Acquisition

1. Subject to the requirements of the Panel in accordance with the Takeover Code, CK Bidco reserves the right to waive, in whole or in part, all or any of the Conditions in Part A above, except Conditions 2(a)(i), 2(b)(i), 2(c)(i) and 3(a), which cannot be waived.
2. CK Bidco shall be under no obligation to waive or treat as satisfied any of the Conditions that it is entitled (with the consent of the Panel) to invoke, by a date earlier than the latest date for the fulfilment or waiver of that Condition, notwithstanding that the other Conditions 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. If CK Bidco is required by the Panel to make an offer for Greene King Shares under the provisions of Rule 9 of the Takeover Code, CK Bidco may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
4. Under Rule 13.5(a) of the Takeover Code, CK 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 CK Bidco in the context of the Acquisition. The Conditions contained in paragraph 2 and 3(a) above and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to this provision of the Takeover Code.
5. CK Bidco reserves the right to elect to implement the Acquisition by way of a Takeover Offer as an alternative to the Scheme, with the consent of the Panel. In such event, the Acquisition will be implemented on the same terms (subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition set at 75 per cent. (or such other percentage (being more than 50 per cent.) as the Panel may require or CK Bidco may, subject to the rules of the Takeover Code, decide) of the shares

to which the Takeover Offer relates and those required by, or deemed appropriate by, CK Bidco under applicable law, so far as applicable) as those which would apply to the Scheme. Further, if sufficient acceptances of such offer are received and/or sufficient Greene King Shares are otherwise acquired, it is the intention of CK Bidco to apply the provisions of the Companies Act to acquire compulsorily any outstanding Greene King Shares to which such Takeover Offer relates.

6. The Acquisition will lapse if there is a Phase 2 CMA Reference before the Court Meeting and the Greene King General Meeting. In such event, Greene King will not be bound by the terms of the Scheme.
7. The Acquisition will lapse if the European Commission initiates proceedings under Article 6(1)(c) of the Council Regulation before the Court Meeting and the Greene King General Meeting. In such event, Greene King will not be bound by the terms of the Scheme.
8. The Acquisition will be governed by English law and be subject to the jurisdiction of the English courts and to the Conditions and further terms set out above and to be set out in full in the Scheme Document. The Scheme will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the Listing Rules, the FCA and the Registrar of Companies.
9. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
10. The Greene King Shares will be acquired pursuant to the Acquisition with full title guarantee, fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights now or hereafter attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid or any other return of value on or after the Effective Date (other than the Final Dividend).
11. If, on or after the date of this announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital is declared, made or paid or becomes payable in respect of the Greene King Shares (other than the Final Dividend), CK Bidco reserves the right to reduce the Cash Consideration payable under the terms of the Acquisition for the Greene King Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this announcement or in the Scheme Document to the Cash Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, the relevant Greene King Shareholder will be entitled to receive and retain such dividend and/or other distribution and/or return of capital.
12. The Acquisition will be subject, inter alia, to the Conditions and certain further terms which are set out in this Appendix 1 and those terms which will be set out in the Scheme Document and such further terms as may be required to comply with the Listing Rules and the provisions of the Takeover Code.
13. The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Scheme Document.

14. The Acquisition is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of 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 jurisdiction where to do so would violate the laws of that jurisdiction.

APPENDIX 2
SOURCES AND BASES OF INFORMATION

Unless otherwise stated in this announcement:

1. the value attributed to the fully diluted issued share capital of Greene King is based on a value of 850 pence per Greene King Share; and:
 - (a) 310,011,031 Greene King Shares in issue on 16 August 2019 (being the last Business Day prior to the date of this announcement); *plus*
 - (b) 2,580,795 Greene King Shares which may be issued on or after the date of this announcement to satisfy the exercise of options and vesting of awards outstanding under the Greene King Share Plans as at 16 August 2019 (being the last Business Day prior to the date of this announcement); *less*
 - (c) 7,595 Greene King Shares as at 16 August 2019 (being the last Business Day prior to the date of this announcement) held by the Greene King Employee Benefit Trust which can be used to satisfy the exercise of options and vesting of awards granted under the Greene King Share Plans unless otherwise stated;
2. the enterprise value of approximately £4.6 billion is calculated by reference to a Greene King equity value of £2,657 million at a value of 850 pence per Greene King Share plus net debt of £1,943 million as at 28 April 2019;
3. the enterprise value to EBITDA multiple of approximately 9.5x is based on Greene King's enterprise value of approximately £4.6 billion and EBITDA of £482 million for the 52 week period to 28 April 2019;
4. the enterprise value to EBITDA multiple of approximately 10.0x is based on Greene King's enterprise value of approximately £4.6 billion and the inclusion of the £230 million swap liability as at 28 April 2019 and EBITDA of £482 million for the 52 week period to 28 April 2019;
5. unless otherwise stated, the financial information relating to Greene King is extracted (without material adjustment) from the 2018 Greene King Annual Report or the 2019 Greene King Annual Report;
6. unless otherwise stated, all prices for Greene King Shares have been derived from the Daily Official List and represent Closing Prices on the relevant date(s); and
7. the volume weighted average prices have been derived from data provided by Factset, with prices up to the ex-dividend date of 8 August 2019 adjusted for the Final Dividend.

