M&G Inv Management

Announcement Regarding the Possible Offer for UKML

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M&G Investment Management Ltd
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For immediate release

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UK Mortgages Limited ("UKML" or the "Company")

Further to the recent announcements made in relation to a possible all-cash offer for the entire issued and to be issued ordinary share capital of UKML by M&G Investment Management Limited (**"MAGIM"**) on behalf of one of its managed funds, M&G Specialty Finance Fund (£) SCSp, confirms it does not intend to make an offer under Rule 2.7 of the City Code on Takeovers and Mergers (the "**Code**") to acquire UKML due to the absence of Board engagement and corresponding access to due diligence.

MAGIM is disappointed with the immediate rejection of its increased offer announced on 13 August 2020 by the Board of UKML. MAGIM does not believe this allowed all shareholders sufficient time to evaluate the offer and provide feedback to the Board, or for the Board to proactively canvass this feedback. MAGIM continues to believe that its offer represented the best opportunity for shareholders to exit at an attractive price without delay or the uncertainty from UKML's Review of Future Strategy announced on 7 August 2020.

This is a statement to which Rule 2.8 of the Code applies.

MAGIM reserves the right to set aside the above statement and the restrictions in Rule 2.8 of the Code in the following circumstances:

i. with the agreement of the board of directors of UKML;
ii. following the announcement of a firm intention to make an offer for UKML by or on behalf of a third party;
iii. following the announcement by UKML of a proposal for a "whitewash" (as referred to in Note 1 of the Notes on Dispensations from Rule 9 of the Code) or for a reverse takeover (as defined in the Code); or
iv. where the Panel on Takeovers and Mergers has determined that there has been a material change of circumstances.

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Further information

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