



# OCEAN OUTDOOR LIMITED

Readmission Prospectus  
January 2019



*The distribution of this Document into certain jurisdictions other than the United Kingdom may be restricted by law. Therefore, persons into whose possession this Document comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.*

**This Document comprises a prospectus relating to Ocean Outdoor Limited (the “Company”) prepared in accordance with the Prospectus Rules of the Financial Conduct Authority (the “FCA”) made under section 73A of FSMA and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Rules.**

The listing of the Ordinary Shares and Warrants on the Official List was suspended on 1 March 2018 following the announcement by the Company of the Ocean Transaction (as defined herein). It is expected that, in accordance with the listing rules published by the UKLA under section 73A of FSMA as amended from time to time (the “Listing Rules”), the UK Listing Authority (the “UKLA”) will cancel the existing listing of the Ordinary Shares upon publication of this Document. Application has been made to the FCA for all of the Ordinary Shares to be admitted to the Official List of the U.K. Listing Authority (the “Official List”) (by way of a standard listing under Chapter 14 of the Listing Rules and to the London Stock Exchange plc (the “London Stock Exchange”) for such Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (together, “Readmission”). It is expected that Readmission will become effective, and that dealings in the Ordinary Shares will commence, at 8.00 a.m. on 10 January 2019.

**THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES, AS SET OUT IN THE SECTION ENTITLED “RISK FACTORS” BEGINNING ON PAGE 15 OF THIS DOCUMENT.**

The Directors, whose names appear on page 39, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company (who have taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

## **OCEAN OUTDOOR LIMITED**

**(incorporated in the British Virgin Islands in accordance with the laws of the British Virgin Islands with number 1935255)**

**Admission to the Official List (by way of a Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s main market for listed securities of 53,920,844 Ordinary Shares of no par value**

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction. The Company is not offering any Ordinary Shares or any other securities in connection with Readmission. No Ordinary Shares or any other securities will be generally made available or marketed to the public in the UK or any other jurisdiction in connection with Readmission. The Ordinary Shares have not been and in connection with Readmission will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction.

The date of this Document is 7 January 2019.

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## SUMMARY

*Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A—E (A.1—E.7). This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.*

*Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.*

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### SECTION A — INTRODUCTION AND WARNINGS

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#### A.1 **Warning to investors**

This summary should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor.

Where a claim relating to the information contained in this Document is brought before a court the plaintiff Investor might, under the national legislation of the EEA States, have to bear the costs of translating this Document before legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

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#### A.2 **Consent for intermediaries**

Not applicable; there will be no resale or final placement of securities by financial intermediaries.

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### SECTION B — ISSUER

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#### B.1 **Legal and commercial name**

The legal and commercial name of the issuer is Ocean Outdoor Limited.

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#### B.2 **Domicile / Legal form / Legislation / Country of incorporation**

The Company was incorporated on 20 January 2017 with limited liability under the laws of the British Virgin Islands under the BVI Companies Act with an indefinite life. The Company was incorporated under the name Ocelot Partners Limited with the company number 1935255 and changed its name to Ocean Outdoor Limited on 28 March 2018.

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#### B.3 **Current operations / Principal activities and markets**

The Ordinary Shares and Warrants of the Company were admitted to the Official List by way of a Standard Listing, and to trading on the London Stock Exchange’s main market for listed securities on 13 March 2017, simultaneously with which the Company raised approximately \$425 million before expenses, through the 2017 Placing and the funds raised through the subscription by the Founder Entities and Andrew Barron for the Founder Preferred Shares.

The Company was formed to undertake an acquisition of a target company or business. The Company’s efforts in identifying a prospective target company or business were not limited to a particular industry or geographic region, although the Company expected to focus on acquiring a company or business operating within the European TMT sector.

On 1 March 2018, the Company announced that it had signed the Ocean Acquisition Agreement and, upon completion of the Ocean Transaction on 28 March 2018, the Company, through its wholly owned subsidiary, Jersey Topco, acquired all of the outstanding equity of Ocean from the Ocean Sellers for an enterprise value of approximately £200 million. The Ocean Transaction was funded

through the Company's cash on hand. In conjunction with the Ocean Transaction, the Company changed its name from Ocelot Partners Limited to Ocean Outdoor Limited.

The Ocean Transaction constituted a "Reverse Takeover" under the Listing Rules. In accordance with Listing Rule 5.1.1(i), the listing of the Company's Ordinary Shares and Warrants was suspended on 1 March 2018 pending the Company publishing a prospectus in relation to Readmission. Application has been made for the Ordinary Shares to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules which sets out the requirement for Standard Listings.

The Company is the indirect holding company of the Ocean Group which is a pure play operator of premium digital out-of-home advertising ("DOOH") in the UK, with assets covering the key cities and retail centres of the UK, including London, Manchester, Birmingham and Glasgow. The Ocean Group operates some of the UK's most prominent outdoor advertising locations, including Landsec's Piccadilly Lights, the BFI London IMAX, Westfield's Holland Park Roundabout and the Birmingham Media Eyes. In addition, it holds exclusive external rights for Westfield London and Westfield Stratford, two of the largest premium urban shopping malls in Europe, and the rights for the out-of-home advertising contracts with two of Europe's largest municipal councils, Manchester City Council and Birmingham City Council.

On 4 June 2018, the Company announced that it had acquired Forrest Media, for an enterprise value of approximately £32 million. The Company, through its wholly owned subsidiary, Ocean Bidco, entered into Forrest Acquisition Agreement on 2 June 2018, pursuant to which it agreed to acquire all of the issued and outstanding share capital in the capital of Forrest Media (Holdings) Limited and all of the issued and outstanding shares in Forrest Media Limited. The Forrest Transaction was funded through the Company's cash on hand.

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**B.4(a) Significant trends**

Between 2012 and 2017, the global out-of-home market has maintained its market share of approximately 7% of the wider advertising market while other channels such as radio, television, magazines and newspapers have all lost market share to digital advertising channels. Similarly, as a sub-sector of the wider UK advertising market, the UK out-of-home market has been stable between 2012 and 2017 with UK display advertising spend of approximately £1.1bn in 2017 representing approximately 8.9% of the market.

Within out-of-home, the DOOH market in the UK has experienced increasing growth since 2012, which is highlighted by a compound growth rate of 25% between 2015 and 2017 compared to the compound growth rate of 4% within the out-of-home market for the same period. The overall UK out-of-home market was worth £1.1 billion in 2017 having grown steadily by 3.4% between 2012 and 2017. In 2017, DOOH spend reached £526 million, comprising 46% of all out-of-home spend, up from £337 million in 2015 and £428 million in 2016. In the first quarter of 2018 DOOH comprised 47% of all out-of-home spend and the increased share of DOOH is anticipated to continue at the expense of traditional non-digital displays.

The out-of-home market is assessed across three types of environments: roadside, retail and transport. The Group currently operates within the roadside and retail environments only. In 2017, the roadside environment increased by 3% and the retail environment increased 9%. The transport environment decreased by 3% in 2017 and is the only environment to have shrunk since 2015.

Within the environments themselves, Roadside DOOH comprises 44% of all Roadside out-of-home, which is an increase from 34% in 2016 and 25% in 2015. Retail DOOH is a significant part of the Retail out-of-home spend at 93% in 2017. This has grown from 82% in 2016 and 75% in 2015.

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**B.5 Group structure**

The Company is, and will following Readmission be, the indirect holding company for the Ocean Group.

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## B.6 Major shareholders

So far as the Company is aware, as at 4 January 2019 (being the latest practicable date prior to the publication of this Document), the following persons, directly or indirectly, had notified the following interest of five per cent. or more in the Company's capital or voting rights:

Shareholder	Number of Ordinary Shares	Percentage of Ordinary Shares
Wellington Management Group LLP <sup>(1)</sup>	2,660,100	6.37%
Senator Investment Group LP <sup>(1)</sup>	4,638,462	11.1%
Anchorage Capital Group, L.L.C. <sup>(1)</sup>	4,000,000	9.57%

## B.7 Selected historical key financial information

The selected financial information set out below has been extracted without material adjustment from the unaudited interim financial statements of the Company for the period ended 30 June 2018.

### Unaudited condensed statement of profit or loss and other comprehensive income for the 6 months ended 30 June 2018

	For the period 01/01/18 to 30/06/18 £'000	For the period 20/01/17 to 30/06/17 £'000
<b>Billings</b> .....	<b>18,398</b>	<b>—</b>
<b>Revenue</b> .....	<b>13,078</b>	<b>—</b>
Cost of sales .....	(8,043)	—
<b>Gross profit</b> .....	<b>5,035</b>	<b>—</b>
Administrative and other expenses .....	(5,801)	(1,202)
Other income .....	—	4
<b>Loss from operations</b> .....	<b>(766)</b>	<b>(1,198)</b>
Finance expense .....	(5)	—
Finance income .....	1,160	651
Foreign exchange .....	7,827	—
Non-cash charge related to Founder Preferred Shares .....	—	(24,188)
Non-cash charge related to warrant redemption liability .....	—	(301)
<b>Profit / (loss) before tax</b> .....	<b>8,216</b>	<b>(25,036)</b>
Tax (expense) / credit .....	(263)	—
<b>Profit / (loss) from continuing operations</b> .....	<b>7,953</b>	<b>(25,036)</b>
<b>Total comprehensive income</b> .....	<b>7,953</b>	<b>(25,036)</b>
<b>Total comprehensive income attributable to:</b>		
Owners of the parent .....	<b>7,953</b>	<b>(25,036)</b>
<b>Loss per share attributable to the ordinary equity holders of the parent</b>		
<b>Profit or loss from continuing operations</b>		
Basic earnings per share (£) .....	0.16	(0.83)

<sup>(1)</sup> Notified on 14 March 2017.

# **Unaudited condensed statement of financial position As at 30 June 2018**

	As at 30/06/18 £'000	As at 30/06/17 £'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment .....	24,665	—
Intangible assets .....	219,741	—
	<u>244,406</u>	<u>—</u>
<b>Current assets</b>		
Trade and other receivables .....	27,948	58
Cash and cash equivalents .....	157,436	294,576
	<u>185,384</u>	<u>294,634</u>
<b>Total assets</b> .....	<u>429,790</u>	<u>294,634</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables .....	40,187	88
Income tax payable .....	905	—
	<u>41,092</u>	<u>88</u>
<b>Non-current liabilities</b>		
Warrant redemption liability .....	—	301
<b>Total liabilities</b> .....	<u>41,092</u>	<u>389</u>
<b>NET ASSETS</b> .....	<u>388,698</u>	<u>294,245</u>
<b>Issued capital and reserves attributable to owners of the parent</b>		
Ordinary Share capital .....	—	—
Ordinary Share premium reserve .....	375,406	288,906
Founder Preferred Share Capital .....	5,213	5,213
Retained earnings .....	8,079	126
<b>TOTAL EQUITY</b> .....	<u>388,698</u>	<u>294,245</u>

# **Unaudited condensed statement of cash flows for the 6 months ended 30 June 2018**

	For the period 01/01/18 to 30/06/18 £'000	For the period 20/01/17 to 30/06/17 £'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) for the period	7,953	(25,036)
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	912	—
Amortisation of intangible fixed assets	—	—
Finance income	(1,160)	—
Finance expense	5	—
Tax	263	—
Non-cash charge related to Founder Preferred Shares	—	24,188
Non-cash charge related to warrant redemption liability	—	301
Non-cash charge related to Founder director options	—	31
	<u>7,973</u>	<u>(516)</u>
(Increase) / Decrease in trade and other receivables	(27,890)	(122)
Increase / (Decrease) in trade and other payables	40,354	33
Decrease in provisions	—	—
	<u>20,437</u>	<u>(605)</u>
<b>Cash generated from operations</b>	<u>20,437</u>	<u>(605)</u>
Income taxes paid	(255)	—
<b>Net cash flows from operating activities</b>	<u>20,182</u>	<u>(605)</u>
<b>Investing activities</b>		
Acquisition of subsidiaries net of cash acquired	(244,813)	—
Purchases of property, plant and equipment	(164)	—
Interest payable	(5)	—
Interest received	1,160	—
	<u>(243,822)</u>	<u>—</u>
<b>Net cash used in investing activities</b>	<u>(243,822)</u>	<u>—</u>
<b>Financing activities</b>		
Issue of Founder Preferred Shares and warrants	—	5,213
Issue of Ordinary Shares and warrants	86,500	296,383
Repayment of loans and borrowings	—	—
Issue costs incurred	—	(7,477)
	<u>86,500</u>	<u>294,119</u>
<b>Net cash (used in)/from financing activities</b>	<u>86,500</u>	<u>294,119</u>
<b>Net increase in cash and cash equivalents</b>	<u>(137,140)</u>	<u>293,514</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>294,576</u>	<u>—</u>
<b>Cash and cash equivalents at end of period</b>	<u>157,436</u>	<u>293,514</u>



The selected financial information set out below has been extracted without material adjustment from the Historical Financial Information of the Ocean Group for the three years ended 31 December 2017.

