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This announcement contains inside information.

3 November 2021

MAJOR REORGANISATION OF DMGT

comprising

RECOMMENDED CASH OFFER

for

DAILY MAIL AND GENERAL TRUST PLC ("DMGT")

by

ROTHERMERE CONTINUATION LIMITED ("RCL")

and

PROPOSED DISTRIBUTION TO ALL SHAREHOLDERS

As announced on 12 July 2021, the DMGT Board has decided to implement a major reorganisation of DMGT, including the sale of its insurance risk business, Risk Management Solutions, Inc. ("**RMS**"), a special distribution to all shareholders of substantially all of the cash in the Group and its stake in Cazoo Group and, subject to the satisfaction of certain pre-conditions, an offer for DMGT by its controlling shareholder, RCL.

The Non-conflicted DMGT Directors and RCL are pleased to announce that all the pre-conditions are now satisfied and that they have reached agreement on the definitive terms of the special distribution and on a recommended cash offer (the "**Offer**") to be made by RCL to acquire all the issued and to be issued DMGT A Shares not already owned by RCL (the "**Offer Shares**").

Summary of the Reorganisation

- Under the terms of the Offer, DMGT A Shareholders (being all DMGT Shareholders that hold DMGT A Shares other than RCL) will be entitled to receive:

255 pence in cash for each DMGT A Share (the "Offer Price").

The Offer Price has been increased from that announced on 12 July 2021 to reflect a decrease in the fair value of DMGT's long term debt.

- In conjunction with the Offer, the Non-conflicted DMGT Directors intend to declare a single distribution to all DMGT Shareholders (being all holders (including RCL) of DMGT A Shares and DMGT Ordinary Shares (together, "**DMGT Shares**")) who are on the register of members of DMGT at 6.00 p.m. (London time) on the Record Date (being the day on which the Offer becomes or is declared unconditional) comprising:

568 pence in cash for each DMGT Shareⁱ (the "Cash Element of the Special Dividend")

and

0.5749 Cazoo Shares for each DMGT Shareⁱ,

subject to the Tax Adjustment Mechanism and rounding for each DMGT Shareholder (the "**Share Element of the Special Dividend**"),

the Cash Element of the Special Dividend and the Share Element of the Special Dividend together being the "**Special Dividend**".

- The Offer will be conditional on (amongst other things) the declaration of the Special Dividend; and settlement of the Special Dividend will be conditional upon the Offer becoming or being declared unconditional. Therefore, in the event that the Offer does not become or is not declared unconditional, there will be no Special Dividend.
- Based on the closing price of a Cazoo Share of \$10.01 on 2 November 2021 (being the last business day in New York before the date of this announcement) and the Announcement Exchange Rate, the Special Dividend has an aggregate value of 991 pence per DMGT Share.

- In addition, RCL has agreed that the DMGT Board should recommend for approval, in accordance with its existing dividend policy, a final dividend in respect of FY 2021 of 17.3 pence per DMGT Share (the **"2021 Proposed Final Dividend"**).ⁱⁱ If approved, the 2021 Proposed Final Dividend is expected to be paid on or about 4 February 2022 to DMGT Shareholders on the register on 26 November 2021, regardless of whether the Offer becomes or is declared unconditional.
- At the time of the Possible Offer Announcement, the estimated value of the Cash Element of the Special Dividend was 610 pence per DMGT Share. As a result of a number of deductions (the most significant of which are summarised below), the cash DMGT A Shareholders will receive under the Cash Element of the Special Dividend will be 568 pence per DMGT A Share.
- However, this overall reduction in the Cash Element of the Special Dividend will be offset by a greater number of Cazoo Shares being distributed to DMGT Shareholders as part of the Share Element of the Special Dividend (as explained below) and by the payment of the 2021 Proposed Final Dividend of 17.3 pence per DMGT Share, which RCL has agreed that the DMGT Board should recommend for approval. This will have the effect of increasing the cash distribution over and above the anticipated cash on balance sheet by approximately £40 million, the cost of which will be borne by RCL if its Offer is accepted.
- The change in the amount of cash available to pay DMGT Shareholders under the Special Dividend is due to the following:
 - a lower number of Cazoo Shares having been sold or redeemed by DMGT under the Cazoo IPO than had been expected at the time of the Possible Offer Announcement. This reduction in cash of approximately £62 million, which represents approximately 27 pence of cash per DMGT Share, will be offset by a greater number of Cazoo Shares having been received under the Cazoo IPO and distributed to DMGT Shareholders as part of the Share Element of the Special Dividend. As at the Business Day before the date of this announcement, the value of such shares represents approximately 27 pence per DMGT Share;
 - additional pension contributions of £40 million over and above that which had been assumed at the time of the Possible Offer Announcement in connection with the Reorganisation (as explained in section 8 below). This reduction represents approximately 17 pence of cash per DMGT Share; and
 - a positive adjustment of approximately £5 million, representing 2 pence per DMGT Share, addresses the expected underlying change in the cash position of DMGT from FY 2021 to the declaration of the Special Dividend.
- Calculated on the basis described above, the aggregate value DMGT A Shareholders would therefore receive under the terms of the Offer, the Special Dividend and the 2021 Proposed Final Dividend (if approved) would be 1263 pence per DMGT A Share (the **"Transaction Value"**).
- The Transaction Value represents:
 - > a premium of 21.5 per cent. to the Closing Price of 1040 pence per DMGT A Share on 9 July 2021 (being the last Business Day before the date of the Possible Offer Announcement)
 - > a premium of 39 per cent. to the three month volume weighted average Closing Price of 909 pence per DMGT A Share on 9 July 2021 (being the last Business Day before the date of the Possible Offer Announcement)
 - > a premium of 42 per cent. to the six month volume weighted average Closing Price of 890 pence per DMGT A Share on 9 July 2021 (being the last Business Day before the date of the Possible Offer Announcement)

Recommendation

- The Non-conflicted DMGT Directors, who have been so advised by J.P. Morgan Cazenove and Credit Suisse as to the financial terms of the Offer taking into account the Special Dividend, consider the terms of the Offer to be fair and reasonable. In providing its financial advice to the Non-conflicted DMGT Directors, J.P. Morgan Cazenove and Credit Suisse have taken into account the commercial assessments of the Non-conflicted DMGT Directors. J.P. Morgan Cazenove is providing independent financial advice to the Non-conflicted DMGT Directors for the purposes of Rule 3 of the Code.
- Accordingly, the Non-conflicted DMGT Directors intend unanimously to recommend that DMGT A Shareholders accept or procure acceptance of the Offer. In light of the tax considerations described below and, in the case of Tim Collier and Kevin Beatty, to make use of unused capital losses which they have carried forward from the transactions surrounding DMGT's distribution of its shares in Euromoney Institutional Investor plc in 2019, each of Kevin Parry, Tim Collier, and Kevin Beatty are considering selling some or all of their beneficial holdings of 12,565, 452,259 and 607,128 Offer Shares, respectively, in the market following the publication by the Group of the audited results for FY 2021 on 18 November 2021. To the extent they do not sell all of their Offer Shares in the market, Kevin Parry, Tim Collier and Kevin Beatty have also irrevocably undertaken to accept or procure the acceptance of the Offer in respect of their own beneficial holdings not sold in the market up to a maximum of 1,071,952 Offer Shares in aggregate, representing approximately 0.509 per cent of the DMGT A Shares (and 0.465 per cent of the entire issued share capital of DMGT) on 2 November 2021 (being the last Business Day before this announcement).
- A general description concerning certain limited aspects of the taxation consequences of accepting the Offer and of the Special Dividend and the 2021 Proposed Final Dividend for DMGT Shareholders resident in the UK and the US for tax purposes will be set out in the Offer Document. DMGT A Shareholders resident in the UK or the US for tax purposes should read this description in the Offer Document carefully, bearing in mind that, based on the assumptions set out above, the Transaction Value to DMGT A Shareholders is split between 568 pence in cash for each DMGT Share in the form of the Cash Element of the Special Dividend, 0.5749 Cazoo Shares for each DMGT Share in the form of the Share Element of the Special Dividend, 17.3 pence per DMGT Share in the form of the 2021 Proposed Final Dividend, and 255 pence per DMGT A Share as consideration for the sale of their DMGT A Shares to RCL. Depending on their personal circumstances, DMGT A Shareholders resident in the UK for tax purposes are likely to be taxed at higher rates of tax on the receipt of a dividend than on the receipt for the sale of their shares to RCL. Similar considerations may apply for DMGT A Shareholders that are US Holders.

DMGT A Shareholders are strongly recommended to consult their own tax and financial advisers before accepting the Offer.

Shareholdings and Irrevocable Undertakings

- Based on information currently held by DMGT and RCL, RCL and its concert parties are together interested in approximately 63,772,905 DMGT A Shares, representing approximately 30.3 per cent. of the DMGT A Shares in issue, and 19,890,364 DMGT Ordinary Shares, being all the DMGT Ordinary Shares in issue.

- RCL has received irrevocable undertakings from relevant Non-conflicted DMGT Directors to accept, or procure the acceptance of, the Offer in respect of a maximum of 1,071,952 Offer Shares, representing approximately 0.509 per cent. of the DMGT A Shares in issue, and approximately 0.465 per cent of all DMGT Shares in issue, in each case on 2 November 2021 (being the last Business Day before the date of this announcement).

Comments on the Offer

- Commenting on today's announcement, Viscount Rothermere, director of RCL, said:

"The sale of RMS and the Cazoo IPO have delivered excellent shareholder returns, but inevitably DMGT is now a considerably smaller group of businesses, with significantly greater exposure to consumer media. This has led RCL and the DMGT Board to decide to implement a major reorganisation of the Group by distributing the value created by the RMS sale and the Cazoo IPO in conjunction with the Offer. RCL's proposal will now have the effect of increasing the aggregate cash distribution by some £40 million, the cost of which will be borne by RCL if its Offer is accepted. We believe the terms of our Offer to be fair, particularly bearing in mind not only the existing level of debt within DMGT at a time of increasingly difficult market conditions, but also the restrictions imposed on the operation of the business as part of the settlement with the pension trustees."

- Commenting on the Offer, Kevin Parry on behalf of the Non-conflicted DMGT Directors said:

"DMGT has delivered very significant value for all shareholders through the execution of its strategy. This was demonstrated most recently by the sale of RMS for approximately £1,425 million and the Cazoo IPO.

In assessing the Offer, the Non-conflicted DMGT Directors carefully considered the prospects of DMGT following the fulfilment of its strategy. It is now a smaller group with a much higher weighting than recently to consumer media with limited near-term opportunities to deploy cash at attractive returns.

We also considered the implication of the dual share structure and DMGT's standard (i.e. non-premium) listing and believe the value of the Offer cannot be readily reproduced in the market.

So whilst we believe in the future of a standalone DMGT, we believe there are risks associated with continuing as a smaller listed group whereas the Offer from RCL together with the Special Dividend allows DMGT A Shareholders to realise an aggregate value in the near term that we believe to be fair and reasonable."

The Special Dividend

- The settlement mechanism of the Share Element of the Special Dividend remains as announced on 12 July 2021 (see *Share Element of the Special Dividend* in section 2).
- The Cash Element of the Special Dividend, being 568 pence in cash per DMGT Share, reflects the estimated cash resources of the Group immediately prior to the declaration of the Special Dividend (having already received the net cash proceeds on completion of the disposal of RMS), as reduced for: (i) tax liabilities arising in connection with the sale of RMS; (ii) liabilities to or in respect of DMGT's pension schemes; (iii) liabilities under various employee incentives arrangements; and (iv) estimated DMGT transaction costs associated with the Reorganisation; and as increased by drawings under the existing revolving credit facilities. The total cash of the Group as at 30 September 2021 was approximately £1.7 billion.
- It is intended that, subject to the Offer becoming or being declared unconditional, settlement of the Cash Element of the Special Dividend will take place within 14 days of the Record Date.
- It is intended that, subject to the Offer becoming or being declared unconditional, settlement of the Share Element of the Special Dividend will take place following the later of: (i) the expiry of the constitutional lock-up period to which the Cazoo Shares are subject (being up to 6 months following Cazoo Completion on 27 August 2021); and (ii) the expiry of any US securities law restrictions, including customary blackout periods relating to releases of Cazoo Group's results and other material non-public information, which may apply to the transfer by DMGT of the Cazoo Shares at the expiry of the period referred to in (i) above. DMGT cannot provide more specific settlement timings with certainty at the date of this announcement, but based on the information currently available, it is expected that settlement of the Share Element of the Special Dividend will take place in the first half of 2022. DMGT will make a further announcement on the expected timing for settlement when there is greater certainty.
- After the Record Date, settlement of any outstanding claims in relation to DMGT A Shares and the Share Element of the Special Dividend will no longer be supported by Euroclear. As a result, settlement of any claims relating to DMGT A Shares and the Share Element of the Special Dividend will need to be processed separately and bilaterally between the trading counterparties.
- In the event that the Offer does not become or is not declared unconditional, there will be no Special Dividend. However, if approved, the 2021 Proposed Final Dividend would be paid on or about 4 February 2022.**

Structure and Level of Acceptances

- It is intended that the Offer will be effected by means of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act 2006.
- The Offer will be conditional upon RCL having received valid acceptances (which have not been withdrawn) by no later than 1.00 p.m. (London time) on the Unconditional Date (or such later time(s) and/or date(s) as RCL may specify, subject to the rules of the Code and, where applicable, with the consent of the Panel) in respect of not less than 90 per cent. (90%) (or such lower percentage as RCL may decide) in value of the total Offer Shares (the "**Acceptance Condition**"), provided that, without the consent of the Non-conflicted DMGT Directors, this condition shall not be satisfied unless, taken together with DMGT Shares which it already holds, RCL has acquired or agreed to acquire pursuant to the Offer or otherwise more than 50 per cent. (50%) of all DMGT Shares (the "**Minimum Acceptance Threshold**").