APPENDIX 3
DETAILS OF IRREVOCABLE UNDERTAKINGS

1. Greene King Directors

The following Greene King Directors have given irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the Greene King Meetings in respect of their own beneficial holdings (or those Greene King Shares over which they have control) of Greene King Shares:

Name	Total Number of Greene King Shares	Percentage of existing issued share capital
Philip Yea	40,000	0.013
Nick Mackenzie	93,515	0.030
Richard Smothers	9,770	0.003
Mike Coupe	3,690	0.001
Rob Rowley	3,000	0.001
Lynne Weedall	3,051	0.001
Gordon Fryett	2,000	0.001
Total:	155,026	0.050

The irrevocable undertakings referred to in paragraph 1 above cease to be binding on the earlier of the following occurrences: (i) CK Bidco 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 is announced by CK Bidco; (ii) the Scheme lapses or is withdrawn in accordance with its terms and CK Bidco publicly confirms that it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a Takeover Offer or otherwise; (iii) the Scheme has not become effective by 11.59 p.m. on the Long Stop Date; or (iv) there is a CKA Board Recommendation Change.

2. CKA Directors

The following CKA Directors have given irrevocable undertakings to vote in favour of the resolutions relating to the Acquisition at the CKA General Meeting in respect of their own personal interests in CKA Shares (or those CKA Shares over which they have control):

Name	Total Number of CKA Shares	Percentage of existing issued share capital
Li Tzar Kuoi, Victor	220,000	0.006
Kam Hing Lam	51,040	0.001
Chow Nin Mow	66	0.000
Hung Siu-lin	43,256	0.001
Donald Jeffrey Roberts	167,396	0.005
Total:	481,758	0.013

The irrevocable undertakings referred to in paragraph 2 above cease to be binding on the earlier of the following occurrences: (i) if agreed in writing between CKA, CK Bidco and Greene King; (ii) the Scheme has not become effective by 11.59 p.m. on the Long Stop Date; (iii) the Scheme lapses or is withdrawn in accordance with its terms and CK Bidco publicly confirms that it does not intend to proceed with the Acquisition by way a Takeover Offer; or (iv) there is a Greene King Adverse Recommendation Change.

APPENDIX 4 DEFINITIONS

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

"2018 Greene King Annual Report"	the annual report and audited accounts of the Greene King Group for the 52 weeks ended 29 April 2018
"2019 Greene King Annual Report"	the annual report and audited accounts of the Greene King Group for the 52 weeks ended 28 April 2019
"Acquisition"	the proposed recommended cash acquisition by CK Bidco of the entire issued and to be issued share capital of Greene King not already owned by or on behalf of the CKA Group by means of the Scheme (and other matters to be considered at the Greene King Meetings), or should CK Bidco so elect, by means of a Takeover Offer
"associated undertaking"	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations)
"Authorisations"	regulatory authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals
"Business Day"	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business
"Citigroup"	Citigroup Global Markets Limited
"CK Bidco"	CK Noble (UK) Limited
"CKA"	CK Asset Holdings Limited, a company incorporated in the Cayman Islands, the shares of which are listed on the Main Board of the Hong Kong Stock Exchange
"CKA Board" or "CKA Directors"	the directors of CKA
"CKA Board Recommendation"	a unanimous and unconditional recommendation from the CKA Directors that the CKA Shareholders vote in favour of the resolutions to approve and implement the Acquisition at the CKA General Meeting
"CKA Board Recommendation Change"	if the CKA Directors withdraw, qualify or adversely modify: (i) prior to publication of the CKA Circular, their intention to give the CKA Board Recommendation in the CKA Circular so that it is not given in the CKA Circular; or (ii)