**Consolidated statement of profit or loss and other comprehensive income**

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<i>Billings</i> .....	<u>53,674</u>	<u>65,006</u>	<u>67,035</u>
<b>Revenue</b> .....	43,162	51,655	53,166
Cost of sales .....	<u>(28,121)</u>	<u>(33,530)</u>	<u>(34,606)</u>
<b>Gross profit</b> .....	15,041	18,125	18,560
Administrative expenses .....	<u>(15,368)</u>	<u>(11,931)</u>	<u>(12,777)</u>
<b>Profit from operations</b> .....	327	6,194	5,783
Finance expense .....	(10,536)	(11,949)	(11,987)
Finance income .....	<u>1</u>	<u>—</u>	<u>119</u>
<b>Loss before tax</b> .....	(10,862)	(5,755)	(6,085)
Tax credit / (expense) .....	<u>684</u>	<u>411</u>	<u>(527)</u>
<b>Loss from continuing operations</b> .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
<b>Total comprehensive income</b> .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Loss for the year attributable to:</b>			
Owners of the parent .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
<b>Loss per share attributable to the ordinary equity holders of the parent</b>			
<b>Profit or loss from continuing operations</b>			
Basic and Diluted (£) .....	<u>(18.37)</u>	<u>(7.92)</u>	<u>(9.68)</u>

# Consolidated statement of financial position for the period/years ended 31 December

	2015 £'000	2016 £'000	2017 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment . . . . .	17,252	17,821	20,235
Intangible assets . . . . .	97,018	91,554	86,091
	<u>114,270</u>	<u>109,375</u>	<u>106,326</u>
<b>Current assets</b>			
Trade and other receivables . . . . .	16,539	16,522	20,587
Cash and cash equivalents . . . . .	5,671	11,000	18,702
	<u>22,210</u>	<u>27,522</u>	<u>39,289</u>
<b>Total assets</b> . . . . .	<u>136,480</u>	<u>139,897</u>	<u>145,615</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables . . . . .	25,604	24,684	33,728
Loans and borrowings . . . . .	1,799	2,016	2,476
Derivative financial liabilities . . . . .	—	—	8
Income tax payable . . . . .	155	315	536
	<u>27,558</u>	<u>27,015</u>	<u>36,748</u>
<b>Non-current liabilities</b>			
Loans and borrowings . . . . .	111,680	119,154	125,683
Derivative financial liabilities . . . . .	57	126	—
Deferred tax liability . . . . .	6,809	5,567	4,761
<b>Total liabilities</b> . . . . .	<u>146,104</u>	<u>151,862</u>	<u>167,192</u>
<b>NET LIABILITIES</b> . . . . .	<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>
<b>Issued capital and reserves attributable to owners of the parent</b>			
Share capital . . . . .	6	6	6
Share premium reserve . . . . .	548	551	551
Retained earnings . . . . .	(10,178)	(15,522)	(22,134)
<b>TOTAL EQUITY</b> . . . . .	<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>

## Consolidated statement of cash flows

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Cash flows from operating activities</b>			
Loss for the year	(10,178)	(5,344)	(6,612)
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	2,632	3,114	3,292
Amortisation of intangible fixed assets	5,321	5,464	5,464
Finance income	(1)	—	(119)
Finance expense	10,536	11,949	11,987
	8,310	15,183	14,012
Change in trade and other receivables	321	33	(4,077)
Change in trade and other payables	1,453	(522)	10,078
Change in provisions	(956)	(1,242)	(807)
<b>Cash generated from operations</b>	9,128	13,452	19,206
Income taxes paid	(497)	(255)	(800)
<b>Net cash flows from operating activities</b>	8,631	13,197	18,406
<b>Investing activities</b>			
Acquisition of subsidiaries, net of cash acquired	(99,924)	—	—
Purchases of property, plant and equipment	(5,726)	(3,683)	(5,706)
Sale of property, plant and equipment	4	—	—
Interest received	1	—	—
<b>Net cash used in investing activities</b>	(105,645)	(3,683)	(5,706)
<b>Financing activities</b>			
Issue of ordinary shares	554	3	—
Issue of preference shares	13,853	—	—
Capital element of finance lease repayments	(717)	(121)	(33)
Proceeds from loans and borrowings	94,608	21,000	—
Repayment of loans and borrowings	—	(11,296)	—
Interest paid on loans and borrowings	(2,069)	(12,768)	(4,965)
Issue costs incurred	(3,544)	(1,003)	—
<b>Net cash (used in)/from financing activities</b>	102,685	(4,185)	(4,998)
<b>Net increase in cash and cash equivalents</b>	5,671	5,329	7,702
<b>Cash and cash equivalents at beginning of year</b>	—	5,671	11,000
<b>Cash and cash equivalents at end of year</b>	5,671	11,000	18,702

The selected financial information set out below has been extracted without material adjustment from the unaudited interim financial statements of the Company for the period ended 30 June 2018.

**Unaudited condensed statement of profit or loss and other comprehensive income for the 6 months ended 30 June 2018 for the Ocean Group**

	Unaudited H1 2018 £'000	Unaudited H1 2017 £'000
<i>Billings</i> .....	31,859	32,006
<b>Revenue</b> .....	22,528	22,139
Cost of sales .....	(13,713)	(14,009)
<b>Gross profit</b> .....	8,815	8,130
Administrative and other expenses .....	(14,618)	(5,993)
<b>Profit from operations</b> .....	(5,803)	(2,137)
Finance expense .....	(5,552)	(5,899)
Finance income .....	—	—
<b>Profit before tax</b> .....	(11,355)	(3,762)
Tax expense .....	(456)	(390)
<b>Profit from continuing operations</b> .....	(11,811)	(4,152)
<b>Total comprehensive income</b> .....	(11,811)	(4,152)

The Company's first financial year was from incorporation to 31 December 2017. Certain significant changes to the financial condition and the operating results of the Company occurred in the six month period ended 30 June 2018 ("HY2018") compared to the six month period ended 30 June 2017 ("HY2017") on an actual basis due to the completion of the Ocean Transaction. As the first consolidated financial statements reflecting the Ocean Transaction are contained in the Company's HY2018 financial report, this reflects higher billings, revenue and gross profit for the Group than the corresponding items in HY2017. HY2018 actual results compared to acquisition adjusted pro forma financial information for HY2017, show steady Billings during the period at £31,859,000 while macroeconomic factors contributed to a slowdown in the Ocean Group's growth recorded in previous periods, including Brexit-related conditions, a softening of the overall UK advertising market in parts and competitors having responded in a variety of ways impacting the market. Cost of sales in HY2018 were reduced due to various savings achieved with suppliers.

For the years ended 31 December 2015 ("FY2015"), 31 December 2016 ("FY2016") and 31 December 2017 ("FY2017"), certain significant changes to the financial condition and the operating results of the Ocean Group occurred. These changes are set out below.

Billings increased by 21.11% from £53,674,000 for FY2015 to £65,006,000 for FY2016 and further increased by 3.1% to £67,035,000 for FY2017. This growth was primarily due to the acquisition of new sites. Revenues, being directly linked with billings, increased for the same reasons.

Cost of sales increased substantially by 19.23% from £28,121,000 for FY2015 to £33,530,000 for FY2016, and further increased by 3.21% to £34,606,000 for FY2017, primarily due to the rent charges incurred on the Westfield Stratford sites, which was due to an increase in site rents, profit share and agency rebate costs which were a result of the additional sites added in 2016.

Save as set out above, there have been no significant change in the financial condition and results of operations of the Group during or after the period covered by the historical financial information of the Company or the Ocean Group set out in this Document.

## B.8 Selected key pro forma financial information

The unaudited consolidated pro forma income statement for the year ended 31 December 2017 set out below has been prepared to illustrate the effect of the Ocean Transaction on the income statement of the Company as if the Ocean Transaction had taken place on 1 January 2017. The unaudited pro forma financial information has been compiled on the basis of, and should be read in conjunction with, the notes set out below.

The pro forma financial information is unaudited and is produced for illustrative purposes only; by its nature it addresses a hypothetical situation and therefore does not represent the Group's actual financial results of the Ocean Transaction nor is it indicative of the results that may, or may not, be expected to be achieved in the future.

The unaudited pro forma financial information does not contain a pro forma net asset statement. Part XII (Documents incorporated by reference) of this Prospectus includes the unaudited consolidated financial statements for the six months to 30 June 2018 for the Group which includes an unaudited consolidated statement of financial position of the Group that includes the impact of the Ocean Transaction. As such, a pro forma net asset statement has not been included in the unaudited pro forma financial information.

	Company Note 1a USD'000	Company Note 1b £'000	Ocean Group Note 2 £'000	Adjustments Note 3 £'000    Note 4 £'000		Pro forma £'000
<b>Revenue</b> .....	—	—	53,166	—	—	53,166
Cost of sales .....	—	—	(34,606)	—	—	(34,606)
<b>Gross profit</b> .....	—	—	18,560	—	—	18,560
General and administrative expenses .....	(2,491)	(1,935)	(12,777)	(3,636)	—	(18,348)
Other income .....	7	5	—	—	—	5
<b>Operating profit</b> .....	(2,484)	(1,930)	5,783	(3,636)	—	217
Finance income .....	2,967	2,304	119	—	—	2,423
Finance costs .....	(34,529)	(26,819)	(11,987)	—	11,781	(27,025)
<b>Profit before tax</b> .....	(34,046)	(26,445)	(6,085)	(3,636)	11,781	(24,385)
Taxation .....	—	—	(527)	—	—	(527)
<b>Profit for the year</b> .....	<b>(34,046)</b>	<b>(26,445)</b>	<b>(6,612)</b>	<b>(3,636)</b>	<b>11,781</b>	<b>(24,912)</b>

### Notes

- 1)
  - a. The income statement of the Company as at 31 December 2017 has been extracted without material adjustment from the annual report and audited financial statements for the period ended 31 December 2017.
  - b. On 28 March 2018, due to the acquisition of the Ocean Group, the functional and presentational currency of the Company was changed from USD to GBP. Therefore, the financial statements for the Company for the year ending 31 December 2018 will be prepared with GBP as both the functional and presentational currency. Accordingly, for the purposes of the pro forma income statement, the income statement of the Company as at 31 December 2017, reported in USD, has been translated into GBP using the average 2017 annual spot rate of 0.776695.
- 2) The income statement of the Ocean Group has been extracted without material adjustment from the Historical Financial Information of the Ocean Group as presented in Part VII B of this document for the year ended 31 December 2017.
- 3) The adjustment in Note 3 reflects the costs of the Ocean Transaction. Such costs consist of adviser fees wholly attributable to the Transaction and are non-recurring.
- 4) This adjustment represents interest costs incurred in the Ocean Group in the year to 31 December 2017 in respect of borrowings that were repaid as part of the Transaction. The total value of loans repaid by the Company as part of the Ocean Transaction was £131.6 million. This repayment of debt will have a continuing impact on the Group.



No adjustment has been made to reflect the trading results of the Company or the Ocean Group since 31 December 2017.

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**B.9 Profit forecast or estimate**

Not applicable; no profit forecast or estimate is made.

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**B.10 Qualified audit report**

Not applicable; there are no qualifications in the accountant's report on the historical financial information.

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**B.11 Insufficient working capital**

Not applicable; the Group's working capital is sufficient for its present requirements, that is for at least the 12 months from the date of this Document.

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**SECTION C — SECURITIES OFFERED**

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**C.1 Description of the type and the class of the securities being offered**

The Ordinary Shares are registered with ISIN number VGG6702A1084 and SEDOL number BYM41N7.

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**C.2 Currency of the securities issue**

The currency of the securities issue is British pounds sterling.

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**C.3 Issued share capital**

At the date of this Document there are a total of 53,920,844 Ordinary Shares of no par value in issue. In addition, there are 700,000 Founder Preferred Shares in issue, held by the Founder Entities and Andrew Barron.

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**C.4 Rights attached to the securities**

Shareholders will have the right to receive notice of and to attend and vote at any meetings of members. Each Shareholder entitled to attend and being present in person or by proxy at a meeting will, upon a show of hands, have one vote and upon a poll each such Shareholder present in person or by proxy will have one vote for each Ordinary Share held by him.

In the case of joint holders of an Ordinary Share, if two or more persons hold an Ordinary Share jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member, and if one or more joint holders are present at a meeting of members, in person or by proxy, they must vote as one.

The pre-emption rights contained in the Articles (whether to issue equity securities or sell them from treasury) have previously been disapplied (i) for the purposes of, or in connection with, the 2017 Placing, (ii) in relation to, in connection with, or resulting from an Acquisition (including in respect of consideration payable for the Acquisition) or in relation to, in connection with or resulting from the restructuring or refinancing of any debt or other financial obligation relating to the Acquisition (whether assumed or entered into by the Company or owed or guaranteed by any company or entity acquired), and whether in either such case such issue of shares occurs before or after the Acquisition has occurred; (iii) for the purposes of, or in connection with, the issue of Ordinary Shares pursuant to any exercise of any Warrants; (iv) generally, for such purposes as the Directors may think fit, up to an aggregate amount of one third of the value of the issued Ordinary Shares (as at the close of the first Business Day following Admission), (v) for the purposes of issues of securities offered to Shareholders on a pro rata basis, (vi) for the purposes of issues of Ordinary Shares to satisfy rights relating to the Founder Preferred Shares, (vii) for the purpose of the issue of equity securities to Non-Founder Directors pursuant to their initial Letters of Appointment and (viii) for the purposes of or in connection with the issue of Ordinary Shares pursuant to the exercise of the Non-Founder Director Options.

Otherwise, Shareholders will have the pre-emption rights contained in the Articles, which will generally apply in respect of future share issues for cash. No pre-emption rights exist in respect of future share issues wholly or partly other than for cash.

Subject to the BVI Companies Act, on a winding up of the Company the assets of the Company available for distribution shall be distributed, provided there are sufficient assets available, to the holders of Ordinary Shares and Founder Preferred Shares pro rata to the number of such fully paid up Ordinary Shares and fully paid up Founder Preferred Shares held (by each holder as the case may be) relative to the total number of issued and fully paid up Ordinary Shares as if such fully paid up Founder Preferred Shares had been converted into Ordinary Shares immediately prior to the winding up (after taking account of any enhancement of rights in respect of the Founder Preferred Shares).

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**C.5 Restrictions on transferability**

Subject to the terms of the Articles, any Shareholder may transfer all or any of his certificated Ordinary Shares by an instrument of transfer in any usual form or in any other form which the Directors may approve. No transfer of Ordinary Shares will be registered if, in the reasonable determination of the Directors, the transferee is or may be a Prohibited Person, or is or may be holding such Ordinary Shares on behalf of a beneficial owner who is or may be a Prohibited Person. The Directors shall have power to implement and/or approve any arrangements they may, in their absolute discretion, think fit in relation to the evidencing of title to and transfer of interests in Ordinary Shares in the Company in uncertificated form (including in the form of depositary interests or similar interests, instruments or securities).

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**C.6 Application for admission to trading on a regulated market**

Application has been made for the Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the London Stock Exchange's main market for listed securities. It is expected that Readmission will become effective and that unconditional dealings will commence at 8.00 a.m. on 10 January 2019.

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**C.7 Dividend policy**

The Company may pay dividends on the Ordinary Shares at such times (if any) and in such amounts (if any) as the Board determines appropriate. The Founder Preferred Shares will participate in any dividends on the Ordinary Shares as if they had converted on a one for one basis. The Company's current intention is to retain any earnings for use in its business operations, and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws.

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**SECTION D — RISKS**

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**D.1 Key information on the key risks that are specific to the issuer or its industry**

- The Group operates in a highly competitive market and its failure to compete effectively could adversely affect its results of operations.
  - The Group is heavily reliant on its relationships with media agencies.
  - The Group's operations are based solely in the UK and are therefore vulnerable to any adverse developments to the UK economic and market conditions and to the UK legal and regulatory environment.
  - A loss of a site or sites or a failure to renew relevant site agreement(s) may reduce the Group's revenue.
  - The due diligence undertaken by the Company in connection with the Ocean Transaction and the Forrest Transaction may not have revealed all relevant considerations or liabilities of the Ocean Group, which could have a material adverse effect on the Company's financial condition or results of operations.
  - The Company may be a "passive foreign investment company" for U.S. federal income tax purposes and adverse tax consequences could apply to U.S. investors.
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**D.3 Key information on the key risks that are specific to the securities**

- The Company may be required to issue additional Ordinary Shares pursuant to the terms of the Founder Preferred Shares, which would dilute existing Ordinary Shareholders.
- An active trading market may not develop or be sustained in the future.

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**SECTION E — OFFER**

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**E.1 Total net proceeds / expenses**

Not applicable; the Company is not offering any Ordinary Shares or any other securities in connection with Readmission and so the Company is not receiving any proceeds.

**E.2(a) Reasons for the offer and use of proceeds**

Not applicable; the Company is not receiving any proceeds in connection with Readmission.

**E.3 Terms and conditions of the offer**

Not applicable; there is no offering of Ordinary Shares or any other securities in connection with Readmission.

**E.4 Material interests**

Not applicable; there is no interest that is material to Readmission.

**E.5 Selling Shareholders / Lock-up agreements**

Not applicable; no person or entity is offering to sell the relevant securities.