Notices

This summary should be read in conjunction with the following full announcement and the Appendices. The Offer will be subject to the Acceptance Condition, the Special Dividend Condition and other conditions set out in Appendix 1 and to the full terms and conditions which will be set out in the Offer Document. Appendix 2 contains unaudited adjusted pro forma financial information on DMGT prepared to illustrate the effect on DMGT income statement of the disposal of the EdTech business, Hobsons, and the disposal of the Insurance Risk business, RMS, which were disposed of

March 2021 and September 2021 respectively. Appendix 3 contains bases and sources of certain information contained in this announcement. Details of irrevocable undertakings received by RCL are set out in Appendix 4. Certain terms used in this announcement are defined in Appendix 5.

A copy of this announcement is available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on DMGT's website at <https://www.dmgt.com/investors> while the Offer remains open for acceptance. For the avoidance of doubt, the contents of this website and of any other website accessible by hyperlinks on this website, are not incorporated by reference into, and do not form part of, this announcement.

Advisers

Lazard is acting as lead financial adviser and Goldman Sachs International is acting as joint financial adviser and corporate broker, in each case to RCL in respect of the Offer. Addleshaw Goddard LLP is acting as legal adviser to RCL in respect of the Offer. Sanctuary Counsel is acting as public relations adviser to RCL in respect of the Offer.

J.P. Morgan Cazenove is acting as lead financial adviser and joint corporate broker, and Credit Suisse is acting as joint financial adviser and joint corporate broker, in each case to DMGT in respect of the Offer. Slaughter and May is acting as legal adviser to DMGT in respect of the Offer and the Special Dividend. Teneo is acting as public relations and media adviser to DMGT in respect of the Offer and the Special Dividend.

ⁱ Excludes DMGT Shares held as treasury shares.

ⁱⁱ The amount of the 2021 Proposed Final Dividend which will be recommended for approval will be confirmed by the DMGT Board at the time of the announcement of the Group's results for FY 2021 on 18 November 2021.

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The person responsible for arranging the release of this announcement for and on behalf of DMGT and RCL is Fran Sallas, DMGT Company Secretary (+44 (0) 20 3615 2904).

IMPORTANT NOTICES

This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be made solely pursuant to the terms of the Offer Document, which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in the Offer Document.

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

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore 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. This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Copies of this announcement and any formal documentation relating to the Offer 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. Unless otherwise permitted by applicable law and regulation, the 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 Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Offer relates to securities in a non-US company registered in England and Wales with a listing on the London Stock Exchange, and is subject to the disclosure requirements, rules and practices applicable to companies listed in the United Kingdom, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with the laws of England and Wales and the rules of the London Stock Exchange. US shareholders should read this entire document. The financial information relating to DMGT included elsewhere in this document has been prepared in accordance with IFRS and has not been prepared in accordance with generally accepted accounting principles in the United States; thus it may not be comparable to financial information relating to US companies. The Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Securities Exchange Act of 1934, as amended, subject to the exemptions provided by Rule 14d-1 under the US Exchange Act and otherwise in accordance with the requirements of the Code. Accordingly, the Offer will be subject to disclosure and other procedural requirements that are different from those applicable under US domestic tender offer procedures. US shareholders should note that DMGT is not listed on an American securities exchange, subject to the periodic reporting requirements of the US Exchange Act or required to, and does not, file any reports with the SEC thereunder.

It may be difficult for US shareholders to enforce certain rights and claims arising in connection with the Offer under US federal securities laws since DMGT is located outside the United States and its officers and most of its directors reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's jurisdiction.

To the extent permitted by applicable law and in accordance with normal UK practice, RCL, J.P. Morgan Securities plc, Credit Suisse International, Lazard & Co., Limited, Goldman Sachs International or any of their affiliates holding an exempt status granted by the Panel, subject to restrictions under Rule 38 of the Code, may make certain purchases of, or arrangements to purchase DMGT A Shares outside the United States during the period in which the Offer remains open for acceptance, including sales and purchases of DMGT A Shares effected by J.P. Morgan Securities plc, Credit Suisse International, Lazard & Co., Limited or Goldman Sachs International, acting as market maker in the DMGT A Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the US Exchange Act by virtue of relief granted by Rule 14e-5(b)(12) thereunder, such purchases, or arrangements to purchase, must comply with applicable English law and regulation, including the listing rules of the FCA, and the relevant provisions of the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom and the United States and, if required, will be reported via a Regulatory Information Service of the London Stock Exchange and available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is made public in the United Kingdom, this information will also be publically available to shareholders in the United States.

Rule 26.1 Disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at <https://www.dmgt.com/investors>, by no later than 12 noon (London time) on 4 November 2021 (being the Business Day following the date 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.

Requesting Hard Copy Documents

In accordance with Rule 30.3 of the Code, DMGT A Shareholders and persons with information rights may request a hard copy of this announcement by contacting Fran Sallas, DMGT Company Secretary (+44 (0) 20 3615 2904). 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 them in relation to the Offer should be in hard copy form.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, as at the close of business on 2 November 2021 (being the Business Day prior to the date of this announcement), DMGT confirms that it had in issue, including shares held in the Employee Benefit Trust and excluding shares held in Treasury, 210,798,306 DMGT A Shares, which are listed on the London Stock Exchange, and 19,890,364 DMGT Ordinary Shares, which are unlisted. The International Securities Identification Number (ISIN) of the DMGT A Shares is GB00BJQZC279.

Other 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. 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 the offeree company. 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. Relevant persons who deal in the relevant securities of the offeree company 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. 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 the offeree company, 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, 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.

Disclaimers

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove, is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as lead financial adviser for DMGT and no one else in connection with the Offer and will not regard any other person as its client in relation to the Offer or any other matter referred to in this announcement and will not be responsible to anyone other than DMGT for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Offer or any matter or arrangement referred to herein.

Credit Suisse International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as joint financial adviser for DMGT and no one else in connection with the Offer only and will not regard any other person as its client in relation to the Offer or any other matter referred to in this announcement and will not be responsible to anyone other than DMGT for providing the protections afforded to clients of Credit Suisse, nor for providing advice to any other person in relation to the content of this announcement or any other matter referenced herein. Neither Credit Suisse nor any of its Subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this announcement, any statement contained herein or otherwise.

Lazard, which is authorised and regulated in the United Kingdom by the FCA, is acting as lead financial adviser to RCL, and no one else, in connection with the Offer, and will not be responsible to anyone other than RCL for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Offer, or any other matter or arrangement referred to herein. Neither Lazard 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 Lazard in connection with the Offer, this announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

Goldman Sachs International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as joint financial adviser to RCL, and no one else, in connection with the Offer, and will not be responsible to anyone other than RCL for providing the protections afforded to clients of Goldman Sachs nor for providing advice in relation to the Offer or any other matter or arrangement referred to herein. Neither Goldman Sachs 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 Goldman Sachs in connection with the Offer, this announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

Forward-Looking Statements

This announcement may contain certain forward-looking statements with respect to the financial condition, results of operations and business of DMGT and certain plans and objectives of RCL with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aims", "continue", "will", "may", "should", "would", "could", or other words of similar meaning. These statements are based on assumptions and assessments made by DMGT, and/or RCL in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. 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 and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither DMGT nor RCL assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. These factors include uncertainties surrounding the Covid-19 pandemic and the ongoing impact of the Covid-19 pandemic on general economic conditions.

Additional Information About the Offer and Where to Find It

This communication relates to a cash offer to acquire all the issued and to be issued DMGT A Shares not already owned by RCL. In connection with the Special Dividend, Cazoo Group has filed a registration statement on Form F-1 with the SEC, which was declared effective on 5 October 2021. This communication does not contain all the information that should be considered concerning the Offer and is not intended to form the basis of any investment decision or any other decision in respect of the Offer. Before making any investment decision, investors and security holders are urged to read the registration statement and all other relevant documents filed or that will be filed with the SEC in connection with the offer as they become available because they will contain important information about the transaction.

Investors and security holders will be able to obtain free copies of the registration statement and all other relevant documents filed or that will be filed with the SEC by Cazoo Group through the website maintained by the SEC at www.sec.gov. In addition, the documents filed by DMGT may be obtained free of charge in written request to DMGT at Northcliffe House, 2 Derry Street, London W8 5TT, United Kingdom.

Not for release, publication or distribution, in whole or in part, in or into any Restricted Jurisdictions or jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

This announcement contains inside information.

3 November 2021

MAJOR REORGANISATION OF DMGT

comprising

RECOMMENDED CASH OFFER

for

DAILY MAIL AND GENERAL TRUST PLC ("DMGT")

by

ROTHERMERE CONTINUATION LIMITED ("RCL")

and

PROPOSED DISTRIBUTION TO ALL SHAREHOLDERS

1. Introduction

As announced on 12 July 2021, the DMGT Board has decided to implement a major reorganisation of DMGT, including the sale of its insurance risk business, Risk Management Solutions, Inc. ("RMS"), a special distribution to all shareholders of substantially all of the cash in the Group and its stake in Cazoo Group and, subject to the satisfaction of certain pre-conditions, an offer for DMGT by its controlling shareholder, RCL.

The Non-conflicted DMGT Directors and RCL are pleased to announce that all the pre-conditions are now satisfied and that they have reached agreement on the definitive terms of the special distribution and on a recommended cash offer (the "Offer") to be made by RCL to acquire all the issued and to be issued DMGT A Shares not already owned by RCL (the "Offer Shares").

The Non-conflicted DMGT Directors, who have been so advised by J.P. Morgan Cazenove and Credit Suisse as to the financial terms of the Offer taking into account the Special Dividend, consider the terms of the Offer to be fair and reasonable. In providing their financial advice to the Non-conflicted DMGT Directors, J.P. Morgan Cazenove and Credit Suisse have taken into account the commercial assessments of the Non-conflicted DMGT Directors. J.P. Morgan Cazenove is providing independent financial advice to the Non-conflicted DMGT Directors for the purposes of Rule 3 of the Code. A summary of the background to and reasons for this conclusion are set out below in section 4 of this announcement.

Viscount Rothermere, Andrew Lane, François Morin, David Nelson and Paul Zwillenberg are not involved in any recommendation of the Offer by the DMGT Board on account of their association with RCL.

2. The Offer, the Special Dividend and the 2021 Proposed Final Dividend

The Offer

The Offer relates only to the Offer Shares, being all the issued and to be issued DMGT A Shares not owned by RCL.

Under the terms of the Offer, DMGT A Shareholders (being all DMGT Shareholders that hold DMGT A Shares other than RCL) will be entitled to receive:

255 pence in cash for each DMGT A Share (the "Offer Price").

The Offer Price has been increased from that announced on 12 July 2021 to reflect a decrease in the fair value of DMGT's long term debt.

Further detail on the composition of the assets and liabilities that will comprise DMGT following settlement of the Special Dividend are set out in section 4 of this announcement. The value of the Offer has been determined by RCL on the basis of the Special Dividend and the 2021 Proposed Final Dividend having been paid to DMGT Shareholders.

Special Dividend

In conjunction with the Offer, the Non-conflicted DMGT Directors intend to declare a single distribution to all DMGT Shareholders (being all holders (including RCL) of DMGT A Shares and DMGT Ordinary Shares (together, "DMGT Shares")) who are on the register of members of DMGT at 6.00 p.m. (London time) on the Record Date (being the day on which the Offer becomes or is declared unconditional) comprising:

568 pence in cash for each DMGT Shareⁱ (the "Cash Element of the Special Dividend")

and

0.5749 Cazoo Shares for each DMGT Shareⁱ,

subject to the Tax Adjustment Mechanism and rounding for each DMGT Shareholder (the "**Share Element of the Special Dividend**"),

the Cash Element of the Special Dividend and the Share Element of the Special Dividend together being the "**Special Dividend**".

The Offer will be conditional on (amongst other things) the declaration of the Special Dividend; and settlement of the Special Dividend will be conditional upon the Offer becoming or being declared unconditional. Therefore, in the event the Offer does not become or is not declared unconditional, there will be no Special Dividend.

