

Redcentric PLC

Response to press speculation-formal sales process

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Redcentric PLC
02 September 2020

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION AS DEFINED IN EU REGULATION NO. 596/2014 AND IS IN ACCORDANCE WITH THE COMPANY'S OBLIGATIONS UNDER ARTICLE 7 OF THAT REGULATION

FOR IMMEDIATE RELEASE

2 September 2020

Redcentric PLC
("Redcentric" or the "Company")

Response to press speculation - formal sale process and strategic review

As noted at the time of the Company's full year results, FY 20 was a significant year for Redcentric and it was a year in which the Company ended the financial year in a much stronger position than it started in. Having successfully completed the integration of historical acquisitions and implemented efficiency initiatives across the business, the Company was in an excellent position to actively start to explore the many opportunities open to it to deliver further shareholder value.

In light of this confidence in the position of the Company, the Board of Redcentric believed that this was the correct time to ensure that it had explored the various options open to it to deliver shareholder value, including organic growth and/or evaluating potential acquisitions or the potential sale of the Company.

The Board of Redcentric therefore notes the recent media speculation and confirms that it has initiated limited discussions with third parties with a view to seeking a potential purchaser or purchasers for the Company. Following this speculation, as part of a broader strategic review, Redcentric is announcing a formal sale process as set out in Note 2 of Rule 2.6 of the Code that could result in a sale of the Company. Whilst a potential offer for the Company may be the outcome of a formal sale process, the Company is alternatively evaluating potential options in relation to organic growth and/or potential acquisitions that might be made by the Company.

Redcentric has agreed with The Panel on Takeovers and Mergers (the "Takeover Panel") that any discussions in relation to an offer for the Company may take place within the context of a formal sale process (as referred to in the Code) in order to enable conversations with parties interested in making such an offer proposal to take place on a confidential basis. Accordingly, the Takeover Panel has granted a dispensation from the requirements of Rules 2.4(a), 2.4(b) and 2.6(a) of the Code such that any interested party participating in the formal sale process following the date of this announcement will not be required to be publicly identified as a result of this announcement and will not be subject to the 28 day deadline referred to in Rule 2.6(a), for so long as it is participating in the formal sale process.

Parties with a potential interest in making a proposal under the formal sale process should contact Stifel (via the contact details as set out below). Any interested party will be required to enter into a non-disclosure agreement with the Company before being permitted to participate in the process. Following execution of such agreement, it is currently expected that interested parties will then be provided with certain information on Redcentric's business to enable them to submit an indicative proposal to Stifel.

The Board currently expects the formal sale process to conclude during the fourth quarter of 2020. The Company confirms that it is currently in discussions with Macquarie Principal Finance Pty Limited, UK Branch and Six Degrees Holdings Limited. It should be noted that, as at the date of this announcement, the Company has not received any form of approach or indicative proposal to acquire the Company, either pursuant to the Company-initiated discussions or otherwise. There can be no certainty that any offer will be made for the Company, nor that any transaction will be executed, nor as to terms of any such offer or transaction.

The Board reserves the right to alter any aspect of the formal sales process or to terminate it at any time and will make further announcements as appropriate. The Board reserves the right to reject any approach or terminate discussions with any interested party or participant at any time.

Following this announcement, the Company is now considered to be in an "offer period" as defined in the Code, and the dealing disclosure requirements listed below will apply. Stifel is acting as sole financial adviser in relation to the Code.

Further announcements will be made as and when appropriate.

Enquiries:

Redcentric

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Disclosure requirements of the Code

Under Rule 8.3(a) of the 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 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.

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The information contained within this announcement is considered by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No.596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information will be considered to be in the public domain. The person responsible for arranging the release of this announcement on behalf of the Company is Peter Brotherton, CEO.

Additional information

Stifel Nicolaus Europe Limited, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, is acting for Redcentric and no one else in connection with the matters described in this announcement and will not be responsible to anyone other than Redcentric for providing the protections afforded to clients of Stifel Nicolaus Europe Limited, or for giving advice in connection with the matters described in this announcement or any matter referred to herein.

Publication on Website

A copy of this announcement will be made available at www.redcentricplc.com no later than 12.00 noon (London time) on 3 September 2020 (being the business day following the date of this announcement) in accordance with Rule 26.1(a) of the Code. The content

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

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, Redcentric confirms that, as at the close of business on 1 September 2020, it had in issue 154,058,316 ordinary shares of 0.1 pence each. The International Securities Identification Number (ISIN) for Redcentric's ordinary shares is GB00B7TW1V39.

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