In connection with the 2017 Placing, each of the Directors, the Founders and the Founder Entities agreed that they shall not, without the prior written consent of the Joint Brokers and Financial Advisers, offer, sell, contract to sell, pledge or otherwise dispose of any Ordinary Shares or Warrants which they hold directly or indirectly in the Company (or acquire pursuant to the terms of the Founder Preferred Shares, Non-Founder Director Options or Warrants) or any Founder Preferred Shares they hold, for a period commencing on the date of the Placing Agreement and ending 365 days after the Company has completed the Acquisition.

The restrictions on the ability of the Directors, the Founders and the Founder Entities to transfer their Ordinary Shares, Warrants or Founder Preferred Shares, as the case may be, are subject to certain usual and customary exceptions and exceptions for: gifts; transfers for estate planning purposes; transfers to trusts (including any direct or indirect wholly-owned subsidiary of such trusts) for the benefit of the Directors or Founders or their families; transfers to the Company's Directors; transfers to affiliates or direct or indirect equity holders, holders of partnership interests or members of the Founder Entities, in each case, subject to certain conditions; transfers among the Founders or the Founder Entities (including any affiliates thereof or direct or indirect equity holders, holders of partnership interests or members of a Founder Entity); transfers to any direct or indirect subsidiary of the Company, a target company or shareholders of a target company in connection with an Acquisition, provided that in each of the foregoing cases, the transferees enter into a lock up agreement for the remainder of the period referred to above which is subject to similar exceptions to those set out in this paragraph; transfers of any Ordinary Shares or Warrants acquired after the date of Admission in an open-market transaction, or the acceptance of, or provision of, an irrevocable undertaking to accept, a general offer made to all Shareholders on equal terms; after the Acquisition, transfers to satisfy certain tax liabilities in connection with, or as a result of transactions related to, completion of the Acquisition, the exercise of Warrants, or the receipt of share dividends.

Subject to the expiration or waiver of any lock-up arrangement entered into between the Founder Entities, Mr. Barron and the Joint Brokers and Financial Advisers, the Company has agreed to provide, at its own cost, such information and assistance as any of the Founder Entities or Mr. Barron, may reasonably request to enable them to effect a disposal of all or part of their Ordinary Shares at any time upon or after the completion of the Acquisition, including, without limitation, the preparation, qualification and approval of a prospectus in respect of such Ordinary Shares.

In connection with the Ocean Transaction, each of the Locked-Up Management Sellers along with Marc Keenan as part of the Forrest Transaction agreed that they, and any person acting on their behalf, shall not for the period ending on the fifth anniversary of completion of the Ocean Transaction (the “Management Lock-up Period”), without the prior written consent of the Board, (i) offer, hypothecate, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any of the Ordinary Shares held by them; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Ordinary Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise provided that the Management Lock-Up Period shall cease to apply to (a) 25 per cent. of the Ordinary Shares held by each individual on the third anniversary of the completion of the Ocean Transaction; (b) an additional 25 per cent. of such Ordinary Shares on the fourth anniversary of the completion of the Ocean Transaction; (c) the remaining 50 per cent. of the Ordinary Shares on the fifth anniversary of the completion of the Ocean Transaction; and (d) 100 per cent of their Ordinary Shares on the leaving date of the relevant individual. The restrictions on the ability of the Locked-Up Management Sellers to transfer their Ordinary Shares are subject to certain usual and customary exceptions.

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**E.6      Dilution**

Not applicable; there is no immediate dilution in connection with Readmission.

Not applicable; there is no subscription offer to existing equity holders.

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**E.7      Expenses charged to investors**

Not applicable; no expenses will be charged to the investors in connection with Readmission.

## RISK FACTORS

*Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company's business strategy and its industry, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.*

*Investors should note that the risks relating to the Company, its industry and the Ordinary Shares summarised in the section of this Document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Company faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.*

*The risks referred to below are those risks the Company and the Directors consider to be the material risks relating to the Company. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, Shareholders could lose all or part of their investment.*

*The order in which the following risk factors are presented does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their potential material adverse effect on the Company's business, prospects, results of operations, financial condition, or the market price of the Ordinary Shares.*

### **RISKS RELATING TO THE GROUP'S BUSINESS AND THE INDUSTRY**

***The Group operates in a highly competitive market and its failure to compete effectively could adversely affect its results of operations***

The Group operates in a highly competitive industry and may not be able to maintain or increase its current advertising and sales revenues or market share. The Group competes for advertising revenue with other outdoor advertising operators, as well as with other media, such as radio, newspapers, magazines, television, direct mail, mobile devices and internet based services. It is also possible that new competitors may emerge and rapidly acquire market share in the digital out-of-home advertising sector. Furthermore, some of the Group's competitors may have substantially greater financial, marketing and other resources than it has, creating competitive pressures that could cause the Group to lose market share, require it to lower prices, increase marketing expenditures and increase the use of discounting or promotional campaigns, and restrict its ability to increase prices. These or other developments could materially and adversely affect the Group's sales volumes and margins and result in a decrease in its operating results, which could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group is heavily reliant on its relationships with media agencies***

The Group is heavily reliant on its relationships with four main media specialist buyers to sell the out-of-home advertising space which it owns and/or manages with approximately 95 per cent. of its revenues for the year ended 31 December 2017 coming from 4 agencies. Accordingly, the loss of these relationships, a significant change in the terms of these relationships or any of these agencies encountering financial difficulties could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group's operations are based solely in the UK and are therefore vulnerable to any adverse developments to the UK economic and market conditions and to the UK legal and regulatory environment***

The Group's operations are based solely in the UK and the business of the Group is therefore exposed to the prevailing economic and market conditions, as well as the legal and regulatory environment, in the UK. The Group derives revenues from the sale of advertising and expenditures by advertisers tend to be cyclical, reflecting economic conditions and budgeting and buying patterns. Periods of a slowing economy or recession, or periods of economic uncertainty, may be accompanied by a decrease in advertising which would reduce the Group's advertising revenues and have an adverse effect on the Group's revenue, profit margins, cash flow and



liquidity. As a result of the concentration of the Group's operations in the UK, it will not be able to mitigate the effect of any economic downturn in the UK by reliance on income generated in other countries as competitors with more diverse geographic operations or revenue generation may be able to.

In addition, there has been an increase in political uncertainty as a result of the UK vote in favour of exiting the EU. It is not clear what the impact on the Group (including its business, employees, operations and assets) will be when, the UK leaves the EU, but any such change may have a material adverse effect on the business, financial condition and results of operations of the Group.

***Changes to existing regulations or new regulations in the UK may have an adverse impact on the ability to advertise or continue to lease advertising sites or expand the Group's current portfolio***

The outdoor advertising industry in the UK is subject to significant regulation, relating to, for example, the type, luminosity, nature, density, size and location of billboards and screens in urban and other areas. Changes to existing regulations or new regulations may have an adverse impact on the ability to advertise or continue to lease advertising sites or expand the Group's current portfolio. Legislation regulating out-of-home advertising due to content-based restrictions (for example relating to alcohol and sugar) could also cause a reduction in the Group's revenues and a simultaneous increase in the available space on the existing inventory of billboards in the outdoor advertising industry, which could have an adverse effect on the Group's business, financial condition and results of operations.

***A loss of sites or a failure to renew relevant site agreements may reduce the Group's revenue***

The Group gains access to advertising sites through short, medium and long term contracts or concessions (being comprised of (i) leases, (ii) licences; and (iii) certain commercial site agreements) with asset owners such as local municipalities and commercial landlords. There is no guarantee that such site agreements, including those relating to the Group's iconic sites, will be renewed at all or renewed on terms which are favourable to the Group. In addition, site agreements are generally subject to certain termination rights which may be enforced by counterparties. Site agreements may also be subject to redevelopment rights or may become impaired in other ways, such as reduced visibility or cancellation of a head lease. If sufficient numbers of site agreements are cancelled, not renewed or sufficient numbers of sites become impaired, it could have an adverse effect on the Group's business, financial condition and results of operations.

***The Group may not be able to successfully implement its expansion plans***

The Group's growth strategy includes the expansion of the Group's site network. Procuring new sites can take a significant period of time and there is no guarantee that the Group will be able to identify suitable sites or, even if suitable sites are identified, that they will be converted into active sites. Among other things, the Group may experience significant competition for premium sites from competitors, may be unable to obtain the necessary planning permission or reach acceptable commercial terms with site owners. Any delay or failure to secure such sites may limit the Group's ability to increase future revenues and could have an adverse effect on the Group's business, financial condition and results of operations. Increased payments to retain existing or secure new sites could result in a decrease in profitability.

***The Group is dependent upon key executives and highly qualified managers whose retention the Group cannot assure***

The Group's success depends, in part, upon the continued services of key members of its management. The Group's executives' and managers' knowledge of the market and its business represents a key strength of the Group's business, which cannot be easily replicated. In addition, a number of key site contracts include key-man provisions. The success of the Group's business strategy and its future growth also depend on its ability to attract, train, retain and motivate skilled managerial, sales, administration, development and operating personnel. The loss of one or more of the Group's key management or operating personnel, or the failure to attract and retain additional key personnel, could have a material adverse effect on the Group's business, financial condition and results of operations.

***The Group may incur liabilities that are not covered by insurance***

While the Group will seek to maintain appropriate levels of insurance, not all claims are insurable and the Group may experience major incidents of a nature that are not covered by insurance. The Group's insurance policies cover, among others, employee-related accidents and injuries, property damage and liability deriving from its activities. The Group maintains an amount of insurance protection that it believes is adequate, but there can be no

assurance that such insurance will continue to be available on acceptable terms or that the Group's insurance cover will be sufficient or effective under all circumstances and against all liabilities to which it may be subject. The Group could, for example, be subject to substantial claims for damages upon the occurrence of several events within one calendar year. In addition, the Group's insurance costs may increase over time in response to any negative development in its claims history or due to material price increases in the insurance market in general which may adversely affect the Group's business, financial condition and results of operations.

***The Group's sites and other technology systems and operations could be exposed to damage or interruption***

The Group's sites and other technology systems and operations could be exposed to damage or interruption from system failures, computer viruses, cyber-attacks, power or telecommunication providers' failure, fire, natural disasters, terrorist acts, war, or human error. Any interruptions would impact the Group's ability to operate and could result in business interruption, the loss of customers and revenue, damaged reputation and weakening of competitive position and could have a material adverse effect on the Group's business, financial condition and results of operations.

There is a risk that, if a cyber-attack is successful, any data security breaches or the Group's inadvertent failure to protect confidential information could result in a loss of information integrity, breaches of the Group's obligations under applicable laws or client agreements and system outages, each of which may potentially have a material adverse impact on the Group's reputation and financial performance.

***Changes in technology may impact consumer and advertiser behaviour***

The advertising industry will continue to be affected by changes in technology, with these changes likely leading to increasing media options for consumers. If these changes drive advertising away from DOOH advertising, this could have a material adverse effect on the Group's business, financial condition and results of operations.

**RISKS RELATING TO THE OCEAN TRANSACTION**

***The due diligence undertaken by the Company in connection with the Ocean Transaction may not have revealed all relevant considerations or liabilities of the Ocean Group, which could have a material adverse effect on the Company's financial condition or results of operations***

There can be no assurance that the due diligence undertaken by the Company with respect to the Ocean Transaction revealed all relevant facts necessary to evaluate such Transaction. Furthermore, the information provided during due diligence may have been incomplete, inadequate or inaccurate. The Ocean Transaction was also based on a locked-box structure using unaudited management accounts of Ocean and the Ocean Group for the year ended 31 December 2017. As part of the due diligence process, the Company also made subjective judgments regarding the results of operations, financial condition and prospects of the Ocean Group. If the due diligence investigation failed to correctly identify material issues and liabilities that may be present in the Ocean Group, or if the Company considered such material risks to be commercially acceptable relative to the opportunity, the Company may incur substantial impairment charges or other losses should such risks eventuate. In addition, the Company may be subject to significant, previously undisclosed liabilities of the Ocean Group that were not identified during due diligence and which could contribute to poor operational performance and have a material adverse effect on the Company's financial condition and results of operations.

***The Company may have limited redress in respect of claims under the Acquisition Agreement***

Save in the event of fraud, the representations and warranties given by the Ocean Sellers in the Ocean Acquisition Agreement are limited. With respect to any claims against the Ocean Sellers, although they may be contractually liable in respect of such claims, there can be no assurance that they will have sufficient funds to satisfy their obligations thereunder. In addition, in connection with the Acquisition Agreement, the Company has obtained warranty and indemnity insurance, subject to certain specified limitations and exclusions. There can be no assurance that, in the event of a claim, the insurance policy will cover the relevant losses, or that proceeds that are recoverable under the insurance policy (if any) will be sufficient to compensate the Company for any losses incurred. Therefore, the Company may have limited redress against the Ocean Sellers and/or the warranty and indemnity insurance provider in respect of claims for breach of the warranties and other provisions in the Acquisition Agreement.

## **RISKS RELATED TO THE COMPANY'S STRUCTURE AND ACQUISITION STRATEGY**

***The Company may not be able to consummate future acquisitions or successfully integrate acquisitions into its business, which could result in unanticipated expenses and losses.***

Part of the Company's strategy is to grow through acquisitions of further businesses to build an integrated group. Consummating acquisitions of related businesses, or the Company's failure to integrate such businesses successfully into the Group's existing businesses, could result in unanticipated expenses and losses. Furthermore, the Company may not be able to realise any of the anticipated benefits from acquisitions. The Company anticipates that any future acquisitions it may pursue as part of its business strategy may be partially financed through additional debt. If new debt is incurred, or if the Group incurs other liabilities, including contingent liabilities, in connection with an acquisition, the debt or liabilities could impose additional constraints and requirements on the Group's business and financial performance, which could materially adversely affect the Company's financial condition and operations. Some of the risks associated with acquisitions include:

- unexpected losses of key employees or customers of the acquired company;
- conforming the acquired company's standards, processes, procedures and controls with the Company's operations;
- coordinating new product and process development;
- hiring additional management and other critical personnel; and
- increasing the scope, geographic diversity and complexity of the Group's current operations.

In addition, the Company may encounter unforeseen obstacles or costs in the integration of businesses that it may acquire, including in connection with the Ocean Transaction. In addition, general economic and market conditions or other factors outside the Company's control could make the Company's operating strategies difficult or impossible to implement. Any failure to implement these operational improvements successfully and/or the failure of these operational improvements to deliver the anticipated benefits could have a material adverse effect on the Company's results of operations and financial condition.

***The Group may be subject to antitrust regulations with respect to future acquisition opportunities***

The jurisdiction in which the Group operates has antitrust regulations which involve governmental filings for certain acquisitions, impose waiting periods and require approvals by government regulators. Governmental authorities in the UK and elsewhere should the Company pursue acquisitions outside of the UK, may seek to challenge potential acquisitions or impose conditions, terms, obligations or restrictions that may delay completion of the acquisition or materially reduce the anticipated benefits (financial or otherwise) or require the Group to sell certain assets to obtain any required clearances. The Group's inability to consummate potential future acquisitions, or to receive the full benefits of such acquisitions, because of antitrust regulations could limit the Group's ability to execute on its acquisition strategy which could have a material adverse effect on the Group's financial condition and results of operations.