2021 Proposed Final Dividend

RCL has agreed that the DMGT Board should recommend for approval, in accordance with its existing dividend policy, a final dividend in respect of FY 2021 of 17.3 pence per DMGT Share (the "**2021 Proposed Final Dividend**"). If approved, the 2021 Proposed Final Dividend is expected to be paid on or about 4 February 2022 to DMGT Shareholders on the register on 26 November 2021, regardless of whether the Offer becomes or is declared unconditional.

Transaction Value

The Transaction Value, which is determined on a per DMGT A Share basis, should be considered by DMGT Shareholders by taking the value of the Special Dividend, the 2021 Proposed Final Dividend and the Offer for DMGT in aggregate.

Based on the closing price of a Cazoo Share of \$10.01 on 2 November 2021 (being the last business day in New York before the date of this announcement) and the Announcement Exchange Rate, the Special Dividend has an aggregate value of 991 pence per DMGT Share.

Calculated on the basis described above, the aggregate value DMGT A Shareholders would therefore receive under the terms of the Offer, the Special Dividend and the 2021 Proposed Final Dividend (if approved) would be 1263 pence per DMGT A Share (the "**Transaction Value**").

- The Transaction Value represents:

- > a premium of 21.5 per cent. to the Closing Price of 1040 pence per DMGT A Share on 9 July 2021 (being the last Business Day before the date of the Possible Offer Announcement)
- > a premium of 39 per cent. to the three month volume weighted average Closing Price of 909 pence per DMGT A Share on 9 July 2021 (being the last Business Day before the date of the Possible Offer Announcement)
- > a premium of 42 per cent. to the six month volume weighted average Closing Price of 890 pence per DMGT A Share on 9 July 2021 (being the last Business Day before the date of the Possible Offer Announcement)

Cash Element of the Special Dividend

The Cash Element of the Special Dividend, being 568 pence in cash per DMGT Share, reflects the estimated cash resources of the Group immediately prior to the declaration of the Special Dividend (having already received the net cash proceeds on completion of the disposal of RMS), as reduced for: (i) tax liabilities arising in connection with the sale of RMS; (ii) liabilities to or in respect of DMGT's pension schemes; (iii) liabilities under various employee incentives arrangements; and (iv) estimated DMGT transaction costs associated with the Reorganisation; and as increased by drawings under the existing revolving credit facilities. The total cash of the Group as at 30 September 2021 was approximately £1.7 billion.

At the time of the Possible Offer Announcement, the estimated value of the Cash Element of the Special Dividend was 610 pence per DMGT Share. As a result of a number of deductions (the most significant of which are summarised below), the cash DMGT A Shareholders will receive under the Cash Element of the Special Dividend will be 568 pence per DMGT A Share.

However, this overall reduction in the Cash Element of the Special Dividend will be offset by a greater number of Cazoo Shares being distributed to DMGT Shareholders as part of the Share Element of the Special Dividend (as explained below) and by the payment of the 2021 Proposed Final Dividend of 17.3 pence per DMGT Share, which RCL has agreed that the DMGT Board should recommend for approval. This will have the effect of increasing the cash distribution over and above the anticipated cash on balance sheet by approximately £40 million, the cost of which will be borne by RCL if its Offer is accepted.

The change in the amount of cash available to pay DMGT Shareholders under the Special Dividend is due to the following:

- a lower number of Cazoo Shares having been sold or redeemed by DMGT under the Cazoo IPO than had been expected at the time of the Possible Offer Announcement. This reduction in cash of approximately £62 million, which represents approximately 27 pence of cash per DMGT Share, will be offset by a greater number of Cazoo Shares having been received under the Cazoo IPO and distributed to DMGT Shareholders as part of the Share Element of the Special Dividend. As at the Business Day before the date of this announcement, the value of such shares represents approximately 27 pence per DMGT Share;
- additional pension contributions of £40 million over and above that which had been assumed at the time of the Possible Offer Announcement in connection with the Reorganisation (as explained in section 8 below). This reduction represents approximately 17 pence of cash per DMGT Share; and
- a positive adjustment of approximately £5 million, representing 2 pence per DMGT Share, addresses the expected underlying change in the cash position of DMGT from FY 2021 to the declaration of the Special Dividend.

It is intended that, subject to the Offer becoming or being declared unconditional, settlement of the Cash Element of the Special Dividend will take place within 14 days of the Record Date.

The date on which DMGT Shares will start trading without an entitlement to receive the Special Dividend (i.e. the ex-dividend date) will be the day after the Record Date. Unless the counterparties specifically agree otherwise, a buyer of DMGT A Shares ahead of the ex-dividend date for the Special Dividend will assume the benefit of the Special Dividend and the seller would need to pass this benefit to any purchaser of DMGT A Shares, even if the seller is the recorded owner at the Record Date.

Share Element of the Special Dividend

In the event that the sterling equivalent of the opening share price of a Cazoo Share on the Settlement Calculation Date is greater than the Cazoo Share Base Cost (being £7.38), the number of Cazoo Shares distributed for each DMGT Share will be reduced in order to allow DMGT to retain sufficient Cazoo Shares as would allow DMGT, on an after-tax basis, to cover its estimated tax liability, if any (and determined by DMGT at its absolute discretion), on the distribution of the Cazoo Shares to DMGT Shareholders (the "**Tax Adjustment Mechanism**").

To the extent that the sterling equivalent market value of the Cazoo Shares being distributed is greater (on the date on which the Share Element of the Special Dividend is settled) than the Cazoo Share Base Cost (being £7.38) which is DMGT's sterling equivalent base cost for tax purposes in those shares, DMGT will crystallise a taxable chargeable gain on the distribution of the Cazoo Shares. The reason that the sterling equivalent of the Cazoo Share market value and base cost is relevant is because DMGT's chargeable gains are calculated in line with its functional currency, pounds sterling.

The Share Element of the Special Dividend will therefore be calculated to allow DMGT to retain such number of Cazoo Shares as DMGT determines in its absolute discretion will cover its estimated tax liability, if any, on the distribution of the Cazoo Shares, and the sale of any shares so held back. This can be only an estimate of DMGT's potential tax liability on the distribution of the Cazoo Shares because, amongst other reasons, the number of shares being distributed to DMGT Shareholders will be calculated no later than 3 Business Days before the settlement of the Share Element of the Special Dividend (such being the latest practicable date).

It is intended that, subject to the Offer becoming or being declared unconditional, settlement of the Share Element of the Special Dividend will take place following the later of: (i) the expiry of the constitutional lock-up period to which the Cazoo Shares are subject (being up to 6 months following Cazoo Completion on 27 August 2021); and (ii) the expiry of any US securities law restrictions, including customary blackout periods relating to releases of Cazoo Group's results and other material non-public information, which may apply to the transfer by DMGT of the Cazoo Shares at the expiry of the period referred to in (i) above. DMGT cannot provide more specific settlement timings with certainty at the date of this announcement, but based on the information currently available, it is expected that settlement of the Share Element of the Special Dividend will take place in the first half of 2022. DMGT will make a further announcement on the expected timing for settlement when there is greater certainty.

In the event the Offer does not become or is not declared unconditional, there will be no Special Dividend. However, if approved, the 2021 Proposed Final Dividend would be paid on or about 4 February 2022.

Further details on the settlement process in respect of the Special Dividend will be provided in the Offer Document. However, after the Record Date DMGT Shareholders should note that given the delayed settlement of the Share Element of the Special Dividend, settlement of any outstanding claims in relation to DMGT A Shares and the Share Element of the Special Dividend will no longer be supported by Euroclear. As a result, settlement of any claims relating to DMGT A Shares and the Share Element of the Special Dividend will need to be processed separately and bilaterally between the trading counterparties.

Other terms of the Offer

Offer Shares which will be acquired under the Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement other than the Special Dividend and the 2021 Proposed Final Dividend.

Certain further terms and conditions of the Offer are set out in Appendix 1 of this announcement and the full terms and conditions will be set out in the Offer Document.

It is expected that the Offer Document will be published as soon as reasonably practicable and in any event within 28 days of the date of this announcement (unless agreed otherwise with the Panel). Further information about the Offer will be set out in the Offer Document.

3. Recommendation

The Non-conflicted DMGT Directors, who have been so advised by J.P. Morgan Cazenove and Credit Suisse as to the financial terms of the Offer taking into account the Special Dividend, consider the terms of the Offer to be fair and reasonable. In providing their financial advice to the Non-conflicted DMGT Directors, J.P. Morgan Cazenove and Credit Suisse have taken into account the commercial assessments of the Non-conflicted DMGT Directors. J.P. Morgan Cazenove is providing independent financial advice to the Non-conflicted DMGT Directors for the purposes of Rule 3 of the Code.

Accordingly, the Non-conflicted DMGT Directors intend unanimously to recommend that DMGT A Shareholders accept or procure acceptance of the Offer. In light of the tax considerations described below and, in the case of Tim Collier and Kevin Beatty, to make use of unused capital losses which they have carried forward from the transactions surrounding DMGT's distribution of its shares in Euromoney Institutional Investor plc in 2019, each of Kevin Parry, Tim Collier, and Kevin Beatty are considering selling some or all of their beneficial holdings of 12,565, 452,259 and 607,128 Offer Shares, respectively, in the market following the publication by the Group of the audited results for FY 2021 on 18 November 2021. To the extent they do not sell all of their Offer Shares in the market, Kevin Parry, Tim Collier and Kevin Beatty have also irrevocably undertaken to accept or procure the acceptance of the Offer in respect of their own beneficial holdings not sold in the market up to a maximum of 1,071,952 Offer Shares in aggregate, representing approximately 0.509 per cent of the DMGT A Shares (and 0.465 per cent of the entire issued share capital of DMGT) on 2 November 2021 (being the last Business Day before this announcement).

A general description concerning certain limited aspects of the taxation consequences of accepting the Offer and of the Special Dividend and the 2021 Proposed Final Dividend for DMGT Shareholders resident in the UK and the US for tax purposes will be set out in the Offer Document. DMGT A Shareholders resident in the UK or the US for tax purposes should read this description in the Offer Document carefully, bearing in mind that, based on the assumptions set out above, the Transaction Value to DMGT A Shareholders is split between 568 pence in cash for each DMGT Share in the form of the Cash Element of the Special Dividend, 0.5749 Cazoo Shares for each DMGT Share in the form of the Share Element of the Special Dividend, 17.3 pence per DMGT Share in the form of the 2021 Proposed Final Dividend, and 255 pence per DMGT A Share as consideration for the sale of their DMGT A Shares to RCL. Depending on their personal circumstances, DMGT A Shareholders resident in the UK for tax purposes are likely to be taxed at higher rates of tax on the receipt of a dividend than on the receipt for the sale of their shares to RCL. Similar considerations may apply for DMGT A Shareholders that are US Holders.

DMGT A Shareholders are strongly recommended to consult their own tax and financial advisers before accepting the Offer.

Viscount Rothermere, Andrew Lane, François Morin, David Nelson and Paul Zwillenberg are not involved in any recommendation of the Offer by the DMGT Board on account of their association with RCL. In light of the tax considerations set out above, Paul Zwillenberg is considering selling some or all of his beneficial holdings of 506,478 Offer Shares in the market following publication by the Group of the audited results for FY 2021 on 18 November 2021.

4. Background to and reasons for the Reorganisation and the Offer

Introduction

Set out below is a summary of the background to the Reorganisation, the terms of the related Offer, information on the Special Dividend and an explanation why:

- the DMGT Board considers that the Reorganisation is in the best interests of the DMGT Shareholders; and
- the Non-conflicted DMGT Directors, who have been so advised by J.P. Morgan Cazenove and Credit Suisse as to the financial terms of the Offer taking into account the Special Dividend, are unanimously recommending that DMGT A Shareholders accept or procure acceptance of the Offer. In providing their financial advice to the Non-conflicted DMGT Directors, J.P. Morgan Cazenove and Credit Suisse have taken into account the commercial assessments of the Non-conflicted DMGT Directors.

Strategic developments

Following a substantial programme of disposals of businesses, the DMGT Board has considered the future of DMGT.

In the twenty years prior to the current strategy, which commenced in 2016, the Group evolved considerably, moving from one dominated by newspaper businesses to a diversified Group comprising consumer media and B2B information businesses. The DMGT Board used media cash flows to invest primarily in information businesses to drive future capital value. The evolution occurred before information businesses were as much in demand and as highly priced as they have been over the last five years.

In light of increased values of information-related businesses and differing growth, profit and cash generation expectations from our individual businesses, the DMGT Board's strategy has in recent years transitioned to managing the portfolio actively by selling as well as buying businesses. The DMGT Board has been a disciplined buyer and seller of assets. Latterly, disposals have represented better value than continued management of information businesses resulting in sales of, notably, DMGT's interests in Zoopla, Genscape, Hobsons, and RMS, as well as the listing of Cazoo, for high multiples, and the distribution to DMGT Shareholders of DMGT's shares in Euromoney.

The strategy has allowed the DMGT Board to recommend ordinary dividends growing consistently ahead of inflation, whilst at the same time transforming DMGT's balance sheet from a net debt to a substantial net cash position whilst also making substantial pension contributions.