	following publication of the CKA Circular, the CKA Board Recommendation
"CKA Circular"	the circular to be issued by CKA to CKA Shareholders for the purposes of providing information regarding the Acquisition and containing, amongst other things, notice of the CKA General Meeting, as prepared in accordance with the Hong Kong Listing Rules
"CKA General Meeting"	the general meeting of CKA to be convened for CKA Shareholders to consider and if thought fit pass the resolution to approve, effect and implement the Acquisition including any adjournments thereof
"CKA Group"	CKA and its subsidiary undertakings and where the context permits, each of them
"CKA Share(s)"	the ordinary shares of HK\$1.00 each in the capital of CKA
"CKA Shareholders"	holders of CKA Shares
"Closing Price"	the closing middle market price of a Greene King Share as derived from the Daily Official List on any particular date
"CMA"	the Competition and Markets Authority
"Companies Act"	the Companies Act 2006, as amended from time to time
"Conditions"	the conditions to the implementation of the Acquisition (including the Scheme) which are set out in Part A of Appendix 1 to this announcement and to be set out in the Scheme Document
"Cooperation Agreement"	the cooperation agreement entered into between CKA, CK Bidco and Greene King dated 19 August 2019
"Council Regulation"	Council Regulation (EC) 139/2004/EC
"Court"	the High Court of Justice in England and Wales
"Court Meeting"	the meeting of Greene King Shareholders to be convened at the direction of the Court pursuant to Part 26 of the Companies Act at which a resolution will be proposed to approve the Scheme, including any adjournment thereof
"Court Order"	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act
"Daily Official List"	means the daily official list of the London Stock Exchange
"Disclosed"	the information disclosed by or on behalf of Greene King: (i) in the 2018 Greene King Annual Report; (ii) in the 2019 Greene King

	Annual Report; (iii) in this announcement; (iv) in any other announcement to a Regulatory Information Service prior to the date of this announcement; (v) in filings made with, and made publicly available online by, the Registrar of Companies within the last two years; (vi) on Greene King's website at www.greeneking.co.uk ; or (vii) fairly disclosed in writing prior to the date of this announcement to CKA, CK Bidco or their respective advisers (in their capacity as such)
"Effective"	in the context of the Acquisition: (i) if the Acquisition is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or (ii) if the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code
"Effective Date"	the date on which the Acquisition becomes Effective
"Excluded Shares"	any Greene King Shares beneficially owned by CK Bidco or any other member of the CKA Group at the Scheme Record Time
"FCA"	Financial Conduct Authority or its successor from time to time
"Final Dividend"	the final dividend for the 52 weeks ended 28 April 2019 of 24.4 pence per Greene King Share announced on 27 June 2019, to be paid (subject to approval by Greene King Shareholders at Greene King's upcoming annual general meeting) on 13 September 2019 to Greene King Shareholders on the register as at the close of business on 9 August 2019
"FSMA"	the Financial Services and Markets Act 2000 (as amended from time to time)
"Greene King"	Greene King plc
"Greene King ADR Holders"	holders of Greene King ADRs
"Greene King ADRs"	Sponsored level 1 American Depositary Receipts of Greene King for which Deutsche Bank Trust Company Americas acts as depositary
"Greene King Adverse Recommendation Change"	if the Greene King Directors: (i) do not include the Greene King Board Recommendation in the Scheme Document; (ii) withdraw, qualify or adversely modify the Greene King Board Recommendation; or (iii) prior to publication of the Scheme Document, withdraw, qualify or adversely modify their intention to give the