***The Company may face significant competition for acquisition opportunities***

There may be significant competition in some or all of the acquisition opportunities that the Company may explore. Such competition may for example come from strategic buyers, sovereign wealth funds, special purpose acquisition companies and public and private investment funds many of which are well established and have extensive experience in identifying and completing acquisitions. A number of these competitors may possess greater technical, financial, human and other resources than the Company. The Company cannot assure investors that it will be successful against such competition. Such competition may cause the Company to be unsuccessful in executing any acquisition or may result in a successful acquisition being made at a significantly higher price than would otherwise have been the case.

***Any due diligence by the Company in connection with a potential future acquisition may not reveal all relevant considerations or liabilities of the target business, which could have a material adverse effect on the Company's financial condition or results of operations.***

The Company intends to conduct such due diligence as it deems reasonably practicable and appropriate based on the facts and circumstances applicable to any potential acquisition. The objective of the due diligence process will be to identify material issues which may affect the decision to proceed with any one particular acquisition target or the consideration payable for an acquisition. The Company also intends to use information revealed

during the due diligence process to formulate its business and operational planning for, and its valuation of, any target company or business. Whilst conducting due diligence and assessing a potential acquisition, the Company may rely on publicly available information, if any, information provided by the relevant target company to the extent such company is willing or able to provide such information and, in some circumstances, third party investigations.

There can be no assurance that the due diligence undertaken with respect to a potential acquisition will reveal all relevant facts that may be necessary to evaluate such acquisition including the determination of the price the Company may pay for an acquisition target, or to formulate a business strategy. Furthermore, the information provided during due diligence may be incomplete, inadequate or inaccurate. As part of the due diligence process, the Company will also make subjective judgments regarding the results of operations, financial condition and prospects of a potential opportunity. If the due diligence investigation fails to correctly identify material issues and liabilities that may be present in a target company or business, or if the Company considers such material risks to be commercially acceptable relative to the opportunity, and the Company proceeds with an acquisition, the Company may subsequently incur substantial impairment charges or other losses. In addition, following an acquisition, the Company may be subject to significant, previously undisclosed liabilities of the acquired business that were not identified during due diligence and which could contribute to poor operational performance, undermine any attempt to restructure the acquired company or business in line with the Company's business plan and have a material adverse effect on the Company's financial condition and results of operations.

***The Company is a holding company whose principal source of operating cash is the income received from its subsidiaries***

The Company is dependent on the income generated by its subsidiaries in order to make distributions and dividends on the Ordinary Shares. The amount of distributions and dividends, if any, which may be paid from any operating subsidiary to the Company will depend on many factors, including such subsidiary's results of operations and financial condition, limits on dividends under applicable law, its constitutional documents, documents governing any indebtedness of the Company, and other factors which may be outside the control of the Company. If the Company's subsidiaries are unable to generate sufficient cash flow, the Company may be unable to make distributions and dividends on the Ordinary Shares.

***One or more businesses in which LionTree, Mr. Bourkoff and their respective affiliates, and/or employees of LionTree made available to the Company, may have an interest may compete with the Company, which could result in a conflict of interest that may adversely affect the Company***

LionTree and its affiliates undertake a broad range of financial advisory services and merchant banking activities for a wide variety of international clients who acquire, hold and sell investments in businesses across a broad range of TMT industries. Its current international investment and merchant banking operations have a focus on international TMT industries. In addition, Mr. Bourkoff, a current Director, has strategic investment and merchant banking responsibilities within LionTree and has an economic interest in the success of LionTree separate and apart from his economic interest in the Company. One or more of these businesses in which LionTree and/or its affiliates and/or its clients have an investment or other pecuniary interest may compete with the Company in the out-of-home advertising or other related sectors, resulting in potential conflicts of interest. Conflicts of interest may also arise where the Founders, the Company's Directors or employees of LionTree made available to the Company have affiliations with the Company's competitors. In the case of any such conflicts, the Company's interests may differ from those of the LionTree entity or individual with the conflict, as such entity or individual may have a greater economic interest in the Company's competitor than in the Company, or may believe that the Company's competitor has better prospects than the Company. In such event, that entity or individual may devote more resources, including time and attention, to the Company's competitor than to the Company, which may have a material adverse effect on the Company's results of operations and financial condition.

***LionTree may represent a client in competition with the Company to acquire potential target companies or businesses, thereby causing conflicts of interest that may limit the Company's ability to pursue additional bolt-on potential targets***

LionTree and its affiliates undertake a broad range of international financial advisory services and merchant banking activities for a wide variety of clients, and for its own account. Accordingly, there may be situations in which LionTree has an obligation or an interest that actually or potentially conflicts with the Company's interests. These conflicts may not be resolved in the Company's favour and, as a result, the Company may be

denied certain investment opportunities or may be otherwise disadvantaged in some situations by the Company's relationship to LionTree.

***The Founders and/or the Founder Entities may in the future enter into related party transactions with the Company, which may give rise to conflicts of interest between the Company and some or all of the Founders and/or the Directors***

The Founders, Founder Entities and/or one or more of their affiliates may in the future enter into other agreements with the Company that are not currently under contemplation. While the Company will not enter into any related party transaction without the approval of a majority of the Independent Directors, it is possible that the entering into of such an agreement might raise conflicts of interest between the Company and some or all of the Founders and/or the Directors.

## **RISKS RELATING TO THE ORDINARY SHARES**

***The Company may be required to issue additional Ordinary Shares pursuant to the terms of the Founder Preferred Shares which may dilute the holdings of existing Shareholders***

The terms of the Founder Preferred Shares provide (inter alia) that they will, in accordance with their terms, automatically convert into Ordinary Shares on a one-for-one basis (subject to adjustment in accordance with the Articles) in eight equal tranches on the last day of the financial year in which the Acquisition was completed and on the last day of each of the following seven full financial years of the Company following completion of the Acquisition (or if any such date is not a Trading Day, the first Trading Day immediately following such date) with the final tranche converting on the last day of the seventh full financial year following completion of the Acquisition and that some or all of them may be converted five Trading Days following receipt by the Company of a written request from the holder. Please see paragraph 4.3 of "Part X—Additional Information" for further details of the terms of the Founder Preferred Shares. In addition, the Founder Preferred Shares may convert into additional Ordinary Shares at the end of each such financial year following completion of the Acquisition depending on whether any Additional Annual Enhancement or Ordinary Share Dividend Enhancement is applicable in any particular Enhancement Year.

The precise number of Ordinary Shares that may be required to be issued by the Company in satisfaction of the conversion rights of the Founder Preferred Shares cannot be ascertained at the date of this Document. The issue of Ordinary Shares pursuant to the conversion rights of the Founder Preferred Shares will reduce (by the applicable proportion) the percentage shareholdings of those Shareholders holding Ordinary Shares prior to such issue.

The issue of Ordinary Shares pursuant to the conversion rights of the Founder Preferred Shares, may reduce any net return derived by Shareholders from a shareholding in the Company compared to any such net return that might otherwise have been derived had the Company not been required to comply with its obligations in relation to the Founder Preferred Shares.

***The proposed Standard Listing of the Ordinary Shares will afford Investors a lower level of regulatory protection than a Premium Listing***

Application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford Investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the valuation of the Ordinary Shares.

Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "Consequences of a Standard Listing" on page 24.

***Shareholders will not be entitled to the takeover offer protections provided by the City Code***

The City Code applies, inter alia, to offers for all listed public companies which have their registered office in the United Kingdom, the Channel Islands or the Isle of Man. The Company is not therefore subject to, and Shareholders will not receive the benefit of, the takeover offer protections provided by the City Code. There are no rules or provisions relating to the Ordinary Shares and squeeze-out and/or sell-out rules, save as provided by section 176 of BVI Companies Act (ability of the shareholders holding 90 per cent. of the votes of the outstanding shares or class of outstanding shares to require the Company to redeem such shares or class of shares), which has been disapplied by the Company.



***Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable***

Investments in Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor, together with the number of Ordinary Shares in issue at Readmission, may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile Ordinary Share price movements. Shareholders should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Readmission should not be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the share price on Readmission.

***Dividend payments on the Ordinary Shares are not guaranteed***

The Company does not currently intend to pay dividends on the Ordinary Shares. It will only pay such dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and in accordance with applicable law, but expects to be principally reliant upon dividends received on shares held by it in its operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay or will pay dividends going forward or as to the amount of such dividends, if any.

***If any dividend is declared in the future and paid in a foreign currency, U.S. Holders may be taxed on a larger amount in U.S. dollars than the U.S. dollar amount actually received***

U.S. Holders will be taxed on the U.S. dollar value of dividends at the time they are received, even if they are not converted to U.S. dollars or are converted at a time when the U.S. dollar value of the dividends has fallen. The U.S. dollar value of the payments made in the foreign currency will be determined for tax purposes at the spot rate of the foreign currency to the U.S. dollar on the date the dividend distribution is deemed included in such U.S. Holder's income, regardless of whether or when the payment is in fact converted into U.S. dollars.

***Shareholders may experience a dilution of their percentage ownership of the Company if the Company undertakes non-pre-emptive offers of Ordinary Shares in the future***

The Company has disapplied statutory pre-emptive rights pursuant to the terms of its Articles. No pre-emption rights therefore exist in respect of future share issues for cash or wholly or partly other than for cash. Should the Company decide to offer additional Ordinary Shares on a non-pre-emptive basis in the future this could dilute the interests of Shareholders and/or have an adverse effect on the market price of the Ordinary Shares.

## **RISKS RELATING TO TAXATION**

***Changes in tax law and practice may reduce any net returns for Shareholders***

The tax treatment of Shareholders, the Company, any subsidiary of the Company (including the Target and its subsidiaries following the consummation of the Transactions), any special purpose vehicle that the Company may establish and any other company which the Company may acquire are all subject to changes in tax laws or practices in the British Virgin Islands, the United Kingdom, the U.S. and any other relevant jurisdiction. Any change may reduce any net return derived by Shareholders from a shareholding in the Company.

***Failure to maintain the Company's tax status may negatively affect the Company's financial and operating results and Shareholders***

If the Company were to be considered to be resident in or to carry on a trade or business within the United States for U.S. taxation purposes or in any other country in which it is not currently treated as having a taxable presence, the Company could be subject to U.S. income tax or taxes in such other country on all or a portion of its profits, as the case may be, which may negatively affect its financial and operating results.

***There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner***

The Company has structured the Ocean Transaction and its holding of the Ocean Group in what it believes to be a fiscally efficient manner and it is intended that the any other acquisitions, if any, made by the Group will be structured in a fiscally efficient manner. The Company has made certain assumptions regarding taxation.

However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the post-tax returns for Shareholders (or Shareholders in certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

***The Company may be a “passive foreign investment company” for U.S. federal income tax purposes and adverse tax consequences could apply to U.S. Shareholders.***

The U.S. federal income tax treatment of U.S. Holders will differ depending on whether or not the Company is considered a passive foreign investment company (“PFIC”).

In general, the Company will be considered a PFIC for any taxable year in which: (i) 75 per cent or more of its gross income consists of passive income; or (ii) 50 per cent or more of the average quarterly market value of its assets in that year are assets that produce, or are held for the production of, passive income (including cash). For purposes of the above calculations, if the Company, directly or indirectly, owns at least 25 per cent by value of the stock of another corporation, then the Company generally would be treated as if it held its proportionate share of the assets of such other corporation and received directly its proportionate share of the income of such other corporation. Passive income generally includes, among other things, dividends, interest, rents, royalties, certain gains from the sale of stock and securities, and certain other investment income.

Because the Company to date has had no active business, it is likely that the Company met the PFIC income and/or assets tests for its first taxable year. The PFIC rules, however, contain an exception to PFIC status for companies in their “start-up year.” Under this exception, a corporation will not be a PFIC for the first taxable year the corporation has gross income if (1) no predecessor of the corporation was a PFIC; (2) the corporation satisfies the Internal Revenue Service (the “IRS”) that it will not be a PFIC for either of the first two taxable years following the start-up year; and (3) the corporation is not in fact a PFIC for either of these subsequent years.

The Company cannot predict whether it will be entitled to take advantage of the start-up year exception. While the Company has made an Acquisition during its current taxable year, its second taxable year, the Company may still meet one or both of the PFIC tests for the current taxable year, depending upon the nature of the income and assets of the acquired business and the remaining cash of the Company after the Acquisition. In addition, the Company may acquire equity interests in PFICs, referred to herein as “Lower-tier PFICs” and there is no guarantee that the Company would cease to be a PFIC once it has acquired such equity interests. Consequently, the Company can provide no assurance that it will not be a PFIC for its first year, the current year or for any subsequent year.

Under certain attribution rules, if the Company is a PFIC, U.S. Holders will be deemed to own their proportionate share of Lower-tier PFICs, and will be subject to U.S. federal income tax on: (i) certain distributions on the shares of a Lower-tier PFIC; and (ii) a disposition of shares of a Lower-tier PFIC, both as if the holder directly held the shares of such Lower-tier PFIC.

If the Company is a PFIC for any taxable year during which a U.S. Holder holds (or, in the case of a Lower-tier PFIC, is deemed to hold) its shares, such U.S. Holder will be subject to significant adverse U.S. federal income tax rules. In general, unless the U.S. Holder makes a qualified electing fund (“QEF”) election or a mark-to-market election (see—Tax Considerations—U.S. federal income taxation—Qualified Electing Fund Election (“QEF Election”) and “Mark-to-Market Election”), gain recognised upon a disposition (including, under certain circumstances, a pledge) of Ordinary Shares or Warrants by such U.S. Holder, or upon an indirect disposition of shares of a Lower-tier PFIC, will be allocated rateably over the U.S. Holder's holding period for such shares and will not be treated as capital gain. Instead, the amounts allocated to the taxable year of disposition and to the years before the relevant company became a PFIC, if any, will be taxed as ordinary income. The amount allocated to each PFIC taxable year will be subject to tax at the highest rate in effect for such taxable year for individuals or corporations, as appropriate, and an interest charge (at the rate generally applicable to underpayments of tax due in such year) will be imposed on the tax attributable to such allocated amounts. Any loss recognised will be capital loss, the deductibility of which is subject to limitations. Further, to the extent that any distribution received by a U.S. Holder on its Ordinary Shares or Warrants (or a distribution by a Lower-tier PFIC to its shareholder that is deemed to be received by a U.S. Holder) exceeds 125 per cent of the

average of the annual distributions on such shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, such distribution will be subject to taxation as described above.

If the Company is a PFIC for any taxable year during which a U.S. Holder holds Ordinary Shares or Warrants, the Company will continue to be treated as a PFIC with respect to the U.S. Holder for all succeeding years during which the U.S. Holder holds Ordinary Shares or Warrants, regardless of whether the Company actually meets the PFIC asset test or the income test in subsequent years. The U.S. Holder may terminate this deemed PFIC status by making a purging election pursuant to which the U.S. Holder will elect to recognise gain (which will be taxed under the adverse tax rules discussed in the preceding paragraph) as if the U.S. Holder's Ordinary Shares or Warrants (and any indirect interest in a Lower-tier PFIC) had been sold on the last day of the last taxable year for which the Company qualified as a PFIC, by meeting the asset test or the income test. For further discussion of the Company's classification as a passive foreign investment company, see "—Tax Considerations—U.S. federal income taxation—Passive foreign investment company ("PFIC") considerations."