Why the DMGT Board has chosen the Reorganisation

Following the listing of Cazoo, and disposals of RMS and Hobsons, DMGT is at an inflection point. The DMGT Board has considered at length whether it would be in DMGT Shareholders' interests to retain the net cash proceeds of such disposals and the stake in Cazoo to reinvest or to distribute the resulting value directly to all DMGT Shareholders, including RCL.

The DMGT Board is not aware of compelling acquisition opportunities of information-related businesses at prices that the DMGT Board would find attractive. Whilst there are some small scale opportunities in media-related businesses, they tend to be smaller, bolt-on opportunities with lower growth characteristics. The DMGT Board has therefore concluded that it is very unlikely to be able to invest the whole proceeds of recent disposals in the near term or, potentially, the medium term. It also concluded that any investment would be likely to increase the exposure of the Group to media-related businesses. The DMGT Board is conscious that significant acquisitions of media businesses would change the profile of the Group and might be inconsistent with the investment objectives of a significant proportion of DMGT Shareholders. Further, prior to any such acquisitions being executed, the Group would hold significant cash balances or financial investments yielding low returns for a considerable period of time.

Consequently, the DMGT Board has concluded that a substantial distribution - the Special Dividend - would deliver better value to DMGT Shareholders for the foreseeable future than cash proceeds being retained by DMGT. The effect of the Special Dividend would be to reduce permanently the size of the Group; leaving a higher proportion of assets being concentrated in media-related businesses; and reduce its capacity to generate profits (which will determine the future quantum of dividends).

As part of the Reorganisation, RCL has confirmed to the DMGT Board that, inter-conditional with the Special Dividend being declared by the Non-conflicted DMGT Directors and paid, it is prepared to make the Offer to acquire all the issued and to be issued DMGT A Shares not already owned by RCL.

Other relevant factors

In addition to considering the composition of the Group, its current trading and future prospects together with its financial position, the Non-Conflicted DMGT Directors have, in reaching their recommendation, taken account of structural and constitutional considerations, in particular:

- the DMGT A Shares have a standard listing on the Main Market of the London Stock Exchange. As only companies with a premium listing of shares are eligible for inclusion in the FTSE UK Index Series, DMGT does not feature as part of the FTSE 250 index and notably DMGT A Shares cannot be purchased by FTSE-indices tracker funds. The DMGT A Shares were excluded from the MSCI Small Cap Index in May 2021 due to the limited liquidity of the shares, further reducing ownership of the shares by tracker funds. Also relevantly, RCL and its concert parties own 30.3 per cent. of the DMGT A Shares. All these factors contribute to limited liquidity of DMGT A Shares;
- the DMGT Board considers DMGT to be a permanent capital company (i.e. a company that does not raise additional equity or regularly return equity by means of special dividends). DMGT therefore does not use new equity finance to fund expansion; and
- all of the DMGT Ordinary Shares are held by RCL, giving it absolute voting control of DMGT and RCL has informed the DMGT Board that a reduction of its control (and therefore any change in the holding structure of the DMGT Ordinary Shares) would not be contemplated and that it would not agree to any special dividend unless the Offer is declared unconditional because RCL's main purpose is to hold its interest in DMGT.

Cash considerations

Except for the agreed pension contributions, tax liabilities associated with the disposal of RMS, DMGT's expenses of the Reorganisation and an amount to settle liabilities in respect of employee share schemes, it is anticipated that an amount in excess of the estimated entire cash balance of the Group immediately prior to declaration of the Special Dividend will be distributed as part of either the Cash Element of the Special Dividend or the 2021 Proposed Final Dividend. Further, no cash will be held in escrow following the pension contributions being made (see section 8 below for further information on the pension schemes and the outcome of negotiations between DMGT and the trustees of the pension schemes). The Cash Element of the Special Dividend and the 2021 Proposed Final Dividend have the effect of reducing the value of the remaining businesses because they will not be left with any cash working capital or funds for further investment as a consequence of maximising the cash distributable to all DMGT Shareholders. The normal working capital requirements of the remaining businesses will be financed by cash generated post-Special Dividend and borrowings drawn from existing undrawn revolving credit facilities. This will also have an impact on the expected dividend capacity/policy of DMGT following the Offer - see further section 10 below. Following completion of the Offer, the payment of the Special Dividend and the payment of the 2021 Proposed Final Dividend, it is anticipated that DMGT will have long term debt with a fair value of approximately £220 million and drawings under the revolving credit facility, which will be required to fund the payment of the 2021 Proposed Final Dividend.

Following completion of the Offer, DMGT will continue to bear the central administrative costs of the Group, including administration of the pension schemes.

Business of DMGT following the Reorganisation

After the Reorganisation has been completed in full, including settlement of the Share Element of the Special Dividend, DMGT will comprise the following businesses:

- **Consumer Media**, which comprises: the Daily Mail, The Mail on Sunday, MailOnline, Metro, the i, New Scientist and the Knowledge. This group of businesses share, to varying degrees, resources for management including the management of libel and copyright risk, properties for printing and offices, titles and branding, news generation, direct and indirect advertising and marketing, paper and ink acquisition, printing, circulation and distribution. MailOnline and Metro are free to consumers. The other publications command a cover price. All publications attract advertising revenue with some dependency on portals for advertising and readership. Distribution, with the exception of MailOnline, is primarily UK-based. As is widely recognised, print newspapers are in long term decline due to the changing pattern of consumer behaviour which in turn negatively impacts the quantity and price of advertising and restricts the ability to increase cover prices without accelerating the decline in circulation. The effect of changing consumer behaviour during the pandemic has increased the rate of decline in print newspapers. MailOnline continues to perform well through its free-to-consumer business model financed by advertising revenue. Metro is currently substantially loss-making due to the lack of footfall at travel stations. The Knowledge is a start-up publication with costs not yet covered by revenue. The separation of any of the media businesses would result in dis-synergies which would increase the costs of remaining businesses. Such dis-synergies would be most extreme in respect of the Mail titles.
- **Property Information**, which comprises Trepp, a financial services data provider based in the US, and Landmark, a provider of information used for British property transactions. Trepp is a growing business which is currently successfully diversifying. Landmark is a cyclical business correlated to the UK property market with a substantial market share and is investing to diversify its revenue streams. The two businesses operate separately.
- **dmg events**, which runs trade shows outside the United Kingdom. It has been severely impacted by whole and partial cancellations due to Covid-19 restrictions. Recently, it has been possible to run limited, curtailed shows but there is lower demand for trade stands which are the primary driver of income. The level of future profitability depends on the extent that in-person trade shows return in the future; the levels of attendance; and demand for trade stands at the shows. The division is aware that its portfolio of shows is currently highly dependent on carbon-generating industries but is confident it can transition in line with its exhibitors' commitments to carbon reduction.
- **dmg ventures**, which comprises early-stage minority investments that are valued in line with recognised private equity standards. Most investments are loss-making. The DMGT Board is aware of one possible exit, but that is not anticipated to give rise to material cash proceeds.

In relation to all of these businesses, there is technology deficit (i.e. a backlog of necessary expenditure) estimated to be of the order of £39 million across all the remaining businesses. That deficit will be incurred in the current and future financial years and is not, in accordance with accounting standards, recorded as a liability on the balance sheet.

Group overheads comprise costs not attributable to an individual business, including the costs of the DMGT Board, legal, secretarial, HR and pensions, treasury, finance, IT and security, risk, internal and external audit, and property costs not attributable to individual businesses. There have been modest savings as a result of the decrease in size of the Group in the FY 2021. In addition, the remaining businesses will continue to bear all the liabilities associated with DMGT pension schemes (that mainly originate from the newspaper businesses) and are described in more detail in section 8 below.

The DMGT Board has not received recent offers for any of the businesses mentioned above and is not minded to seek any offers because taken as a whole the cash generative businesses are capable of supporting the businesses that need restructuring over the next five years and servicing the debt remaining in the Group.

Pro forma results comprising the continuing businesses and overheads of the Group (i.e. excluding RMS and Hobsons) for the 12 months ended 31 March 2021 are set out in Appendix 2 and show adjusted pro forma basic earnings per share of 9.5 pence per DMGT Share. The DMGT Board intends to publish the Group's audited results for FY 2021 on 18 November 2021, including similar pro forma information for FY 2021.

Current trading of the Group

The Group's audited results for FY 2021 will contain information on trading during the year and the outlook for the continuing businesses. The section below provides a high level overview of what will be disclosed.

Given the recent and ongoing exceptional market conditions, the current trading and prospects of the Group remain variable, driven by the situation within each of the individual business units.

Consumer Media

The trading conditions improved during the year with the easing of lockdown restrictions in the UK and a partial recovery in the advertising market from the particularly challenging final seven months of FY 2020. Circulation revenues across the Mail and 'i' newspapers continue to reflect the adverse impact of declining volumes as well as the benefit of the increase in the cover price of the Monday to Friday editions of the Daily Mail, from 70 pence to 80 pence, in March 2021. There have been substantial increases in distribution and energy costs, as well as increases in the cost of newsprint in supplier contracts at levels not seen since 1996, and these have started to affect the profitability of the newspaper businesses in recent months. Newsprint is the second largest cost item for the Consumer Media business and DMGT is currently exploring a number of options to mitigate the impact of these cost increases, including a review of employee numbers.

The advertising market remains volatile and the outlook for Metro is particularly difficult to predict as it is also heavily dependent on a very substantial recovery in commuter traffic. Metro was loss-making in FY 2021 due to the combination of the relatively weak print advertising market and the impact of low commuter volumes on readership. The New Scientist's performance is consistent with expectations at acquisition. MailOnline has delivered revenue growth in FY 2021 despite reduced readership following the exceptionally high levels in the prior year. The future performance is dependent on a number of factors including audience size, sustained engagement, changes to cookie and privacy settings, and advertising and marketing revenues.

Property Information

Landmark, which accounts for approximately three-quarters of Property Information revenues, benefitted from high transaction volumes in the UK residential property market during FY 2021. There was strong revenue growth during the first nine months of the financial year, particularly in the third quarter compared to significant declines in the prior year during the first UK lockdown. Higher volumes were supported by reductions in stamp duty, introduced in July 2020, and in the early months of the year by pent-up demand following the first UK lockdown. Stamp duty has now returned to pre-Covid levels as the result of a two-step process, at the end of June and end of September 2021, and the market has slowed recently, particularly for new listings, compared to the heightened activity earlier in the year. Following the onset of the Covid-19 pandemic, Trepp's customers sought to further understand their portfolio risk exposure using its tools, analytics, data and models. Over 90% of the business's revenues are from subscriptions and revenue growth has slowed a little in recent months. Property Information's adjusted operating margin has benefitted from the increased revenues.

In the near to medium term, for Landmark the UK residential property market is likely to return to more normal levels of activity compared to the heightened volumes of the past year, whilst the implications for the UK commercial property sector of changing working habits remain uncertain. Trepp continues to invest in product development and is positioned to continue to deliver revenue growth.

dmg events

Physical events have resumed, albeit with lower attendance than pre-pandemic. The implications of the Covid-19 pandemic remain unpredictable, for example in September 2021, the Global Energy Show in Calgary, Canada was cancelled, with less than one week's notice, due to the implementation of emergency restrictions. Big 5 Dubai and Gastech, the business's second and third largest events, were both held in Dubai in September 2021 and were, as expected, significantly smaller than pre-Covid, with revenues and profits affected accordingly. The business is likely to derive some benefit from its insurance cover in FY 2022, the last year of the existing policy, with the total amount dependent on the specific circumstances and financial performance of each event.

The Offer for DMGT reflects the outlook for the businesses that will comprise the Group following the Reorganisation, the working capital position, committed investment and gross debt.

Conclusions

In light of all of the considerations set out above:

- the DMGT Board considers the Reorganisation to be in the best interests of the DMGT Shareholders; and
- the Non-conflicted DMGT Directors, who have been so advised by J.P. Morgan Cazenove and Credit Suisse as to the financial terms of the Offer taking into account the Special Dividend, consider the terms of the Offer to be fair and reasonable, and have decided that an Offer for the remaining Group would be in the best interests of DMGT Shareholders. In providing their financial advice to the Non-conflicted DMGT Directors, J.P. Morgan Cazenove and Credit Suisse have taken into account the commercial assessments of the Non-conflicted DMGT Directors.

5. Timetable and Conditions in relation to the Offer (including the timetable for the publication of FY 2021 results)

It is expected that the Offer Document will be published as soon as practicable and in any event within 28 days of the date of this announcement (unless agreed otherwise with the Panel). Further information about the Offer will be set out in the Offer Document.

As noted in section 4, the DMGT Board intends to publish the Group's results for FY 2021 on 18 November 2021.

The last date by which the Offer can become or be declared unconditional will be 16 December 2021, which will be the Unconditional Date for the purposes of the Offer. Therefore, with the DMGT Board intending to publish the Group's results for FY 2021 on 18 November 2021, DMGT A Shareholders will have the most up to date financial information prior to deciding whether to accept the Offer.