Greene King Board Recommendation in the Scheme Document

"Greene King Board" or "Greene King Directors"	the directors of Greene King
"Greene King Board Recommendation"	a unanimous and unconditional recommendation from Greene King Directors that Greene King Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions relating to the Acquisition at the Greene King General Meeting, or, if CK Bidco proceeds by way of a Takeover Offer, to accept the Takeover Offer, as the case may be
"Greene King General Meeting"	the general meeting of Greene King Shareholders to be convened to consider and if thought fit pass, inter alia, the resolutions in relation to the implementation of the Scheme and certain amendments to be made to the articles of association of Greene King, including any adjournments thereof
"Greene King Group"	Greene King and its subsidiary undertakings and where the context permits, each of them
"Greene King Meetings"	the Court Meeting and the Greene King General Meeting
"Greene King Share(s)"	the existing unconditionally allotted or issued and fully paid ordinary shares of 12.5 pence each in the capital of Greene King and any further shares which are unconditionally allotted or issued before the Scheme becomes Effective but excluding in both cases any such shares held or which become held in treasury
"Greene King Share Plans"	the Greene King plc Performance Share Plan 2013, the Greene King plc 2016 Restricted Share Plan, the Greene King Sharesave Scheme 2015, the Greene King Free4All Employee Profit Share Scheme, the Greene King Save4Shares Scheme 2005 and the Spirit Share Incentive Plan
"Greene King Shareholder(s)"	holders of Greene King Shares
"Hong Kong Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong Stock Exchange"	The Stock Exchange of Hong Kong Limited
"HSBC"	HSBC Bank plc
"Listing Rules"	the listing rules, made by the FCA under Part 6 FSMA, as amended from time to time
"London Stock Exchange"	the London Stock Exchange plc or its successor
"Long Stop Date"	31 March 2020 (or such later date as may be agreed between CK Bidco and Greene King and the Panel and the Court may allow)

"Official List"	the Official List of the FCA
"Overseas Shareholders"	holders of Greene King Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
"Panel"	the Panel on Takeovers and Mergers
"Phase 2 CMA Reference"	a reference of the Acquisition to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013
"PRA"	Prudential Regulation Authority or its successor from time to time
"Registrar of Companies"	the Registrar of Companies in England and Wales
"Regulatory Information Service"	a regulatory information service as defined in the FCA's Handbook of rules and guidance as amended from time to time
"relevant securities"	Greene King Shares, other Greene King share capital and any securities convertible into or exchangeable for, and rights to subscribe for, any of the foregoing
"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Scheme is sent or made available to Greene King Shareholders in that jurisdiction
"Rothschild & Co"	N.M. Rothschild and Sons Limited
"Sanction Hearing"	the Court hearing to sanction the Scheme
"Scheme"	the proposed scheme of arrangement under Part 26 of the Companies Act between Greene King and the holders of the Greene King Shares, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Greene King and CK Bidco
"Scheme Document"	the document to be sent to Greene King Shareholders and persons with information rights containing, amongst other things, the Scheme and notices of the Greene King Meetings and proxy forms in respect of the Greene King Meetings
"Scheme Record Time"	the time and date to be specified in the Scheme Document, expected to be 6.00 p.m. on the date of the Sanction Hearing
"Scheme Shareholder"	a holder of Scheme Shares at any relevant date or time
"Scheme Shares"	a definition to be specified in the Scheme

	Document, expected to be: (i) the Greene King Shares in issue at the date of the Scheme and (where the context requires) which remain in issue at the Scheme Record Time; (ii) any Greene King Shares issued after the date of the Scheme but before the Voting Record Time and (where the context requires) which remain in issue at the Scheme Record Time; and (iii) any Greene King Shares issued at or after the Voting Record Time and before the Scheme Record Time on terms that the holder thereof shall be bound by the Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by the Scheme, and in each case (where the context requires) which remain in issue at the Scheme Record Time but in any case excluding any Excluded Shares
"subsidiary", "subsidiary undertaking" and "undertaking"	shall be construed in accordance with the Companies Act
"Takeover Code"	the City Code on Takeovers and Mergers issued by the Panel, as amended from time to time
"Takeover Offer"	subject to the consent of the Panel, should the Acquisition be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act, the offer to be made by or on behalf of CK Bidco to acquire the entire issued and to be issued share capital of Greene King, other than Greene King Shares held by the CKA Group and, where the context admits, any subsequent revision, variation, extension or renewal of such offer
"UK" or "United Kingdom"	United Kingdom of Great Britain and Northern Ireland
"US Person"	a US person as defined in Regulation S under the US Securities Act
"US Securities Act"	the US Securities Act of 1933, as amended and the rules and regulations promulgated thereunder
"Voting Record Time"	the time and date to be specified in the Scheme Document by reference to which entitlement to vote on the Scheme will be determined
"Wider Greene King Group"	Greene King and associated undertakings and any other body corporate, partnership, joint venture or person in which Greene King and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent
"Wider CKA Group"	CKA Group and associated undertakings and any other body corporate, partnership, joint venture or person in which CKA and such undertakings (aggregating their interests) have

an interest of more than 20 per cent. of the voting or equity capital or the equivalent.

All times referred to are London time unless otherwise stated.

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