## CONSEQUENCES OF A STANDARD LISTING

Application will be made for the Ordinary Shares to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. The Company will comply with the Listing Principles set out in Listing Rule 7.2.1 and intends to comply with the Premium Listing Principles set out in Listing Rule 7.2.1A, notwithstanding that they only apply to companies which obtain a Premium Listing on the Official List. The Company is not, however, formally subject to the Premium Listing Principles and will not be required to comply with them by the U.K. Listing Authority.

In addition, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with Readmission;
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that any bolt on acquisitions will not require Shareholder consent;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a “related party transaction” as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Independent Non-Executive Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2. On Readmission, the Company therefore has unlimited authority to purchase Ordinary Shares; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

**It should be noted that the U.K. Listing Authority will not have the authority to (and will not) monitor the Company’s compliance with any of the Listing Rules which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply.**

## IMPORTANT INFORMATION

No person has been authorised to give any information or make any representations other than as contained in, or incorporated by reference into, this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, the Prospectus Rules, Listing Rules and Disclosure Guidance and Transparency Rules, the delivery of this Document shall not, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date. The Company will comply with its obligation to publish a supplementary prospectus containing further updated information required by law or by any regulatory authority but assumes no further obligation to publish additional information.

Investors must not treat the contents of this Document, any document incorporated herein by reference or any subsequent communications from the Company or the Directors or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole. In particular, investors must read the section headed "Section D—Risks" of the Summary together with the risks set out in the section headed "Risk Factors" beginning on page 15 of this Document.

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares or any other securities in any jurisdiction. The Company is not offering any Ordinary Shares or any other securities in connection with Readmission. No Ordinary Shares or any other securities will be generally made available or marketed to the public in the UK or any other jurisdiction in connection with Readmission.

The Ordinary Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed comment upon or endorsed the accuracy or the adequacy of this Document. Any representation to the contrary is a criminal offence in the United States. The Ordinary Shares have not been and in connection with Readmission will not presently be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada or Japan.

### **Presentation of financial information**

#### ***Historical financial information***

The historical financial information in this Document has been prepared in accordance with International Financial Reporting Standards as endorsed by the EU, International Accounting Standards and Interpretations (collectively "IFRS"). The basis of preparation is further explained in "Part VII, A-C". The historical financial information presented in this Document consists of: (i) the audited historical financial information relating to the Company for the period from incorporation on 20 January 2017 to 31 January 2017, which is incorporated by reference (ii); the unaudited interim financial information relating to the Group as of and for the six months ended 30 June 2018, which is incorporated by reference; and (iii) the audited consolidated historical financial information relating to the Ocean Group as of and for the period ended 31 December 2015 and the years ended 31 December 2016 and 2017.

#### ***Non-IFRS financial measures***

Certain non-IFRS measures have been presented in this Document, as the Directors believe that these provide important alternative measures with which to assess the Group's performance. These measures include EBITDA, adjusted EBITDA, EBITDA margin, adjusted EBITDA margin, EBITDA cash conversion, adjusted revenue and Organic gross profit. Such measures as presented in this Document may not be comparable to similarly titled measures of performance presented by other companies, and they should not be considered as substitutes for, or superior to, measures calculated and presented in accordance with IFRS.

#### ***Unaudited pro forma financial information***

The unaudited pro forma income statement contained in "Part VIII—Unaudited Pro Forma Financial Information on the Group" (the "Pro Forma Financial Information") includes certain adjustments in respect of the acquisition of the Ocean Group that might have affected the financial information presented had they occurred on 1 January



2017. However, the unaudited pro forma income statement is not necessarily indicative of what the results of the Group would have been had the acquisition of the Ocean Group occurred on that date.

The unaudited consolidated pro forma statement does not contain a pro forma net asset statement. “Part XII—Documents incorporated by reference” includes the unaudited interim financial information relating to the Group as of and for the six months ended 30 June 2018, which includes an unaudited consolidated statement of financial position of the Group that includes the impact of the Transaction. As such, a pro forma net asset statement has not been included in the Pro Forma Financial Information. The Pro Forma Financial Information have been prepared for illustrative purposes only in accordance with Annex II of the Prospectus Rules and should be read in conjunction with the notes set out in “Part VIII—Unaudited Pro Forma Financial Information of the Group”. By their nature, they address hypothetical situations and therefore do not represent the Group’s financial position as of either 30 June 2018 or for the year ended 31 December 2017 (as the case may be). They may not therefore give a true picture of the Group’s financial position or results, nor are they indicative of the results that may, or may not, be expected to be achieved in the future.

### **Enforcement of judgments**

The Company is incorporated under the laws of the British Virgin Islands. Although Aryeh B. Bourkoff and Robert D. Marcus are citizens or residents of the United States, it may not be possible for Investors to effect service of process within the United States upon the Company, or any Directors who are not U.S. citizens or residents of the United States, or to enforce outside the United States judgments obtained against the Company, or any Directors who are not U.S. citizens or residents of the United States in U.S. courts, including, without limitation, judgments based upon the civil liability provisions of the U.S. federal securities laws or the laws of any state or territory within the United States. There is doubt as to the enforceability in the United Kingdom and the British Virgin Islands, in original actions or in actions for enforcement of United States court judgments, of civil liabilities predicated solely upon U.S. federal securities laws. In addition, awards for punitive damages in actions brought in the United States or elsewhere may be unenforceable in the United Kingdom and the British Virgin Islands.

### **Forward-looking statements**

This Document and any document incorporated herein by reference includes statements that are, or may be deemed to be, “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “targets”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, “should” or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and any document incorporated by reference herein and include statements regarding the intentions, beliefs or current expectations of the Company and the Board of Directors concerning, among other things: (i) the Company’s objective, acquisition and financing strategies, results of operations, financial condition, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to the Ocean Transaction. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company and the Group’s actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document and any document incorporated by reference herein. In addition, even if the Company or the Group’s actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document and any document incorporated by reference herein, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company’s ability to ascertain the merits or risks of the Transactions or any future acquisitions of a target company or business;
- the availability and cost of equity or debt capital for future transactions;
- currency exchange rate fluctuations, as well as the success of the Company’s hedging strategies in relation to such fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

Investors should carefully review the “Risk Factors” section of this Document for a discussion of additional factors that could cause the Company’s actual results to differ materially, before making an investment decision. For the avoidance of doubt, nothing in this paragraph constitutes a qualification of the working capital statement contained in paragraph 11 of “Part X—Additional Information”.

Forward-looking statements contained in this Document and any document incorporated by reference herein apply only as at the date of this Document. Subject to any obligations under the Listing Rules, the Disclosure Guidance and Transparency Rules and the Prospectus Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

### **Market data**

Where information contained in this Document, or in any document incorporated by reference herein, has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### **Currency presentation**

Unless otherwise indicated, all references to “\$” or “U.S. dollars” are to the lawful currency of the U.S. all references in this Document to “£” or “pounds” are to the lawful currency of the U.K.; and all references to “€” or “euro” are to the lawful currency of the Eurozone countries.

### **Rounding**

Percentages and certain amounts included in this Document and in the information incorporated by reference into this Document have been rounded for ease of presentation. Accordingly, figures shown as totals in certain tables may not be the precise sum of the figures that precede them.

### **No incorporation of website**

The contents of any of the Group’s websites or any other person do not form part of this Document.

### **Definitions**

A list of defined terms used in this Document is set out in “Part XIII—Definitions” beginning at page 144.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document .....	7 January 2019
Expected date of Readmission and commencement of dealings in Ordinary Shares .....	by 8.00 a.m. on 10 January 2019

All references to time in this Document are to London time unless otherwise stated.

## DIRECTORS, AGENTS AND ADVISERS

Directors .....	Tom Goddard (Non-Executive Chairman) Tim Bleakley (Chief Executive Officer) Robert D. Marcus (Senior Independent) Martin HP Söderström (Independent) Sangeeta Desai (Independent) Thomas Ebeling (Independent) Andrew Miller (Independent) Aryeh B. Bourkoff Andrew Barron
Administrator to the Company and Company Secretary .....	International Administration Group (Guernsey) Limited Regency Court Glategny Esplanade St. Peter Port Guernsey
Registered Office .....	Kingston Chambers, PO Box 173 Road Town, Tortola British Virgin Islands
Registered Agent .....	Maples Corporate Services (BVI) Limited Kingston Chambers, PO Box 173 Road Town, Tortola British Virgin Islands
Reporting Accountants .....	KPMG LLP 15 Canada Square London E14 5GL
Registrar .....	Computershare Investor Services (BVI) Limited Woodbourne Hall P O Box 3162 Road Town, Tortola British Virgin Islands
Legal advisers to the Company as to English and U.S. law .....	Greenberg Traurig, LLP 8th Floor, The Shard 32 London Bridge Street London SE1 9SG
Legal advisers to the Company as to BVI law .....	Maples and Calder 200 Aldersgate Street 11th Floor London EC1A 4HD
Depository .....	Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS13 8AE
Auditors to the Company .....	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH
Auditors to Ocean .....	BDO LLP 55 Baker Street London W1U 7EU

## **PART I**

### **INFORMATION ON THE COMPANY**

#### **Introduction**

The Company was incorporated on 20 January 2017 in accordance with the laws of the British Virgin Islands with an indefinite life. The Ordinary Shares and Warrants of the Company were admitted to the Official List by way of a Standard Listing, and to trading on the London Stock Exchange's main market for listed securities on 13 March 2017, simultaneously with which the Company raised approximately \$425 million before expenses, through the 2017 Placing and the funds raised through the subscription by the Founder Entities and Andrew Barron for the Founder Preferred Shares.

The Company was formed to undertake an acquisition of a target company or business. The Company's efforts in identifying a prospective target company or business were not limited to a particular industry or geographic region, although the Company expected to focus on acquiring a company or business operating within the European TMT sector.

#### **The Ocean Transaction**

On 1 March 2018, the Company announced that it had signed the Ocean Acquisition Agreement and, upon completion of the Ocean Transaction on 28 March 2018, the Company, through its wholly owned subsidiary, Jersey Topco, acquired all of the outstanding equity of Ocean from the Ocean Sellers for an enterprise value of approximately £200 million. The Ocean Transaction was funded through the Company's cash on hand. In conjunction with the Ocean Transaction, the Company changed its name from Ocelot Partners Limited to Ocean Outdoor Limited.

The Ocean Transaction constituted a "Reverse Takeover" under the Listing Rules. In accordance with Listing Rule 5.1.1(i), the listing of the Company's Ordinary Shares and Warrants was suspended on 1 March 2018 pending the Company publishing a prospectus in relation to Readmission. Application has been made for the Ordinary Shares to be admitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules which sets out the requirement for Standard Listings.

Prior to the closing of the Ocean Transaction, the Company obtained the consent of its Warrantholders to an amendment to the Warrant Instrument which shortened the subscription period in respect of the Warrants, from the third anniversary of the Company's consummation of an Acquisition to midnight on 26 March 2018 (except in certain limited circumstances). In connection with the amendment of the Warrant Instrument, the Company received gross proceeds of \$111,044,840 from the early exercise of Warrants. All remaining Warrants have expired and as at the date of this Document, the Company has no Warrants outstanding.

#### **The Forrest Transaction**

On 4 June 2018, the Company announced that it had acquired Forrest Media, for an enterprise value of approximately £32 million. The Company, through its wholly owned subsidiary, Ocean Bidco, entered into Forrest Acquisition Agreement on 2 June 2018, pursuant to which it agreed to acquire all of the issued and outstanding share capital in the capital of Forrest Media (Holdings) Limited and all of the issued and outstanding shares in Forrest Media Limited. The Forrest Transaction was funded through the Company's cash on hand.

#### **Strategy**

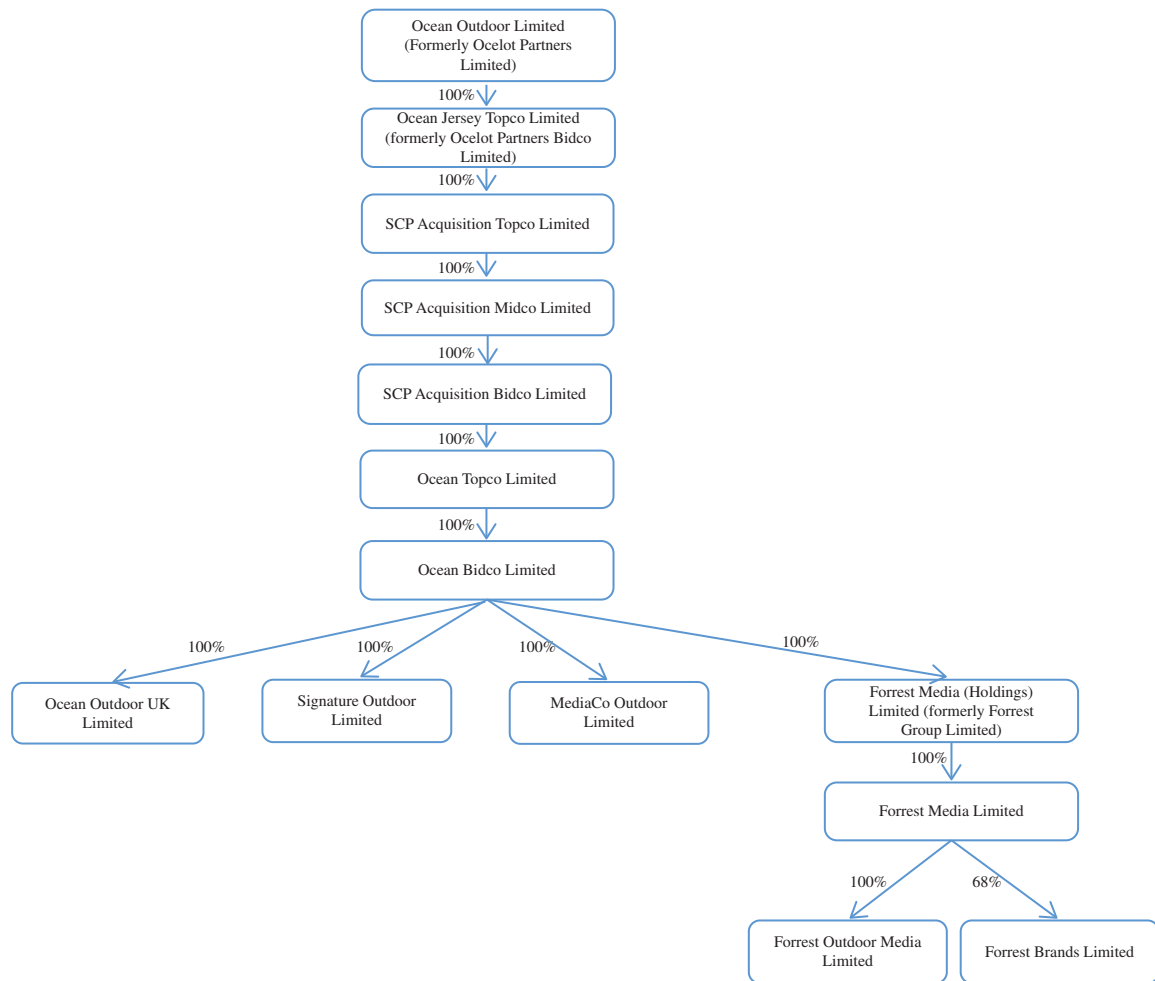
The Company intends to focus on three growth areas as part of the Group's strategy. It will target (a) organic growth opportunities to deliver incremental benefits to the customer, (b) technical innovation and (c) strategic and complementary acquisitions intended to enhance the Company's scale, customer offering and deepen its market leadership.