The Offer will be subject to satisfaction of the Acceptance Condition and the Special Dividend Condition and satisfaction or waiver of certain further conditions and terms set out in Appendix 1 to this announcement and to the full terms and conditions which will be set out in the Offer Document.

As described further in Appendix 1, the Acceptance Condition shall be satisfied once valid acceptances (which have not been withdrawn) of the Offer have been received by no later than 1.00 p.m. (London time) on the Unconditional Date (or such later time(s) and/or dates as RCL may specify, subject to the rules of the Code and, where applicable, with the consent of the Panel) in respect of not less than 90 per cent. (90%) (or such lower percentage as RCL may decide) in value of the total Offer Shares (the "**Acceptance Condition**"), provided that, without the consent of the Non-conflicted DMGT Directors, this condition shall not be satisfied unless, taken together with DMGT Shares which it already holds, RCL has acquired or agreed to acquire pursuant to the Offer or otherwise more than 50 per cent. (50%) of all DMGT Shares (the "**Minimum Acceptance Threshold**").

Any decision to waive down the Acceptance Condition to a lesser percentage at or above the Minimum Acceptance Threshold shall be at the sole discretion of RCL. Subject to the satisfaction of the Conditions, it is expected that the Offer will become or be declared unconditional on or before 16 December 2021.

If the Offer becomes or is declared unconditional, RCL will keep the Offer open for acceptances for at least 14 days following the date on which the Offer becomes or is declared unconditional.

6. The Board

The DMGT Board includes two directors of RCL and three other directors who are advisers to or closely associated with RCL. The remaining DMGT directors are not conflicted for the purposes of the Code and all except three of those directors are independent directors in accordance with The UK Corporate Governance Code.

The Non-conflicted DMGT Directors have benefitted from the advice of DMGT's retained financial and legal advisers; RCL has taken advice from its own financial and legal advisers. The DMGT Board and such advisers have acted in accordance with legal and regulatory requirements to avoid conflicts of interest.

Consequently, Viscount Rothermere, Andrew Lane, François Morin, David Nelson and Paul Zwillenberg are not involved in any recommendation of the Offer by the DMGT Board on account of their association with RCL, in accordance with the requirements of the Code.

It has today been separately announced that, unconnected with the Reorganisation, Tim Collier has decided to step down as an Executive Director and Group CFO of DMGT. This will take effect on: (i) if the Offer becomes or is declared unconditional, the date on which the settlement of the Share Element of the Special Dividend takes place; or (ii) if the Offer does not become or is not declared unconditional, the date of the next AGM - scheduled for 2 February 2022; or such other date as he may agree with DMGT.

Save as described above, there are no current plans to change the composition of the DMGT Board following completion of the Offer.

7. Governance, management, employees and locations

As noted in section 4 above, the DMGT Board has concluded that it is not likely to invest the proceeds of recent disposals in the near term or potentially the medium term, and that any investment would be likely to increase the exposure of the Group to media-related businesses. Consequently, the DMGT Board has concluded that the Special Dividend is likely to deliver better value to DMGT Shareholders than such proceeds being retained by DMGT. In addition, the Non-conflicted DMGT Directors consider the terms of the Offer to be fair and reasonable.

The Offer does not affect the control of DMGT, which will remain with RCL. Similarly, the Offer does not affect the continuing duties of the DMGT Board to shareholders and other stakeholders. RCL intends to ensure the DMGT Board will remain responsible for the governance and operation of DMGT. RCL places great emphasis on high standards of corporate governance in the interest of the stakeholders and relies on the DMGT Board's and management's collective commercial acumen and ethical standards. The DMGT Board, supported by RCL, will seek to maintain and, when appropriate, enhance such standards in the future in the interests of shareholders and stakeholders.

RCL intends that the DMGT Board continues to ensure that DMGT businesses invest in their development and evolution, taking account of changing market conditions. The DMGT Board is committed to continued investment in all its businesses in line with the ability of those businesses to provide an adequate return on capital over the long term. In particular, the DMGT Board is committed to investment in journalism, the maintenance of an independent voice for news journalism and its longstanding commitment to editorial independence.

RCL remains committed to maintaining an entrepreneurial culture that launches and diversifies businesses and which allows businesses to thrive or decline. When businesses decline, RCL will expect the DMGT Board to oversee restructurings that can incur short term costs and may, on occasion, result in businesses being either severely downsized or closed. No change in this approach to management is anticipated as a result of the Offer.

RCL attaches great importance to the skills and experience of management and employees of the Group, and RCL therefore intends to safeguard fully the existing employment rights of the Group's management and employees. However, once DMGT ceases to be a listed company, a number of central, listed company-related functions will become unnecessary. This is expected to lead to a modest reduction in headcount within DMGT's corporate and central management function. Other than as noted in this announcement (including under the paragraph headed "Consumer Media" in paragraph 4 of this announcement), RCL has no intention to make any material change to the balance of skills and functions of DMGT's employees and management. Any reduction in headcount will, once any proposals have been developed, be subject to fulfilling any applicable consultation obligations. Further details of the arrangements with the pension trustees in relation to the Group's defined benefit pension schemes are set out in section 8 of this announcement.

RCL does not currently intend that the DMGT Board should sell any parts of DMGT, and accordingly RCL has no intention to redeploy any of DMGT's material fixed assets or to change the locations of DMGT's places of business, headquarters or headquarter functions (save as referred to above). DMGT does not have any research and development function.

See also section 10 below in relation to DMGT's future dividend policy and section 17 below in relation to the delisting of DMGT following the Offer.

8. Pensions

DMGT entities sponsor three defined benefit pension schemes: the Harmsworth Pension Scheme (the "**HPS**"), the DMGT Senior Executives Pension Fund (the "**SEPF**") and the DMGT AVC Plan (the "**AVC Plan**"). The DMGT pension schemes are closed to new entrants and to the future accrual of benefits for existing members. RCL does not intend to re-open any of the DMGT pension schemes to new members or future accrual. RCL fully appreciates the importance of the DMGT pension schemes and their members and trustees as key stakeholders within DMGT, and does not intend to make any change to the benefits provided by the DMGT pension schemes. RCL confirms its intention to pay contributions to the DMGT pension schemes if required by applicable law (noting that the SEPF was in surplus on a technical provisions basis as at its last triennial valuation and that the £402 million payment to the HPS referred to below will clear the HPS's current recovery plan).

The DMGT pension schemes have combined assets of c.£3 billion as at 31 March 2021 and represent a significant and important obligation of DMGT. The DMGT Board places the highest importance on ensuring that all pension benefits are fully paid and responsibly funded. The schemes' trustees and members must have confidence in DMGT's future and its ability to fund the schemes. RCL has confirmed that it also endorses such an approach.

The proposed Special Dividend would constitute a significant proportion of the current value of DMGT. The pension scheme trustees must therefore reconsider their schemes' funding requirements, including DMGT's ability to fund any further emerging deficits that could arise from investment and other risks.

DMGT must also consider the powers of the Pensions Regulator in the context of recent changes to pension laws. The IAS19 accounting position reported in the statutory accounts of DMGT is not relevant in these circumstances and the significantly higher funding obligations and solvency protections under UK pension laws and Pensions Regulator guidance are relevant.

Against that background, the pension schemes' trustees have agreed with DMGT and RCL that following the proposed Reorganisation, Offer and Special Dividend, and taking into account DMGT's smaller size, it will be appropriate for the pension schemes to be funded on more prudent actuarial assumptions, and to seek to take less investment risk with the assets of the pension schemes in the future.

To support these objectives a number of significant payments and protections have been required to be agreed between the trustees, DMGT and RCL. Key features of the agreement include:

- a £412 million cash payment in the main DMGT pension scheme - £128 million of which is funded through the release of current escrow arrangements (and no escrow funds will remain), and a further £54 million of which is funded through an acceleration of payments that would otherwise fall due under existing funding agreements, with £402 million being paid following completion of the Offer and a further £10 million being paid following completion of the proposed merger between the largest and smallest of DMGT's pension schemes;
- restrictions and controls on future debt levels in DMGT;
- significant restrictions on future dividends, distributions or other "leakage" to DMGT Shareholders;
- a requirement for only arms' length transactions with DMGT Shareholders;
- strengthening of certain guarantees from a DMGT Subsidiary to the pension schemes; and
- enhanced information sharing requirements.

These measures will place significant restrictions on the operation of DMGT after completion of the Offer. At the same time, DMGT will retain all of the risks and responsibilities for the future funding of the pension schemes including all running costs (which totalled £4.1m in FY20 in respect of the defined contribution and defined benefit pension schemes). If, in the future, adverse experience creates additional funding deficits, for example due to poor investment returns, mortality experience or inflation experience, these deficits must be funded by DMGT.

Even after the above terms have been implemented, including the cash payment of £412 million, the pension schemes' remaining aggregate solvency deficit estimated by DMGT's pensions advisers is c.£380 million as at 31 March 2021. Whilst that deficit may reduce over time as a result of the investment return on the schemes' assets and other favourable scheme experience, in the event of a future, orderly corporate break-up of DMGT, the pensions regulatory regime would in effect require the deficit to be fully funded before such break-up and the winding-up of the schemes could be completed.

9. Share Schemes

Participants in any share schemes of DMGT will be contacted regarding the effect of the Offer on their rights under these schemes and provided with further details concerning the proposals which will be made to them in due course. Details of the proposals will be set out in separate letters to be sent to participants in the share schemes.

10. Dividend Policy

Whilst the DMGT Board intends to pay a final dividend in respect of FY 2021 in accordance with its longstanding dividend policy, the DMGT Board fu intends to review the dividend policy applicable to FY 2022 with a view to communicating a revised policy with the half year results for the six months endir

March 2022. In formulating its policy, the DMGT Board will, *inter alia*, take account of shareholdings in DMGT; the near-term trading and cash generation or absorption of the Group following the business disposals in FY 2021; any capital returned in connection with the Special Dividend and the related Offer; the desire for reinvestment of DMGT's capital for future organic and inorganic investment; and the outlook for the remaining businesses in the Group. As these matters are currently uncertain, the DMGT Board notes that it is not in a position to determine its policy at this time and is consequently withdrawing its current policy that increases dividends by more than inflation. Nevertheless, if the Offer is declared unconditional and the Special Dividend is paid, the DMGT Board anticipates that any future dividends per share paid to holders of the DMGT A Shares will be materially lower than they have been historically.

11. Financing of the Offer and Cash Confirmation

The cash consideration payable to the DMGT A Shareholders by RCL under the Offer is expected to be financed from RCL's share of the Cash Element of the Special Dividend. To comply with its obligations under the Code, RCL has also arranged a backstop facility agreement which is in place as at the date of this announcement (the "**Backstop Facility Agreement**"), which will enable RCL to pay the cash consideration in the highly unlikely event that it does not receive the Cash Element of the Special Dividend in time.

Lazard, in its capacity as financial adviser to RCL, is satisfied that sufficient resources are available to RCL to satisfy in full the Offer Price payable to DMGT A Shareholders pursuant to the Offer.

Further information on the financing of the Offer will be set out in the Offer Document.

12. Opening Position Disclosure

RCL confirms that it made an Opening Position Disclosure on 23 July 2021 (as amended on 27 July 2021), setting out the details required to be disclosed by it under Rule 8.1(a) of the Code.

13. Shareholdings

Based on information currently held by DMGT and RCL, RCL and its concert parties are together interested in approximately 63,772,905 DMGT A Shares, representing approximately 30.3 per cent. of the DMGT A Shares in issue and 19,890,364 DMGT Ordinary Shares, being all the DMGT Ordinary Shares in issue.

14. Irrevocable Undertakings

RCL has received irrevocable undertakings from relevant Non-conflicted DMGT Directors to accept, or procure the acceptance of, the Offer in respect of a maximum of 1,071,952 Offer Shares, representing approximately 0.509 per cent. of the DMGT A Shares in issue, and approximately 0.465 per cent of all DMGT Shares in issue, in each case on 2 November 2021 (being the last Business Day before the date of this announcement). Further details of these irrevocable undertakings are in Appendix 4 to this announcement.

15. Information relating to RCL

RCL is a company incorporated in Jersey, in the Channel Islands. The main asset of the company is a 100 per cent. (100%) holding of DMGT Ordinary Shares. RCL is indirectly owned by a trust which is held for the benefit of Viscount Rothermere and his immediate family. The trust represents the ultimate controlling party of DMGT and has controlled it for many years. Both RCL and the trust are administered in Jersey. The directors of RCL, of which there are six, include two directors of the DMGT Board, namely Viscount Rothermere and François Morin.

16. Disclosure of Interests

The interests, rights to subscribe for, and short positions in respect of the DMGT A Shares held by RCL, its directors and any person acting in concert (within the meaning of the Code) with RCL, as at the close of business on 2 November 2021 (being the last Business Day before the date of this announcement) are set out below.