#### **Dividend policy**

The Company may pay dividends on the Ordinary Shares at such times (if any) and in such amounts (if any) as the Board determines appropriate. The Founder Preferred Shares will participate in any dividends on the Ordinary Shares as if they had converted on a one for one basis. The Company's current intention is to retain any earnings for use in its business operations, and the Company does not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends to the extent that to do so is in accordance with all applicable laws.

## Group structure

The below chart shows the Group's current corporate organisation structure following the completion of the Ocean Transaction and the Forrest Transaction:





## PART II

### INFORMATION ON THE GROUP

#### Introduction

Established in 2005, the Ocean Group is a pure play operator of premium digital out-of-home (“DOOH”) advertising in the UK. DOOH is an advertising channel that enhances the traditional out-of-home market through merging the inherent strengths of out-of-home advertising and enhancing through location, audience, research, data and unique technology such as vehicle detection, geo location and facial detection technology.

Ocean’s portfolio of digital, full motion screens facilitates connectivity as out-of-home, digital, mobile, online and screen media all converge to create deeper brand experiences. The Directors believe that Ocean is a marquee asset that has created a strong reputation in developing and pioneering new DOOH technologies and research and for facilitating creativity in DOOH.



The Ocean Group has assets covering key cities and retail centres of the UK, including London, Manchester, Birmingham, Edinburgh, Glasgow, Nottingham, Newcastle, Bristol and Leeds. It also operates some of the UK’s most prominent outdoor advertising locations, including Landsec’s Piccadilly Lights, the BFI London IMAX, Westfield’s Holland Park Roundabout and the Birmingham Media Eyes. In addition, it holds exclusive external rights for Westfield London and Westfield Stratford, two of the largest premium urban shopping malls in Europe with a combined 77 million footfall and £2.2 billion sales revenue in 2017 and the rights for the out-of-home advertising contracts with two of Europe’s largest municipal councils, Manchester City Council and Birmingham City Council.

#### A SELECTION OF OCEAN’S PARTNERS

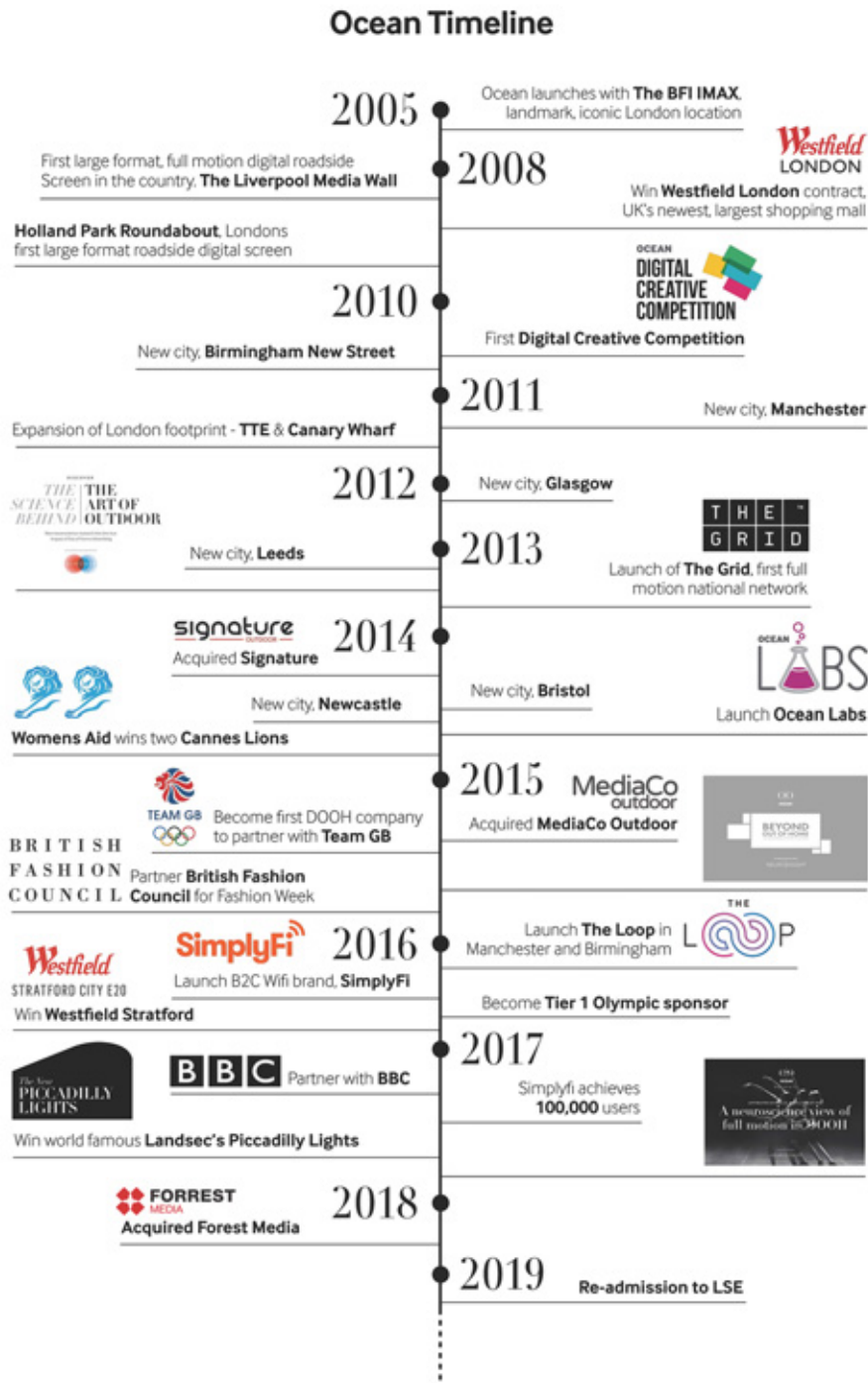


The Directors believe that Ocean’s exclusive content partnerships, such as its work with Team GB for the Summer and Winter Olympics and its collaboration with the British Fashion Council and the BBC, represent ground-breaking initiatives for the sector. Ocean has also built a reputation for creativity and innovation in DOOH through its annual creative competition. This competition has led to a number of high profile campaigns and multiple awards for winners of the competition, and produces technical innovation that has become standard across the Ocean Group’s inventory. Many winners have gone on to win Cannes Advertising Lions.

In recent years, Ocean has been expanding its DOOH advertising technology capabilities, leading a new wave of creative solutions through its Ocean Labs division including solutions such as vehicle recognition technology, SimplyFi (Wi-Fi Sponsorship), facial recognition technology, and augmented reality.

For the full year 2017, Ocean delivered revenue and EBITDA (excluding one off items) of approximately £67 million and £16 million, respectively. Since 2015, Ocean has grown revenue and EBITDA at a compounded growth rate of 7.2% and 9.0%, respectively, further supported by a strong development pipeline. For the full year 2018, Ocean anticipates revenue growth will be in the high single digits. Based on the Group’s pipeline and the market outlook, Ocean believes that high single digit revenue growth for Ocean in 2018 is appropriate, with Forrest revenue recovering to last year’s levels.

## History



## Strategy

The Group's strategy is to apply the disciplines and expertise established over the last decade whilst pioneering Iconic digital out-of-home in the UK by focusing on scarcity, scale, location, impact, advertiser relevance, smart technology and branding. The Group is focused on unlocking the true value of the digital out-of-home market.

The Group intends to focus on the following growth areas:

### ***Organic growth opportunities***

The Group has a strong pipeline of digital assets under development and live projects in progress across multiple UK markets. There are a number of tender opportunities available and currently between 30 and 40 sites actively in the pipeline, with a further identified portfolio of a significant number of sites to which the Company's digital vision can be applied. The Company has a disciplined approach to organic development driven by advertiser need and a focus on delivering incremental benefits to the customer.

### ***Technical innovation***

The Company has developed a series of technical and innovative products in-house that can be deployed more widely across the Group's asset base as it expands, designed to deliver larger-scaled benefits to advertisers and stakeholders with a focus on greater levels of interactive engagement for consumers and therefore better creative solutions for brands.

### ***Consolidation through targeted acquisitions***

The Directors believe that consolidation opportunity exists across the industry sector and the Group is assessing the right opportunities capable of creating the strongest combination of digital assets and audience delivery networks that will be compelling for advertisers and customer stakeholders as well as promoting growth for the sector. The Group's focus on this strategy is highlighted through the Ocean Group's acquisition of the Forrest Group on 2 June 2018.

The Directors believe that the Company is a solid platform from which to drive each of these core three growth areas and deepen its market.

### **Strengths**

The Directors believe that the Ocean Group has the following key strengths:

- It operates in an attractive high growth segment of the media market, DOOH
- Approximately 89% of Ocean Group's revenue is generated from DOOH
- Ocean is a marquee asset in premium DOOH with a portfolio of scarce, super premium screens that are nationally and internationally recognised
- Ocean has a national presence covering 8 of the top 10 cities across the UK
- Ocean has a strong and clear brand proposition that is internationally recognised
- Ocean has deep relationships and long-term contracts with municipal councils, blue chip companies and private landlords
- Diverse client base of top global and blue chip advertisers
- Strong reputation in technology and innovation with proprietary technology in vehicle and facial detection
- Technology enhancements leading to increased advertiser effectiveness and abilities to monetise outside of the traditional out-of-home channels
- Pioneers in thought leadership in key areas of Neuroscience and creativity
- Senior management team with a proven record in organic growth and M&A
- Platform for subsequent synergistic consolidation opportunities
- Multiple levers for organic growth (before M&A), including a projected pipeline for digital development and ongoing growth enhancements of the portfolio
- Focus on cash conversion and value creation.

## Customers

The Ocean Group generates revenue primarily from four specialist outdoor media buying agencies, Kinetic (WPP), Posterscope (Dentsu Aegis), Rapport (IPG) and Talon (Independent), as is the case across outdoor media. With the exception of Talon, the outdoor media buying agencies are affiliates and/or subsidiaries of larger media agencies. For the year ended 31 December 2017, approximately 95% of gross revenue was booked through these agencies. This is then widely distributed across agencies and ultimately advertisers. The top 10 advertising agencies in 2017 accounted for approximately 65% of revenue and there is a high degree of diversification by advertiser with the top 10 advertisers accounting for approximately 22% of revenue with no one account being over 5%.

## Existing Portfolio

The Directors believe that one of the Ocean Group's key strengths is the quality of its inventory with a portfolio including category defining assets across 10 of the top key cities and retail centres of the UK—London, Glasgow, Edinburgh, Manchester, Birmingham, Leeds, Liverpool, Nottingham, Newcastle and Bristol. In addition to key cities, the Ocean Group operates some of the UK's most prestigious out-of-home advertising locations, including world famous Landsec's Piccadilly Lights, the BFI London IMAX, the Two Towers East, the Birmingham Media Eyes in addition to its full motion networks, The Loop and The Grid and also manages exclusive long term out-of-home advertising contracts with two of the largest public authorities in Europe, Manchester City Council and Birmingham City Council.

The Ocean Group provides the only true full motion city centre DOOH networks in Birmingham and Manchester. The Loop Birmingham consists of 23 locations featuring 45 state of the art 84 inch and 86 inch portrait full motion LCD high definition screens, with 22 of the locations featuring double sided screens. The Loop Manchester, previously known as CityLive, is Ocean's premium digital network of 19 double sided units featuring 38 screens, focused on Manchester's key business, retail and leisure areas. The Loop Manchester and the Loop Birmingham each delivered on average 9.6 million impacts as at June 2018.

The Grid is the Ocean Group's full-motion DOOH portfolio comprising 26 locations located in eight key cities in the UK. The Grid's full-motion city centre network reaches over 15 million people across the UK with 24.7 million total fortnightly impacts. The Grid integrates the latest in digital technology with the Ocean Group's out-of-home locations to deliver a dynamic and flexible screen advertising network.

The Ocean Group also holds exclusive external rights for Westfield London and Westfield Stratford City, two of largest urban shopping destinations in Europe with a combined 77 million footfall and £2.2 billion sales revenue in 2017. Ocean Group currently operates 9 locations at Westfield London and 6 locations at Westfield Stratford City covering all entrances at both sites.

In total, the Ocean Group<sup>1</sup> currently operates 259 displays in 177 different locations with 50% of Ocean's screens running fully approved full motion capabilities. Ocean's assets are predominantly digital with approximately 89% of Ocean Group's revenues in 2017 coming from digital sites and over 42% of this revenue was generated from its London sites. By environment, Ocean's assets are split 41% in the retail environment and 59% roadside.

## Introduction to the Forrest Group

The Forrest Group, acquired by the Ocean Group on 2 June 2018, is a leading provider of large format outdoor media solutions in Scotland, with a strong portfolio of locations in Edinburgh, Glasgow and Greater Scotland, as well as Manchester and Newcastle, including landmark locations such as Clydesdale Gateway in Glasgow, the M8 Motorway Tower, Maybury Edinburgh Airport and Newcastle's Time Square.

As at June 2018, the Forrest Group has 91 displays in 77 locations, 31 of which are digital roadside screens and 60 of which are backlight screens.

Digital roadside screens:

- 12 out of the total 31 screens are digital 48-sheets
- 19% of the digital estate is full motion

Backlight screens:

- 33 screens are 48 sheets

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<sup>1</sup> Excluding the Forrest Group.

- 20 screens are 96 sheets,
- 6 screens are Mega 6's
- 1 screen is a Mega 4

77% of the Forrester Group's 2017 revenue was derived from Glasgow and Edinburgh and 81% of its 2017 revenue came from 4 of the specialist agencies (Posterscope, Kinetic, Talon and Rapport). Approximately 31% of revenue in 2017 came from top-10 advertisers, with advertisers outside the top 20 making up 48.6% of 2017 revenue.

## **Technology and Innovation**

Through its Ocean Labs division, the Directors believe that the Ocean Group is a pioneer in its development and adoption of new technologies to enhance the DOOH landscape.

### ***Vehicle Detection Technology***

Launched in July 2016, Ocean's vehicle detection technology gives brands the opportunity to deliver personalised one-to-one messaging demanded by today's audiences and demographics, based on data about the car they are driving. The intelligent scheduling system can trigger a relevant message to be deployed only when that specific audience is in front of the screen, providing large-scale impact without wastage.

Vehicle recognition uses cameras positioned at DOOH sites facing stationary traffic to identify the make, model and colour of stationary vehicles and then serves the driver and passengers content which is based on specific audience demographics and data relevant to that vehicle. All vehicle details are matched with an anonymised vehicle specification database which does not recognise any personal data. Real-time activation allows for dynamic delivery based on an environmental trigger.

The Ocean Group currently has 5 vehicle detection technology enabled locations:

- Holland Park Roundabout, London
- London Road, Manchester
- Princess Road, Manchester
- The Screen@Bullring South, Birmingham
- The Screen on the Tyne, Newcastle

### ***Facial Recognition Technology—LookOut***

The Ocean Group's facial detection technology, LookOut, uses real time technology to serve adverts to consumers based on a number of variables including gender, age, facial hair, eye-wear, mood, engagement, attention time and group size.

There are multiple ways in which the LookOut technology can be used:

- Optimisation—delivering the appropriate creative to the right audience at the right time
- Visualise—Gaze recognition to trigger creative or an interactive experience
- AR Enabled—Using the HD cameras to create an augmented reality mirror or window effect, creating deep consumer engagement via the latest technology
- Analytics—Understanding your brand's audience, post campaign analysis and creative testing

There are currently 13 LookOut enabled locations within Ocean's portfolio.

### ***Mobile technology***

Mobile technology is provided by the Company's Mobile Targeting partner, Mobsta, and is applicable to the whole of the portfolio. Mobile location data gives the Company a precise way to identify an audience exposed to its DOOH screens by geo-fencing its portfolio and capturing device IDs via GPS signals of mobile handsets in proximity to the screens. This enables the Company to:

- target the audience with mobile advertisements immediately as they are seen at the Company's screens;
- retarget the audience at a later time when they are in a relevant location;

- mobile can also be used to extend the reach of the Company's out-of-home network, targeting anyone not seen near its screens during the in-charge period; and
- collect their Advertising ID and track the effectiveness of the out-of-home campaign with the Company by measuring footfall to store.

### ***Wi-Fi Sponsorship—SimplyFi***

SimplyFi is the Ocean Group's fast and free public Wi-Fi network which is currently available in 13 locations across London, Birmingham, Manchester, Liverpool, Newcastle, Nottingham and Glasgow. SimplyFi Wi-Fi is a super-fast fibre network offering up to 100Mbps download speed. It is completely free with users signing up with an email address or social media account and can also be used by advertisers as a platform for sponsorship or interactivity. Since its launch in 2016, SimplyFi has had over 470,000 unique users.<sup>2</sup>

### **Intellectual Property**

The Ocean Group relies on intellectual property laws to protect certain aspects of its business. In particular, the Ocean Group has registered trademarks necessary to operate its business, including trademarks which protect the name and logo of the Ocean Outdoor brand. Additionally, the Group has registered 29 domain names, including "oceanoutdoor.com". The Ocean Group does not own any patents.

### **Employees**

As of 31 December 2018, the Group had 97 employees, all based in the United Kingdom. The Group does not in the ordinary course employ temporary staff to supplement the Company's existing workforce.

The following table details the average numbers of the Group's employees by function in the years ended 31 December 2015, 2016 and 2017:

<b>Average number of employees</b>	<b>Financial year ended 31 December</b>		
	<b>2015</b>	<b>2016</b>	<b>2017</b>
Sales & Marketing .....	32	38	42
Other (including management) .....	39	38	45
<b>Total</b> .....	<u>71</u>	<u>76</u>	<u>87</u>

None of the Group's employees is represented by a labour organisation or covered by collective bargaining agreements. To date, the Group has not experienced a labour-related work stoppage.

### **Pensions**

The Ocean Group does not operate a defined benefit pension scheme. Employees are automatically enrolled into a stakeholder pension scheme with Aviva. The Forrest Group employees are currently enrolled in a pension scheme with Aegon. The assets of each of the schemes are held separately from those of the Group.

### **Property, Plant and Equipment**

The Company, in the ordinary course of business, purchases build screens and advertising panels. It currently owns 172 digital screens and 145 non-digital sites, with 34 owned by site landlords. The Company has a long-term lease in respect of its London office at 25 Kingly Street, London, W1B 5QB and Forrest has a long term lease in respect of the office in Glasgow at 7 Seaward St, Glasgow, Scotland, G41 1HJ. The Company also has two short term service office arrangements in place in Manchester at Neo, Charlotte Street, Manchester, M1 4ET and Birmingham at Alpha Works, Alpha Building, Suffolk St Queensway, Birmingham, B1 1TT.

### **Regulatory Matters**

The Ocean Group is subject to national, regional and local laws and regulations including those relating to data privacy, advertising and planning. The outdoor advertising industry in the UK, although largely self-regulated, is subject to planning regulation, relating to, for example, the type, luminosity, nature, density, size and location of billboards and screens in urban and other areas in addition to content based restrictions such as those relating to the advertisement of alcohol and sugar. When tendering for certain locations, the Group may also have to consider public concession regulations to the extent that a landlord is a local council or other government agency.

<sup>2</sup> As at 3 January 2019.



## Environmental, Health and Safety Matters

The Group has established environmental, health and safety protocols to support its operations, in particular, the Ocean Group ensures that any third party contractors who are engaged to maintain and repair existing locations carry out such maintenance work in accordance with the protocols set out in the risk assessment that has been carried out with respect to such site. The Group is focused on minimising its environmental impact. For example in January 2018, Ocean commenced its campaign “*Ocean for Oceans*” in conjunction with the Marine Conservation Society which aims at eradicating the use of single-use plastic within the Ocean Group by the end of 2018, and working with its clients and suppliers to eliminate all single-use plastics from its products and supply chain by the start of 2021. In addition, Ocean partnered with the BFI to introduce new LED lighting in 2016, which resulted in a 70 per cent. reduction in electricity used by the screens at the BFI IMAX in Waterloo.

## Insurance

The Group maintains comprehensive insurance coverage, where appropriate, with respect to liability of its directors and officers, property damage, business interruption, public liability, products liability, damage to vehicles, personal accident and travel. The Group undertakes periodic risk reviews to assess whether its insurance is in line with its business risks and whether the developments in insurance policies are reflective of the changes in its business.

## Significant trends

Between 2012 and 2017, the global out-of-home market has maintained its market share of approximately 7%<sup>1</sup> of the wider advertising market while other channels such as radio, television, magazines and newspapers have all lost market share to digital advertising channels. Similarly, as a sub-sector of the wider UK advertising market, the UK out-of-home market has been stable between 2012 and 2017 with UK display advertising spend of approximately £1.1bn in 2017<sup>2</sup> representing approximately 8.9% of the market.<sup>3</sup>

Within out-of-home, the DOOH market in the UK has experienced increasing growth since 2012<sup>2</sup>, which is highlighted by a compound growth rate of 25% between 2015 and 2017 compared to the compound growth rate of 4% within the out-of-home market for the same period. The overall UK out-of-home market was worth £1.1 billion in 2017 having grown steadily by 3.4% between 2012 and 2017. In 2017, DOOH spend reached £526 million, comprising 46% of all out-of-home spend, up from £337 million in 2015 and £428 million in 2016<sup>2</sup>. In the first quarter of 2018 DOOH comprised 47% of all out-of-home spend<sup>2</sup> and the increased share of DOOH is anticipated to continue at the expense of traditional non-digital displays.

The out-of-home market is assessed across three types of environments: roadside, retail and transport. The Group currently operates within the roadside and retail environments only. In 2017, the roadside environment increased by 3% and the retail environment increased 9%. The transport environment decreased by 3% in 2017 and is the only environment to have shrunk since 2015<sup>2</sup>.

Within the environments themselves, Roadside DOOH comprises 44% of all Roadside out-of-home, which is an increase from 34% in 2016 and 25% in 2015. Retail DOOH is a significant part of the Retail out-of-home spend at 93% in 2017. This has grown from 82% in 2016 and 75% in 2015<sup>4</sup>.

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<sup>1</sup> Source: eMarketer idata provided by Zenith (“Advertising Expenditure Forecasts – June 2018”).

<sup>2</sup> Source: Outsmart report: UK Out of Home Revenue, 2018.

<sup>3</sup> Source: Ad revenue data from WARC/AA Expenditure report, 2017.

<sup>4</sup> Source: Outsmart data-market report, 2017.

## PART III

### DIRECTORS, SENIOR MANAGERS AND CORPORATE GOVERNANCE

#### The Directors

The following table lists the names, positions and ages of the Directors.

Name	Age	Position	Appointed
Tom Goddard .....	68	Non-Executive Chairman	28 March 2018
Tim Bleakley .....	53	Chief Executive Officer	28 March 2018
Robert D. Marcus .....	53	Senior Independent Non-Executive Director	22 February 2017
Martin HP Söderström ....	43	Independent Non-Executive Director	22 February 2017
Sangeeta Desai .....	43	Independent Non-Executive Director	27 February 2017
Thomas Ebeling .....	59	Independent Non-Executive Director	19 October 2018
Andrew Miller .....	52	Independent Non-Executive Director	27 November 2018
Aryeh B. Bourkoff .....	46	Non-Executive Director	22 February 2017
Andrew Barron .....	53	Non-Executive Director	20 January 2017

#### **Tom Goddard, *Non-Executive Chairman***

Mr. Goddard was appointed as Chairman of the Company on 28 March 2018 and has been the chairman of Ocean since July 2009. A seasoned industry veteran, Tom is a former CEO of several major international media companies including CBS's international out-of-home division where he oversaw a team of 2,500 employees across Europe and Asia. Prior to his term at CBS, Mr. Goddard also worked at CEO level at Viacom Outdoor International from 2000 to 2002, TDI-Metro from 1997 to 2000, Metro Advertising Group from 1985 to 1997 and Maiden Outdoor from 1980 to 1985. During his tenure at CBS he oversaw many of the industry's early large scale digital transformation programmes.

He is also on the Board of several other TMT companies, including Marketing Force, which he co-founded in 2002 and which is a market leader in the U.K for the provision of sponsorship sales services, to over 30% of public service municipalities across England and Wales. Additionally, since 2014 he has been a Board Member of Atlantic Media (AGAMA), a privately-owned full-service advertising and communications agency group that, for 2017, was ranked the most effective agency in Ukraine by the All-Ukrainian Advertising Coalition. In January 2018 he joined the Board of Buzzbike in the U.K. the tech enabled urban cycle scheme that removes barriers for citizens wishing to take up cycling and embrace healthier lifestyles.

Mr. Goddard is President of FEPE International (Federation European Publicite Extérieur), the Global Trade Association for Out-of-Home Operators which has over 100 members across 40 countries. He also serves on the Board of Trustees for the London-Irish Centre Charity, based in Camden which works in three key areas of care, culture and community. Mr Goddard is an active long-time member of the Young Presidents Organisation (YPO Gold) and served on its management executive as Chairman of its London and Euro Chapters. He is also a member of CEO, the leading Global business networking and learning organisation.

#### **Tim Bleakley, *Chief Executive Officer***

Mr Bleakley was appointed as Chief Executive Officer of the Company on 28 March 2018 and has been the Chief Executive Officer of Ocean since May 2010. Tim specialises in media brand building and turnarounds, with experience of leading businesses through private equity consolidation and exit, he led Ocean through a management buy-out backed by LDC and LDC's equity sale in 2014 to Searchlight Capital and the subsequent bolt-on acquisitions of Signature and MediaCo Outdoor.

Mr. Bleakley has held senior director level leadership roles across commercial TV, Radio and Outdoor spanning some of the most high profile Media businesses in the UK, as Account Director at ITV from 1989 to 1997, Sales Director / Deputy Managing Director at talkSPORT (Wireless Group) from 1997 to 2001, Broadcast Sales Director at Emap Advertising (now Bauer) from 2001 to 2004, and Joint Managing Director at CBS Outdoor (formerly Viacom) from 2004 to 2009.

Mr. Bleakley spent 8 years at ITV during the formation of the UK's first market leading TV sales house TSMS, and managed ITV's first integrated Champion's League sponsorship deal with Ford. He was part of the turnaround team that created the talkSPORT brand for Wireless Group. At Emap, Tim was responsible for generating commercial revenues for all Emap broadcast brands across commercial radio and TV, he represented Emap Advertising on the RAB and pioneered Emap's commercialisation of DAB and the transition from analogue to digital radio. At CBS Outdoor, Mr. Bleakley was responsible for all commercial revenues, brands and marketing for CBS Outdoor assets, including London Underground and Bus, and led the commercial revenue and brand launch of the London Underground and the UK's first DOOH Network.

**Robert D. Marcus, *Senior Independent Non-Executive Director***

Mr. Marcus is the Senior Independent Non-Executive Director of the Company, having previously served as Chairman of the Company between its IPO and the completion of the Ocean Transaction. Mr. Marcus served as Chairman and Chief Executive Officer of Time Warner Cable Inc., one of the largest providers of video, high-speed data and voice services in the U.S., from 1 January 2014 until the completion of the company's merger with Charter Communications on 18 May 2016. He served as Time Warner Cable's President and Chief Operating Officer from December 2010 through 2013 and as its Chief Financial Officer from 2008 through mid-2011. He joined the company's board of directors in July 2013.

Mr. Marcus joined Time Warner Cable in August 2005 as Senior Executive Vice President, and from 1998 until he joined Time Warner Cable, Mr. Marcus held various positions at Time Warner Inc., including Senior Vice President of Mergers and Acquisitions. From 1990 to 1997, he practiced law at Paul, Weiss, Rifkind, Wharton & Garrison.

Mr. Marcus currently serves on the board of directors of Equifax Inc. (EFX), a leading NYSE-listed data and analytics company. He also serves on the boards of several non-profit organisations.

**Martin HP Söderström, *Independent Non-Executive Director***

Mr. Söderström is a Non-Executive Director of the Company. Mr. Söderström is an investment executive with a background in private banking, corporate finance and the hospitality industries. Mr. Söderström currently serves as a partner at HMP, a single family office which is based in Stockholm, Sweden, a role which he has held since January 1994. Mr. Söderström is also the Chairman of DIG Investment, an alternative investment firm and has served in this role since January 1994.

Mr. Söderström also serves as chairman on the board of Holm Henning & Partners, a consulting company providing advice on operational and strategic human resources issues. In addition, he is a founding member of Djursholm Country Club, a private membership club in Sweden.

**Sangeeta Desai, *Independent Non-Executive Director***

Ms. Desai is a Non-Executive Director of the Company. Ms. Desai was FremantleMedia's Chief Operating Officer ("COO") and Chief Executive Officer of Emerging Markets until September 2018. As COO, she was responsible for FremantleMedia's operations across the 29 territories in which FremantleMedia operates and she oversaw all investment activity across the group. In early 2015, Ms. Desai's role expanded to also include CEO of Emerging Markets with the responsibility of expanding FremantleMedia's global presence, through organic growth and strategic M&A, in emerging markets.

Ms. Desai previously held the position of Chief Operating Officer at HIT Entertainment where she had global responsibility for all key revenue functions of the company including, TV sales, brands, consumer products, home entertainment and live events, managing offices in London, New York, Hong Kong and Tokyo. Ms. Desai was a key part of the management team that successfully sold the business to Mattel in 2012. Prior to joining HIT Entertainment, Ms. Desai was a Principal at Apax Partners, a private equity firm, where she had responsibility for sourcing, evaluating and executing investments, working with management teams in the media sector globally. Ms. Desai has also held positions in the Investment Banking Division of Goldman Sachs and with J.P. Morgan.