As at the date of this announcement, and other than as set out above in this section 16, and in section 12, neither RCL, nor any of its directors, nor, so far as RCL is aware, any person acting in concert (within the meaning of the Code) with RCL has:

- any interest in, or right to subscribe for, any DMGT A Shares nor does any such person have any short position in any DMGT A Shares, including any short positions under a derivative, any agreement to sell, any delivery obligation or right to require another person to purchase or take delivery of any DMGT A Shares;
- borrowed or lent any DMGT A Shares or entered into any financial collateral arrangements relating to any DMGT A Shares; or
- is party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Code in relation to any DMGT A Shares.

17. Compulsory offer, delisting and re-registration

If the Offer becomes or is declared unconditional and RCL has received acceptances of the Offer in respect of and/or otherwise acquires 90 per cent. (90%) or more in value of the Offer Shares, RCL intends to exercise its rights pursuant to the statutory squeeze-out provisions of sections 974 to 991 of the Companies Act 2006 to acquire compulsorily, on the same terms as the Offer, the remaining Offer Shares in respect of which the Offer has not at such time been accepted.

Following the Offer becoming or being declared unconditional, subject to any applicable requirements of the FCA, DMGT Shareholders are notified that DMGT intends to make applications to cancel the listing of all DMGT A Shares on the FCA's Official List and to cancel trading in all DMGT A Shares on the London Stock Exchange's main market for listed securities.

Following such cancellation, it is also intended that DMGT will be re-registered as a private limited company. The cancellation of the listing and the re-registration would significantly reduce the liquidity and marketability of any DMGT A Shares not assented to the Offer. Any remaining DMGT A Shareholders would become minority shareholders in a privately controlled limited company, and there can be no certainty that such DMGT A Shareholders will again be offered an opportunity to sell their DMGT A Shares on terms which are equivalent or comparable to those under the Offer.

18. Documents available for inspection

Copies of the following documents are available, or will be made available promptly and by no later than 12 noon (London time) on the Business Day following this announcement, on <https://www.dmgmt.com/investors>, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, until the end of the Offer:

- (a) this announcement;
- (b) the irrevocable undertakings listed in Appendix 4;
- (c) the Backstop Facility Agreement; and
- (d) the consent letters from each of J.P. Morgan Cazenove, Credit Suisse, Lazard and Goldman Sachs.

For the avoidance of doubt, the contents of any website referred to in this announcement are not incorporated into and do not form part of this announcement.

19. General

It is intended that the Offer will be effected by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act 2006. The purpose of the Offer is to provide for RCL to become owner of the whole of the issued and to be issued share capital of DMGT.

The Offer is to be achieved by the transfer of the Offer Shares held by DMGT A Shareholders to RCL in consideration for which DMGT A Shareholders will receive consideration (at the Offer Price) on the basis set out in section 2 of this announcement.

The bases and sources of certain information contained in this announcement are set out in Appendix 3. Certain terms used in this announcement are defined in Appendix 5.

The Offer Document setting out further details of the Offer will be sent (or made available) to DMGT A Shareholders (other than to persons resident in a Restricted Jurisdiction) in due course.

IMPORTANT NOTICES

This announcement is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be made solely pursuant to the terms of the Offer Document, which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. Any decision in respect of, or other response to, the Offer should be made only on the basis of the information contained in the Offer Document.

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

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore 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. This announcement has been prepared for the purpose of complying with English law and the Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws of jurisdictions outside the United Kingdom.

Copies of this announcement and any formal documentation relating to the Offer 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. Unless otherwise permitted by applicable law and regulation, the 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 Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Offer relates to securities in a non-US company registered in England and Wales with a listing on the London Stock Exchange, and is subject to the disclosure requirements, rules and practices applicable to companies listed in the United Kingdom, which differ from those of the United States in certain material respects. This document has been prepared in accordance with UK style and practice for the purpose of complying with the laws of England and Wales and the rules of the London Stock Exchange. US shareholders should read this entire document. The financial information relating to DMGT included elsewhere in this document has been prepared in accordance with IFRS as adopted in the European Union and has not been prepared in accordance with generally accepted accounting principles in the United States; thus it may not be comparable to financial information relating to US companies. The Offer is being made in the United States pursuant to Section 14(e) of, and Regulation 14E under, the US Securities Exchange Act of 1934, as amended, subject to the exemptions provided by Rule 14d-1 under the US Exchange Act and otherwise in accordance with the requirements of the Code. Accordingly, the Offer will be subject to disclosure and other procedural requirements that are different from those applicable under US domestic tender offer procedures. US shareholders should note that DMGT is not listed on an American securities exchange, subject to the periodic reporting requirements of the US Exchange Act or required to, and does not, file any reports with the SEC thereunder.

It may be difficult for US shareholders to enforce certain rights and claims arising in connection with the Offer under US federal securities laws since DMGT is located outside the United States and its officers and directors reside outside the United States. It may not be possible to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. It also may not be possible to compel a non-US company or its affiliates to subject themselves to a US court's judgment.

To the extent permitted by applicable law and in accordance with normal UK practice, RCL, J.P. Morgan Securities plc, Credit Suisse International, Lazard & Co., Limited, Goldman Sachs International or any of their affiliates holding an exempt status granted by the Panel, subject to restrictions under Rule 38 of the Code, may make certain purchases of, or arrangements to purchase DMGT A Shares outside the United States during the period in which the Offer remains open for acceptance, including sales and purchases of DMGT A Shares effected by J.P. Morgan Securities plc, Credit Suisse International, Lazard & Co., Limited or Goldman Sachs International, acting as market maker in the DMGT A Shares. These purchases, or other arrangements, may occur either in the open market at prevailing prices or in private transactions at negotiated prices. In order to be excepted from the requirements of Rule 14e-5 under the US Exchange Act by virtue of relief granted by Rule 14e-5(b)(12) thereunder, such purchases, or arrangements to purchase, must comply with applicable English law and regulation, including the listing rules of the FCA, and the relevant provisions of the US Exchange Act. Any information about such purchases will be disclosed as required in the United Kingdom and the United States and, if required, will be reported via a Regulatory Information Service of the London Stock Exchange and available on the London Stock Exchange website at www.londonstockexchange.com. To the extent that such information is made public in the United Kingdom, this information will also be publically available to shareholders in the United States.

Rule 26.1 Disclosure

In accordance with Rule 26.1 of the Code, a copy of this announcement will be available at <https://www.dmgt.com/investors>, by no later than 12 noon (London time) on 4 November 2021 (being the Business Day following the date 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.

Requesting Hard Copy Documents

In accordance with Rule 30.3 of the Code, DMGT A Shareholders and persons with information rights may request a hard copy of this announcement by contacting Fran Sallas, DMGT Company Secretary (+44 (0) 20 3615 2904). 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 them in relation to the Offer should be in hard copy form.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Code, as at the close of business on 2 November 2021 (being the business day prior to the date of this announcement), DMGT confirms that it had in issue, including shares held in the Employee Benefit Trust and excluding shares held in Treasury, 210,798,306 DMGT A Shares, which are listed on the London Stock Exchange, and 19,890,364 DMGT Ordinary Shares, which are unlisted. The International Securities Identification Number (ISIN) of the DMGT A Shares is GB00BJQZC279.

Other 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. 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 the offeree company. 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. Relevant persons who deal in the relevant securities of the offeree company 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. 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 the offeree company, 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, 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.

Disclaimers

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove, is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as lead financial adviser for DMGT and no one else in connection with the Offer and will not regard any other person as its client in relation to the Offer or any other matter referred to in this announcement and will not be responsible to anyone other than DMGT for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Offer or any matter or arrangement referred to herein.

Credit Suisse International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as joint financial adviser for DMGT and no one else in connection with the Offer only and will not regard any other person as its client in relation to the Offer or any other matter referred to in this announcement and will not be responsible to anyone other than DMGT for providing the protections afforded to clients of Credit Suisse, nor for providing advice to any other person in relation to the content of this announcement or any other matter referenced herein. Neither Credit Suisse nor any of its Subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this announcement, any statement contained herein or otherwise.

Lazard, which is authorised and regulated in the United Kingdom by the FCA, is acting as lead financial adviser to RCL, and no one else, in connection with the Offer, and will not be responsible to anyone other than RCL for providing the protections afforded to clients of Lazard nor for providing advice in relation to the Offer, or any other matter or arrangement referred to herein. Neither Lazard 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 Lazard in connection with the Offer, this announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

Goldman Sachs International, which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as joint financial adviser to RCL, and no one else, in connection with the Offer, and will not be responsible to anyone other than RCL for providing the protections afforded to clients of Goldman Sachs nor for providing advice in relation to the Offer or any other matter or arrangement referred to herein. Neither Goldman Sachs 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 Goldman Sachs in connection with the Offer, this announcement, any matter, arrangement or statement contained or referred to herein or otherwise.

Forward-Looking Statements

This announcement may contain certain forward-looking statements with respect to the financial condition, results of operations and business of DMGT and certain plans and objectives of RCL with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "hope", "aims", "continue", "will", "may", "should", "would", "could", or other words of similar meaning. These statements are based on assumptions and assessments made by DMGT, and/or RCL in light of their experience and their perception of historical trends, current conditions, future developments and other factors they believe appropriate. 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 and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct and you are therefore cautioned not to place undue reliance on these forward-looking statements which speak only as at the date of this document. Neither DMGT nor RCL assumes any obligation to update or correct the information contained in this document (whether as a result of new information, future events or otherwise), except as required by applicable law.

There are several factors which could cause actual results to differ materially from those expressed or implied in forward-looking statements. Among the factors that could cause actual results to differ materially from those described in the forward-looking statements are changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates and future business combinations or dispositions. These factors include uncertainties surrounding the Covid-19 pandemic and the ongoing impact of the Covid-19 pandemic on general economic conditions.

Additional Information About the Offer and Where to Find It

This communication relates to a cash offer to acquire all the issued and to be issued DMGT A Shares not already owned by RCL. In connection with the Special Dividend, Cazoo Group has filed a registration statement on Form F-1 with the SEC, which was declared effective on 5 October 2021. This communication does not contain all the information that should be considered concerning the Offer and is not intended to form the basis of any investment decision or any other decision in respect of the Offer. Before making any investment decision, investors and security holders are urged to read the registration statement and all other relevant documents filed or that will be filed with the SEC in connection with the offer as they become available because they will contain important information about the transaction.

Investors and security holders will be able to obtain free copies of the registration statement and all other relevant documents filed or that will be filed with the SEC by Cazoo Group through the website maintained by the SEC at www.sec.gov. In addition, the documents filed by DMGT may be obtained free of charge by written request to DMGT at Northcliffe House, 2 Derry Street, London W8 5TT, United Kingdom.

APPENDIX 1

CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE OFFER

Part A

Conditions to the Offer

The Offer will be subject to the following Conditions:

Acceptance Condition

- (A) valid acceptances of the Offer having been received (and not validly withdrawn in accordance with the rules and requirements of the Code and the terms of the Offer) by no later than 1.00 p.m. (London time) on the Unconditional Date (or such later time(s) and/or dates as RCL may specify, subject to the rules of the Code and, where applicable, with the consent of the Panel) in respect of not less than 90 per cent. (90%) (or such lower percentage as RCL may decide) in value of the total Offer Shares (the "**Acceptance Condition**"), provided that, without the consent of the Non-conflicted DMGT Directors, this condition shall not be satisfied unless, taken together with DMGT Shares which it already holds, RCL has acquired or agreed to acquire pursuant to the Offer or otherwise more than 50 per cent. (50%) of all DMGT Shares (the "**Minimum Acceptance Threshold**"). For the purpose of this Condition:
- (i) DMGT Shares which have been unconditionally allotted but not issued before the Offer becomes or is declared unconditional, whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise, shall be deemed to carry the voting rights that carry upon issue;
 - (ii) valid acceptances shall be deemed to have been received in respect of DMGT A Shares which are treated for the purposes of Part 28 of the Companies Act 2006 as having been acquired or contracted to be acquired by RCL whether by virtue of acceptance of the Offer or otherwise;
 - (iii) the expression DMGT A Shares to which the Offer relates shall be construed in accordance with chapter 3 of Part 28 of the Companies Act 2006; and
 - (iv) all percentages of voting rights and share capital are to be calculated by reference to the percentage held and in issue excluding any and all shares held in treasury by DMGT from time to time.

In addition, the Offer will be conditional upon the Special Dividend Condition and, accordingly, the Offer will not become or be declared unconditional unless the Special Dividend Condition has been satisfied.

Special Dividend Condition

- (B) the Non-conflicted DMGT Directors having approved and declared the Special Dividend (the "**Special Dividend Condition**"), the settlement of such Special Dividend to be conditional on the Offer becoming or being declared unconditional.

Other Conditions

In addition, the Offer will be conditional upon:

Certain events occurring since the date of this announcement

- (C) except as Disclosed, and except, where relevant between DMGT and/or wholly owned Subsidiaries of DMGT, no member of the Wider DMGT Group having since the date of this announcement:
- (i) 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 DMGT Group taken as a whole or in the context of the Offer; or
 - (ii) (other than in respect of a member of the Wider DMGT 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

appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;

No adverse change, litigation, regulatory enquiry or similar

- (D) except as Disclosed, since the date of this announcement, there having been:
- (i) no adverse change and no circumstance having arisen which would reasonably be expected to result in any adverse change in the business, assets, liabilities, shareholders' equity, financial or trading position or profits, operational performance or prospects of any member of the Wider DMGT Group which is material in the context of the Wider DMGT Group taken as a whole or in the context of the Offer;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider DMGT Group is or may become a party (whether as a claimant, defendant or otherwise) having been threatened, announced, implemented or instituted by or against or remaining outstanding against or in respect of, any member of the Wider DMGT Group, in each case which would reasonably be expected to have a material adverse effect on the Wider DMGT Group taken as a whole or in the context of the Offer;
 - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider DMGT Group (or any person in respect of which any such member has or may have responsibility or liability) having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of any member of the Wider DMGT Group, in each case, which would reasonably be expected to have a material adverse effect on the Wider DMGT Group or the Wider RCL Group taken as a whole or in the context of the Offer; and
 - (iv) no contingent or other liability having arisen or become apparent to RCL or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position or profits of any member of the Wider DMGT Group to an extent which is material in the context of the Wider DMGT Group taken as a whole or in the context of the Offer.

Part B

Waiver and Invocation of the Conditions

The Special Dividend Condition cannot be waived. The Acceptance Condition cannot be waived (other than any waiver by RCL of the acceptance threshold in accordance with Part A of this Appendix 1). RCL may waive the Conditions in paragraphs (C) and (D) of Part A of this Appendix 1. The Offer will therefore be subject to the satisfaction (or waiver, where permitted) of the Conditions set out in Part A of this Appendix 1, to the further terms set out in Part D of this Appendix 1, and to the full terms and conditions which will be set out in the Offer Document and (for DMGT A Shares held in certificated form) the Form of Acceptance.

The Offer shall lapse unless all of the Conditions have been fulfilled (or, where permitted, waived) by midnight (London time) on the earlier of the Unconditional Date and the Long-Stop Date (subject to the rules of the Code and, where applicable, the consent of the Panel).

Under Rule 13.5(a) of the Code, RCL may not invoke a Condition to the Offer so as to cause the Offer 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 RCL in the context of the Offer. RCL may only invoke a condition that is subject to Rule 13.5(a) with the consent of the Panel and any condition that is subject to Rule 13.5(a) may be waived by RCL. **Neither the Acceptance Condition nor the Special Dividend Condition are subject to Rule 13.5(a) of the Code.**

Save as may otherwise be required by the Panel, the Offer will not proceed, will lapse or will be withdrawn if on the Long-Stop Date sufficient acceptances have not been received so as to enable the Acceptance Condition to be satisfied. There will be no condition to the Offer relating to an official authorisation or regulatory clearance.

This Offer will be governed by English law and be subject to the jurisdiction of the English courts, to the conditions set out in this announcement and in the formal Offer Document and (for DMGT A Shares held in certificated form) the Form of Acceptance. The Offer will comply with the applicable rules and regulations of the FCA and the London Stock Exchange, and the Code.

Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.

Part C

Implementation by way of Scheme

RCL reserves the right, with the consent of the Panel (where necessary) to elect to implement the Offer by way of scheme of arrangement pursuant to Part 26 of the Companies Act 2006 (a "**Scheme**").

If the Offer is implemented by way of a Scheme, such Scheme will be implemented on the same terms, subject to appropriate amendments to reflect the change in method of effecting the Offer (including such amendments as may be required by law or regulation), including (without limitation and subject to the consent of the Panel):

- (A) the Long-Stop Date ceasing to apply (and RCL may, in accordance with the Code, specify a new long-stop date by which the Scheme must become effective and specific dates by which the relevant court and shareholder meetings and the Court hearing to sanction the Scheme must be held); and
- (B) the Acceptance Condition ceasing to apply and, instead, the Scheme becoming effective and binding following: (i) approval of the Scheme at the court meeting (or court meetings), or any adjournments thereof, by a majority (or majorities) in number representing 75 per cent. or more in value of each class of DMGT Shareholders present and voting either in person or by proxy; (ii) the passing by the requisite majority or majorities of all shareholder resolutions of DMGT necessary to approve and implement the Scheme; (iii) sanction of the Scheme by the court (with or without modification, with any such modification being acceptable to RCL and DMGT); and (iv) the delivery of a copy of the court order to the Registrar of Companies of England and Wales.

Part D

Certain further terms of the Offer

The Offer Shares which will be acquired under the Offer will be acquired fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature and together with all rights now or hereafter attaching or accruing to them, including voting rights and the right to receive and retain in full all dividends and other distributions (if any) declared, made or paid on or after the date of this announcement other than the Special Dividend and the 2021 Proposed Final Dividend.

If, after the date of this announcement, any dividend and/or other distribution and/or other return of capital is announced, declared, made, payable or paid in respect of the DMGT Shares other than the Special Dividend and the 2021 Proposed Final Dividend, RCL reserves the right to reduce the Offer Price by an amount up to the amount of such dividend and/or distribution and/or return of capital. If (but only to the extent) RCL exercises this right or makes such a reduction in respect of a dividend or other distribution, DMGT Shareholders will be entitled to receive and retain that dividend or other distribution. Any exercise by RCL of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not constitute a revision or variation of the terms of the Offer.

The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.

The Offer will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or email) of interstate or foreign commerce of, or of any facility of, a national securities exchange, of any Restricted Jurisdiction and the Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

APPENDIX 2

UNAUDITED ADJUSTED PRO FORMA FINANCIAL INFORMATION

The unaudited adjusted pro forma financial information of DMGT (the "**Pro Forma Financial Information**") has been prepared to illustrate the effect on DMGT's income statement of the disposal of the EdTech business, Hobsons, and the Insurance Risk business, RMS, which were disposed of in March 2021 and September 2021 respectively. The Pro Forma Financial Information has been prepared on the basis of the notes set out below.

The Pro Forma Financial Information is for the 12 months ended 31 March 2021 and reflects the deconsolidation of the Insurance Risk and EdTech businesses from DMGT's results as if the disposals had occurred on 1 April 2020.

Unaudited Adjusted Pro Forma Income Statement

All figures in £ millions (other than earnings per share)	12 Months ended 31 March 2021				
	Statutory results (Note 1)	Adjusting items (Note 2)	Adjusted results (Note 3)	Pro forma adjustments (Note 4)	Adjusted Pro forma results (Note 5)
Revenue					
Remaining businesses ⁶	781.5	-	781.5	-	781.5
Insurance Risk and EdTech	242.3	76.6	318.9	(318.9)	-
Total	1,023.8	76.6	1,100.4	(318.9)	781.5
Operating profit⁷					
Remaining businesses ⁶	9.0	32.4	41.4	-	41.4
Insurance Risk and EdTech	12.5	25.1	37.6	(37.6)	-
Total	21.5	57.5	79.0	(37.6)	41.4
Joint ventures and associates	(2.7)	0.4	(2.3)	-	(2.3)
Other gains and losses	2.7	(2.7)	-	-	-
Net finance costs ⁸	(10.1)	(4.2)	(14.3)	1.6	12.7
Profit before tax	11.4	51.0	62.4	(36.0)	26.4
Tax ⁹	40.0	(51.2)	(11.2)	6.4	(4.8)
Discontinued operations	185.9	(185.9)	-	-	-
Non-controlling interests	-	0.1	0.1	-	0.1
Profit after tax¹⁰	237.3	(186.0)	51.3	(29.6)	21.7
Earnings per share (basic)¹¹	104.4 pence	(81.8) pence	22.6 pence	(13.0) pence	9.5 pence
<i>Adjusted tax rate⁹</i>	<i>N/A</i>	<i>N/A</i>	<i>18.0%</i>	<i>17.8%</i>	<i>18.0%</i>

Notes

- The statutory results have been extracted from the unaudited results for the six months ended 31 March 2021 (HY 2021), the audited results for the 12 months to 30 September 2020 (FY 2020) and the unaudited results for the six months ended 31 March 2020 (HY 2020) and re-calculated to show the results for a 12-month period to 31 March 2021. The results have been calculated without adjustment, other than for earnings per share (EPS) as per note 11 below. Since the Insurance Risk business, RMS, was not disposed of until September 2021, it was included in continuing operations in the HY 2021 Financial Report whereas the EdTech business, Hobsons, was included in discontinued operations.
- This reflects adjustments made, consistent with the presentation of results in the Group's Annual Report, to exclude exceptional items, other gains and losses, impairment of goodwill and intangible assets arising on business combinations, pension finance credits and fair value adjustments. Adjustments are also made to include the financial performance of discontinued operations. An explanation of the types of adjustments is provided on page 31 of DMGT 2020 Annual Report. Reconciliations from statutory to adjusted results for HY 2021, HY 2020 and FY 2020 are provided in DMGT's HY 2021 Financial Report and 2020 Annual Report.
- Use of adjusted results: the DMGT Board and management team use adjusted results, rather than statutory results, to give greater insight to the financial performance of the Group and the way that it is managed. Similarly, adjusted results are used in the setting of management remuneration. Adjusted results are stated before exceptional items, other gains and losses, impairment of goodwill and intangible assets arising on business combinations, pension finance credits and fair value adjustments. Adjusted results also include discontinued operations. The adjusted results for the 12 months ended 31 March 2021 can be derived directly from the adjusted results for HY 2021, FY 2020 and HY 2020 as per the HY 2021 Financial Report, with the exception of the tax charge, the adjusted tax rate, profit after tax and EPS as explained in note 9 below.
- Pro forma adjustments are to deconsolidate the results of the Insurance Risk business, RMS, and the EdTech business, Hobsons. For the calculation of the pro forma adjustment to the tax charge, please see note 9 below.

5. The adjusted pro forma results, which are not on a statutory basis, show the adjusted results, as defined in note 3 above, for the 12 months ended 31 March 2021 after adjusting to deconsolidate the Insurance Risk business, RMS, and the EdTech business, Hobsons.
6. The remaining businesses are the Consumer Media, Property Information and Events and Exhibitions divisions for revenue, as well as the corporate costs for operating profit.
7. Operating profit amounts exclude joint ventures and associates. Consequently, the statutory operating profit figure of £21.5 million is consistent with the operating profit before share of results of joint ventures and associates as per the Condensed Consolidated Income Statement in the HY 2021 Financial Report.
8. Net finance costs include investment revenue, finance income and finance costs.
9. The adjusted tax rate for HY 2020 was 39.0% and the adjusted tax rate for FY 2020 was 17.6%. The HY 2020 rate was anomalously high because of overly pessimistic assumptions at the time about the Group's profitability for the remainder of the FY 2020 year, due to the uncertainty caused by the Covid-19 pandemic. Therefore, in order to calculate an appropriate adjusted tax charge for the six months to 30 September 2020, the 17.6% rate has been used. As per the table below, the resulting adjusted tax rate for the 12 months ended 31 March 2021 is 18.0% rather than a negative adjusted tax rate of 1.1%.

All figures in £ millions	HY 2020	FY 2020	HY 2021	12 months ended 31 March 2021
Prior to restatement of HY 2020 adjusted tax rate:				
Adjusted profit before tax	56.2	72.1	46.5	62.4
Adjusted tax charge	(21.8)	(12.7)	(8.4)	0.7
Minority interests	-	-	0.1	0.1
Adjusted profit after tax	34.4	59.4	38.2	63.2
Adjusted tax rate	39.0%	17.6%	18.0%	(1.1)%
Restating HY 2020 at FY 2020 adjusted tax rate:				
Adjusted profit before tax	56.2	72.1	46.5	62.4
Adjusted tax charge	(9.9)	(12.7)	(8.4)	(11.2)
Minority interests	-	-	0.1	0.1
Adjusted profit after tax	46.3	59.4	38.2	51.3
Adjusted tax rate	17.6%	17.6%	18.0%	18.0%

The pro forma adjustment to the tax charge for the 12 months ended 31 March 2021 is calculated by applying an adjusted tax rate of 17.6% to the pro forma adjustment in respect of the six months to 30 September 2020 and an adjusted tax rate of 18.0% to the pro forma adjustment in respect of the six months to 31 March 2021 as per the table below.

All figures in £ millions	Pro forma adjustment (note 4)		
	Profit before tax	Adjusted tax rate	Tax charge
6 months ended 30 September 2020	17.7	17.6%	3.1
6 months ended 31 March 2021	18.3	18.0%	3.3
12 months ended 31 March 2021	36.0		6.4

10. Other than for statutory results, profit after tax amounts have been adjusted as a result of applying an adjusted tax rate of 17.6% in respect of the six months ended 30 September 2021, as per note 9 above. For statutory results, profit after tax includes discontinued operations and is the profit for the period.
11. Earnings per share are calculated applying a basic earnings per share denominator of 227.4 million shares for the 12 months ended 31 March 2021. The table below sets out the average number of shares for the basic earnings per share denominator by period.

Number of shares (millions)	6 months ended 31 March 2020	12 months ended 30 September 2020	6 months ended 30 September 2020	6 months ended 31 March 2021	12 months ended 31 March 2021
Basic earnings per share denominator	228.6	227.8	227.0	227.7	227.4

The application of a single basic earnings per share denominator to the full 12-month period ended 31 March 2021 results in a different earnings per share amount than the application of two different basic earnings per share denominators to the six-month periods ended 30 September 2020 and 31 March 2021, as per the table below.

	6 months ended 30 September 2020	6 months ended 31 March 2021	Total		12 months ended 31 March 2021
Statutory results ¹ :					
Profit after tax ¹⁰	(16.0)	253.3	237.3		237.3
Basic earnings per share denominator	227.0	227.7	N/A		227.4
Basic earnings per share	(7.0) pence	111.2 pence	104.2 pence		104.4 pence
Adjusted results ³ :					
Profit after tax ⁹	13.1	38.2	51.3		51.3
Basic earnings per share denominator	227.0	227.7	N/A		227.4
Basic earnings per share	5.8 pence	16.8 pence	22.6 pence		22.6 pence

BASES AND SOURCES

In this announcement:

1. The value of the existing issued and to be issued share capital pursuant to the Offer is based upon the issued share capital of DMGT as at 2 November 2021 (being the Business Day prior to this announcement), being:
 - (i) 210,798,306 DMGT A Shares; and
 - (ii) 19,890,364 DMGT Ordinary Shares.
2. Unless otherwise stated, all prices and Closing Prices for DMGT A Shares are closing middle market quotations derived from FactSet.
3. The volume-weighted average price of an DMGT Share for the 3-month period ended 9 July 2021 is derived from FactSet reported volume data and estimated from (but excluding) 9 April 2021 to the end of 9 July 2021 (being the Business Day before the commencement of the Offer Period).
4. The volume-weighted average price of an DMGT Share for the 6-month period ended 9 July 2021 is derived from FactSet reported volume data and estimated from (but excluding) 8 January 2021 to the end of 9 July 2021 (being the Business Day before the commencement of the Offer Period).
5. Sterling values of the Cazoo Shares are calculated using the Announcement Exchange Rate from FactSet.
6. Fair value of long term debt is calculated using the Bloomberg closing value of 109.7 as of 2 November 2021 applied to the principal of £200 million.
7. The 2021 Proposed Final Dividend of 17.3 pence per DMGT Share represents a total of approximately £40 million based on the issued share capital of DMGT.
8. The reduction in the Cash Element of the Special Dividend attributable to fewer Cazoo Shares sold or redeemed by DMGT under the Cazoo IPO is equivalent to 27 pence which corresponds to a total of approximately £62 million (being the difference between the best estimate of the cash that was expected to be received at the time of the Possible Offer Announcement and the actual cash received) divided by the issued share capital of DMGT. The corresponding increase in the share value of the Special Dividend is calculated by adjusting the £62 million value by the delta between the closing price of the Cazoo Shares on 2 November 2021, being the last business day in New York before the date of this announcement (\$10.01 per Cazoo Share), and \$10.00 per Cazoo Share, which was the price assumed at the time of the Possible Offer Announcement.
9. The reduction in the Cash Element of the Special Dividend attributable to additional pension contribution is equivalent to 17 pence which corresponds to a total of approximately £40 million divided by the issued share capital of DMGT.
10. The increase in the Cash Element of the Special Dividend attributable to the underlying change in the cash position of DMGT from FY 2021 to the declaration of the Special Dividend is 2 pence which corresponds to a total of approximately £5 million divided by the issued share capital of DMGT.

APPENDIX 4

DETAILS OF IRREVOCABLE UNDERTAKINGS

Irrevocable undertakings

Name of DMGT A Shareholder	Number of Offer Shares	Percentage of the issued DMGT A Shares	Percentage of the issued DMGT Shares
Kevin Beatty	607,128	0.288	0.263
Tim Collier	452,259	0.215	0.196
Kevin Parry	12,565	0.006	0.005

These irrevocable undertakings cease to be binding if:

- the Offer Document has not been posted within 28 days of the issue of this announcement (or within such longer period as RCL, with the consent of the Panel, determines); or
- the Offer is withdrawn or lapses in accordance with its terms.

APPENDIX 5

DEFINITIONS

"2021 Proposed Final Dividend"	has the meaning given to it in section 2 of this announcement
"Acceleration Statement"	a statement in which RCL, in accordance with Rule 31.5 of the Code, brings forward the latest date by which all of the Conditions to the Offer must be satisfied or waived, if permitted
"Acceptance Condition"	the level of acceptances for the Offer received by RCL to allow RCL to declare the Offer unconditional as described in Appendix 1 of this announcement
"Announcement Exchange Rate"	exchange rate of £:US\$ of £1:US\$1.3611 as on 2 November 2021 as derived from data provided by FactSet
"AVC Plan"	has the meaning given to it in section 8 of this announcement
"Backstop Facility Agreement"	has the meaning given to it in section 11 of this announcement
"Business Day"	a day, (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London
"Cash Element of the Special Dividend"	has the meaning given to it in section 2 of this announcement
"Cazoo"	Cazoo Holdings Limited
"Cazoo Completion"	completion of the business combination between Cazoo and AJAX I, a publicly-traded special purpose acquisition company
"Cazoo Group"	Cazoo Group Limited, listed on the NYSE under the ticker symbol 'CZOO'
"Cazoo IPO"	the listing of Cazoo, as Cazoo Group, on the NYSE under the ticker symbol 'CZOO'
"Cazoo Share Base Cost"	£7.38
"Cazoo Shares"	the shares in Cazoo Group held by a member of the Group
"Closing Price"	the closing middle market quotation of a share derived from the Daily Official List of the London Stock Exchange
"Code"	The City Code on Takeovers and Mergers
"Conditions"	the Acceptance Condition, the Special Dividend Condition and the other conditions to the Offer as set out in Appendix 1 of this announcement
"Credit Suisse"	Credit Suisse International
"Disclosed"	any information fairly disclosed by DMGT to RCL or any information which RCL or any of the Non-conflicted DMGT Directors: (i) has; (ii) ought reasonably to have; (iii) is aware of; or (iv) ought reasonably to be aware of
"DMGT"	Daily Mail and General Trust plc, incorporated in England and Wales with registered number 00184594
"DMGT A Shareholders"	holders of Offer Shares
"DMGT A Shares"	the non-voting A ordinary shares of 12.5 pence each in the capital of DMGT and includes: (a) the existing and unconditionally allotted or issued and fully paid (or credited as fully paid) non-voting A ordinary shares of 12.5 pence each in the capital of DMGT;

(b) any further non-voting A ordinary shares of 12.5 pence each in the capital of DMGT which are unconditionally allotted or issued and fully paid (or credited as fully paid) before the date on which the Offer closes (or such earlier date or dates as RCL may, subject to the Code, determine); and

(c) any DMGT A Shares held as treasury shares that are transferred out of treasury before the date on which the Offer closes (or such earlier date or dates as RCL may, subject to the Code, determine)

"DMGT Board"	the board of directors of DMGT as at the date of this announcement or, where the context so requires, the board of directors of DMGT from time to time
"DMGT Ordinary Shares"	the voting ordinary shares of 12.5 pence each in the capital of DMGT, all of which are held by RCL
"DMGT Shareholders"	all holders of DMGT Shares who are on the register of members of DMGT at 6.00 pm (London time) on the Record Date
"DMGT Shares"	has the meaning given to it in section 2 of this announcement
"FCA"	the Financial Conduct Authority
"Form of Acceptance"	the form of acceptance and authority relating to the Offer which will accompany the Offer Document for use by DMGT A Shareholders with DMGT A Shares in certificated form
"FY 2020"	the financial year of DMGT ended 30 September 2020
"FY 2021"	the financial year of DMGT ended 30 September 2021
"FY 2022"	the financial year of DMGT ended 30 September 2022
"Goldman Sachs"	Goldman Sachs International
"Group"	DMGT and its Subsidiaries and associated undertakings from time to time
"HPS"	has the meaning given to it in section 8 of this announcement
"J.P. Morgan Cazenove"	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove
"Lazard"	Lazard & Co., Limited
"London Stock Exchange"	London Stock Exchange plc
"Long-Stop Date"	11.59 p.m. on 28 February 2022 or such later date (if any) as RCL may, with the consent of DMGT or with the consent of the Panel, specify
"Minimum Acceptance Threshold"	the minimum level of acceptances for the Offer, as described in Appendix 1 of this announcement
"Non-conflicted DMGT Directors"	the directors on the DMGT Board other than Viscount Rothermere, Andrew Lane, François Morin, David Nelson and Paul Zwillenberg
"Offer"	has the meaning given to it in section 1 of this announcement
"Offer Document"	the document to be sent to DMGT A Shareholders which will contain, <i>inter alia</i> , the terms and conditions of the Offer

"Offer Price"	has the meaning given to it in section 2 of this announcement
"Offer Shares"	has the meaning given to it in section 1 of this announcement
"Official List"	the official list maintained by the FCA
"Opening Position Disclosure"	an announcement in accordance with Rule 8 of the Code containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position
"Panel"	the Panel on Takeovers and Mergers
"Possible Offer Announcement"	the announcement made by DMGT and RCL on 12 July 2021 in accordance with Rule 2.4 of the Code, in respect of a major reorganisation of DMGT and a possible offer to be made by RCL to acquire all the issued and to be issued DMGT A Shares not already owned by RCL
"PRA"	the Prudential Regulation Authority
"RCL"	Rothermere Continuation Limited, a company incorporated in Jersey, with registered number 41260
"Record Date"	the record date for the Special Dividend, being the date on which the Offer becomes or is declared unconditional
"Regulatory Information Service"	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements
"Reorganisation"	the major reorganisation of DMGT including the RMS disposal, the Special Dividend and the related Offer
"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 Offer is sent or made available to DMGT A Shareholders in that jurisdiction
"RMS"	has the meaning given to it in section 1 of this announcement
"SEC"	the US Securities Exchange Commission
"SEPF"	has the meaning given to it in section 8 of this announcement
"Settlement Calculation Date"	No later than 3 Business Days before settlement of the Share Element of the Special Dividend
"Share Element of the Special Dividend"	has the meaning given to it in section 2 of this announcement
"Special Dividend"	the single special distribution intended to be declared by the Non-conflicted DMGT Directors comprising (i) the Cash Element of the Special Dividend; and (ii) the Share Element of the Special Dividend, settlement of which shall be conditional upon the Offer becoming or being declared unconditional
"Special Dividend Condition"	the condition to the Offer in respect of declaration of the Special Dividend, as described in Part A of Appendix 1 of this announcement
"Subsidiary"	has the meaning given in section 1159 of the Companies Act 2006
"Tax Adjustment Mechanism"	has the meaning given to it in section 2 of this announcement
"Third Party"	any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative bc

court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction

"Transaction Value"	has the meaning given to it in section 2 of this announcement
"UK" or "United Kingdom"	the United Kingdom of Great Britain and Northern Ireland
"Unconditional Date"	16 December 2021 or such earlier date as RCL may specify in the Offer Document or any Acceleration Statement unless, where permitted, it has set aside that statement
"US" or "United States"	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia
"US Holders"	a beneficial owner of DMGT A Shares that, for US federal income tax purposes, is or is treated as: (i) an individual who is a citizen or resident of the United States; (ii) a corporation, or an entity treated as a corporation for US federal income tax purposes, created or organized under the laws of the United States, any state thereof or the District of Columbia; (iii) an estate, the income of which is subject to US federal income tax regardless of its source; or (iv) a trust, if (A) a United States court is able to exercise primary supervision over the trust's administration and one or more United States persons (within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986) have authority to control all of the trust's substantial decisions or (B) the trust has a valid election in effect to be treated as a United States person for US federal income tax purposes
"Wider DMGT Group"	DMGT and its subsidiary undertakings, associated undertakings and any other undertaking in which DMGT and/or such undertakings (aggregating their interests) have a significant interest and for these purposes "subsidiary undertaking" and "undertaking" have the meanings given by the Companies Act 2006, "associated undertaking" has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 19(1)(b) of Schedule 6 to those regulations which shall be excluded for this purpose, and "significant interest" means a direct or indirect interest in 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act 2006)
"Wider RCL Group"	RCL and its subsidiary undertakings, associated undertakings and any other undertaking in which RCL and/or such undertakings (aggregating their interests) have a significant interest and for these purposes "subsidiary undertaking" and "undertaking" have the meanings given by the Companies Act 2006, "associated undertaking" has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 19(1)(b) of Schedule 6 to those regulations which shall be excluded for this purpose, and "significant interest" means a direct or indirect interest in 20 per cent. or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act 2006)

ⁱ Excludes DMGT Shares held as treasury shares.

ⁱⁱ The amount of the 2021 Proposed Final Dividend which will be recommended for approval will be confirmed by the DMGT Board at the time of the announcement of the Group's results for FY 2021 on 18 November 2021.