**Thomas Ebeling, *Independent Non-Executive Director***

Mr. Ebeling is a Non-Executive Director of the Company. Mr. Ebeling is a co-founder, lead investor and board member of Heilpflanzenwohl AG which was founded in 2016 and he is the chief executive officer of TE Convest AG, a consulting and coaching company he founded in January 2018. Since 2018, Mr. Ebeling has been an industrial advisor to EQT AB. Mr. Ebeling has served on the board of Bayer AG since 2012 and in 2017, joined the boards of GfK SE, Cullinan Oncology, LLC and Clear Vat AG. In 2018, he joined the board of Moonfare GmbH. Mr. Ebeling was previously the chief executive officer of ProSiebenSat.1 Media SE from 2009 until 2018. Between 1997 and 2008, Mr. Ebeling held various positions within the Novartis group, including chief executive officer of Novartis Consumer Health at Novartis AG from October 2007 to October 2008 and chief executive officer of the Pharmaceuticals Division at Novartis AG from 2000 to 2007. Prior to this, Mr. Ebeling served in various roles at Pepsi-Cola GmbH from 1991 until 1997. Mr. Ebeling began his career with Reemtsma Cigarettenfabriken GmbH in 1987. Mr. Ebeling has been the Chairman of Auris Luxembourg III S.a.r.l.'s advisory board for their company Sivantos GmbH since 2016 and an advisor to MPM Oncology Impact Management LP since 2016. In 2018, he became the chairman of the advisory board of Remagine Ventures LP, a venture fund focusing on media, digital entertainment and advertising and Chairman of the advisory boards of Apleona GmbH and Triangle (Apleona).

**Andrew Miller, *Independent Non-Executive Director***

Mr. Miller is a Non-Executive Director of the Company. Mr. Miller has been a managing partner at Terra Firma since 2016, and is responsible for several investments such as the McDonalds franchise in Scandinavia, the Welcome hotel group in Germany and CPC in Australia. Mr. Miller's experience is primarily in media and consumer companies. He has deep experience of leading and managing change through technology disruption in these sectors. As chief executive of the Guardian Media Group from 2010 to 2015, he reshaped the group's portfolio of businesses to support its transformation into one of the world's leading digital organisations. From 2002 to 2014 he carried out a similar digital transformation at Autotrader where he was Chief Financial Officer. He also worked with Founders Forum from 2015 to 2017. Andrew has previously held senior finance roles at PepsiCo Europe, Procter and Gamble and Bass.

Mr. Miller is a member of the Institute of Chartered Accountants of Scotland, qualifying in 1991 and training with Price Waterhouse after completing his law degree at Edinburgh University. He is on the Advisory Board for Sarah Brown's Theirworld Charity, and was previously a Governor at the Benjamin Franklin House Museum.

**Aryeh B. Bourkoff, *Non-Executive Director***

Mr. Bourkoff is a Non-Executive Director of the Company. Mr. Bourkoff is the Founder and CEO of LionTree LLC, an international investment and merchant banking firm, with a focus on the TMT sector. Since 2012, under Mr. Bourkoff's leadership, LionTree has advised clients on over \$350 billion of transactions by enterprise value, with volume across all subsectors of TMT. It has advised on over 100 transactions, ranging from large to small, in both traditional and emerging areas including Liberty Global on its \$24 billion acquisition of Virgin Media and its €18 billion merger of Ziggo with Vodafone Netherlands (a 50:50 joint venture).

Prior to launching LionTree, Mr. Bourkoff served as Vice Chairman and Head of Americas Investment Banking at UBS and on the UBS Investment Banking Executive Committee. During his 13-year tenure at UBS, Mr. Bourkoff also held the positions of Joint Global Head of Telecom, Media and Technology Investment Banking; Head of the Media and Communications Research Group; and as a fixed income research analyst. He also served as a high-yield research analyst at CIBC World Markets and Smith Barney. Mr. Bourkoff was named the number-one ranked cable & satellite Fixed Income analyst by Institutional Investor for seven consecutive years, and in 2005 was the first analyst to achieve the number-one ranking across equity, fixed income and hedge fund surveys in the same year. Mr. Bourkoff has also been recognised as the top broadcasting & entertainment analyst on the Wall Street Journal's annual "Best on The Street" ranking, and by Fortune Magazine on their "40 under 40" list.

Mr. Bourkoff is a director on the boards of a number of private companies. He serves as a trustee of the Foundation for Fighting Blindness, and is a member of the Council on Foreign Relations. Additionally, Mr. Bourkoff is a member of the Board of Trustees of The Paley Center for Media, the New York Regional Board of UNICEF, the Royal Academy of Arts America Board, and Lincoln Center's Business Advisory Council as well as the Lincoln Center Media & Entertainment Council.

**Andrew Barron, *Non-Executive Director***

Mr. Barron is a Non-Executive Director of the Company. Mr. Barron has over 24 years of experience in European media and telecoms and has led substantial businesses in PayTV, free-to-air, broadband, mobile, fixed

line, satellite and cable with operations in many European countries under both public and private ownership. Mr. Barron is currently a non executive director with Arris International PLC and Tele2 AB. He was previously the Chairman of Com Hem, one of the largest cable companies in Sweden with a current enterprise value of approximately €3 billion. He has held this position since 2013 following his appointment as Executive Chairman by its private equity owners, BC Partners, to lead a turnaround of the business. Mr. Barron has overseen Com Hem's return to sustained growth and its listing on the NASDAQ OMX, Stockholm in June 2014.

Mr. Barron has also served as Chairman of Primacom, the fourth largest cable company in Germany from March to August 2015, where he led the sale process to TeleColumbus in July 2015. Prior to Primacom and Com Hem, Mr. Barron held key senior management positions at Virgin Media, one of the largest U.K. cable companies. Mr. Barron was appointed Chief Operating Officer of Virgin Media in January 2010 and had previously served as Chief Customer and Operations Officer and Managing Director of Strategy and Corporate Development since March 2008.

Previously, Mr. Barron was with MTG, an operator of satellite TV platforms, commercial TV stations and radio in 26 countries that he joined in September 2002, becoming Chief Operating Officer in 2003.

Mr. Barron has also served as CEO of chello media, a division of UPC, now part of Liberty Global. He was an EVP at The Walt Disney Company working primarily in television, and has 6 years' experience as a consultant with McKinsey & Company.

## Senior Managers

The Company's Senior Managers, in addition to the Directors listed above, are as follows:

<u>Name</u>	<u>Age</u>	<u>Position</u>
Stephen Joseph . . . . .	38	Chief Financial Officer
Steve George . . . . .	56	Chief Development Officer
Richard Malton . . . . .	50	Chief Marketing Officer

### **Stephen Joseph, Chief Financial Officer**

Stephen is responsible for the financial and commercial management of the Group. He takes the lead on structuring landlord deals, legal negotiations as well as ownership of procurement, HR and IT. He helped lead the Ocean Group through an MBO backed by LDC, the acquisition of Signature Outdoor, MediaCo and LDC's equity sale in 2014 to Searchlight Capital. He is a chartered accountant and winner of a BDO 'HOT20 FD' and a regular speaker at the ICAEW's 'The Entrepreneurial FD' conference.

### **Steve George, Chief Development Officer**

Steve has over 30 years' of experience in building and selling successful, out-of-home businesses. He was a partner in and was involved in the sale of two independent regional out-of-home businesses, Vision Posters (sold to Scottish Radio Holdings PLC (SRH) in 1999) and Signature Outdoor which he sold to the Ocean Group in 2014. In 2011, Signature Outdoor won the Birmingham City Council out-of-home contract, the largest local authority in Europe. During this period Steve was the managing director and headed up all development.

### **Richard Malton, Chief Marketing Officer**

Richard has over 25 years' of marketing experience, specialising in the media and advertising industry. Richard is responsible for the Ocean brand position and brand story. Richard previously worked for a number of high profile advertising and media companies including Ogilvy and Mather, Scottish Television, ITV and JCDecaux.

## Corporate Governance

As at the date of this Document, the Company complies with the corporate governance regime applicable to the Company pursuant to the laws of the British Virgin Islands.

In addition, the Company intends to voluntarily observe the requirements of the U.K. Corporate Governance Code, save as set out below. As at the date of this Document the Company is, and at the date of Readmission will be, in compliance with the U.K. Corporate Governance Code with the exception of the following:

- The U.K. Corporate Governance Code recommends that the chairman should be independent on appointment. As Tom Goddard was previously an employee of Ocean, holding the position as chairman of Ocean, the



Company does not, at the date of this Prospectus and will not at Readmission, comply with this recommendation of the Governance Code. The Board unanimously believes this is in the best interests of the Company and its Shareholders, with Tom Goddard ensuring stability and continuity with clients and strategic and commercial partners. Tom Goddard brings continuity at a time of change and the Company will retain his experience and expertise, which make him particularly well-qualified to act as the Company's Non-Executive Chairman.

- On Readmission, Mariposa Acquisition III, LLC and LionTree will each have an unexercised appointment right. The exercise of additional director appointment rights by either LionTree or Mariposa Acquisition III, LLC could in the future result in the Board ceasing to comply with the recommendation in the U.K. Corporate Governance Code that at least half the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be independent. It is the intention of the Founders not to exercise the appointment rights if the Company is not in compliance with such recommendation or if exercising such rights would result in the Company ceasing to be in compliance with such recommendation. Please refer to the paragraphs 4.2(o)(iv) and (v) in "Part X—Additional Information" for further details on the rights of the Founders and Founder Entities to appoint directors.

The U.K. Corporate Governance Code recommends that the board should appoint one of its independent non-executive directors to be the senior independent director. The senior independent director should be available to shareholders if they have concerns that the normal channels of chairman, chief executive officer or other executive directors have failed to resolve or for which such channel of communication is inappropriate. The Company's senior independent director is Robert D. Marcus.

As at the date of this Document the Board has voluntarily adopted, with effect from Readmission, a share dealing code which is consistent with the rules of the Market Abuse Regulation. The Board will be responsible for taking all proper and reasonable steps to ensure compliance with such share dealing by the Directors.

As envisaged by the U.K. Corporate Governance Code, on Readmission, the Board will establish three committees: Audit and Risk, Remuneration and Nomination Committees, each with written terms of reference, summarised below. If the need should arise, the Board may set up additional committees as appropriate.

#### ***Audit Committee***

The Audit and Risk Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal controls, including reviewing and monitoring the integrity of the Group's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by the Group's external auditors, advising on the appointment of such external auditors, overseeing the Group's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Group's internal control and review function. The Audit and Risk Committee will give due consideration to laws and regulations, the provisions of the UK Corporate Governance Code and the requirements of the Listing Rules.

The Audit and Risk Committee also has responsibility for, among other things, oversight of the Group's risk appetite, risk monitoring and capital management, reviewing the manner in which the members of the Group implement and monitor the adequacy of the Group's risk management framework and ensuring that the Group maintains appropriate levels of capital, as well as advising the Board on its overall risk appetite. The Audit and Risk Committee will also review the adequacy of security measures, anti-money laundering systems, anti-bribery controls and procedures in place for detecting fraud.

The terms of reference of the Audit and Risk Committee cover such issues as responsibilities referred to above, membership and the frequency of meetings, together with the requirements of any quorum for, and the right to attend, meetings. The terms of reference also set out the authority of the Audit and Risk Committee to carry out its responsibilities.

The members of the Audit and Risk Committee will be Andrew Miller (who will chair) and Sangeeta Desai. The Directors consider that the chairman has recent and relevant financial experience. The Audit and Risk Committee will meet not less than three times in a reporting and audit cycle.

#### ***Remuneration Committee***

The Remuneration Committee has responsibility for determination of specific remuneration and benefits packages for each of the executive directors and certain senior management of the Group, including pension



rights and any compensation payments, and recommending and monitoring the level and structure of remuneration for senior management and the implementation of share options, share incentive plans or other performance related schemes. It will meet at least once a year.

The responsibilities of the Remuneration Committee covered in its terms of reference include the following: determining and monitoring policy on and setting levels of remuneration, termination, performance-related pay, pension arrangements, reporting and disclosure and share incentive plans. The terms of reference also set out the reporting responsibilities and the authority of the committee to carry out its responsibilities.

The Remuneration Committee will comprise two members: Robert D. Marcus and Martin Söderström. The committee will be chaired by Robert D. Marcus.

### ***Nomination Committee***

The Nomination Committee is responsible for considering and making recommendations to the Board in respect of appointments to the Board. In carrying out its duties, the Nomination Committee is primarily responsible for identifying and nominating candidates to fill Board vacancies; evaluating the structure and composition of the Board with regard to the balance of skills, knowledge and experience and making recommendations accordingly; giving full consideration to succession planning; and reviewing the leadership of the Group.

The Nomination Committee's terms of reference deal with such things as membership, quorum and reporting responsibilities. The Nomination Committee will meet at least twice a year.

The Nomination Committee will comprise three members: Aryeh B. Bourkoff, Robert D. Marcus and Martin Söderström. The committee will be chaired by Robert D. Marcus.

### ***Independence of the Board***

Tom Goddard, Tim Bleakley, Aryeh B. Bourkoff and Andrew Barron are not considered to be Independent Directors.

The Board considers the Independent Non-Executive Directors to be independent in character and judgment and free from relationships or circumstances which are likely to affect or could appear to affect, their judgment. In addition, when determining the independence of the Independent Non-Executive Directors, the Board had regard to their Letters of Appointment and Initial Option Deeds as further described in paragraph 10 of "Part X—Additional Information" and, in the case of Mr Marcus his prior role as Chairman of the Company and his holding of 119,000 Ordinary Shares. The Board believes that the aforementioned factors are not sufficient to have an impact on their independence.

### ***Strategic decisions***

The Directors are responsible for carrying out the Company's objectives, implementing its business strategy and conducting its overall supervision. Acquisition, divestment and other strategic decisions will all be considered and determined by the Board.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance values of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company.

### ***Frequency of meetings***

The Board will schedule quarterly meetings and will hold additional meetings as and when required. The expectation is that this will result in more than four meetings of the Board each year.

### ***Advisory Services Agreement***

On 28 March 2018 (as amended on 21 June 2018), the Company entered into an Advisory Services Agreement with LionTree Advisors UK LLP ("LionTree Advisors"), an affiliate of Aryeh B. Bourkoff. Pursuant to the terms of the advisory services agreement, LionTree Advisors provided advisory services, including providing strategic and financial advice and analysis, in connection with the Forrest Transaction and was paid £1 million in fees by the Company.

## **Conflicts of interest**

Potential areas for conflicts of interest in relation to the Company include:

- None of the Non-Executive Directors are required to commit any specified amount of time to the Company's affairs and, accordingly, they may have conflicts of interest in allocating management time among various business activities.
- In the course of their business activities, the Non-Executive Directors may become aware of investment and business opportunities which may be appropriate for presentation to the Company as well as the other entities with which they are affiliated. They may have conflicts of interest in determining to which entity a particular business opportunity should be presented.
- The Non-Executive Directors are or may in the future become affiliated with entities engaged in business activities similar to those intended to be conducted by the Company, which may include special purpose acquisition companies with a similar objective to that of the Company.
- Each of the Founder Entities, Mr. Bourkoff, Mr. Barron, Mr. Marcus, Mr. Söderström and Ms. Desai is subject to a lock up agreement with respect to the transfer of Ordinary Shares and Founder Preferred Shares (if any) held by them, which will terminate one year following the completion of the Ocean Transaction.
- Mr. Goddard and Mr. Bleakley are subject to a lock up agreement with respect to the transfer of Ordinary Shares held by them, which will terminate five years following the completion of the Ocean Transaction.

Accordingly, as a result of these multiple business affiliations, each of the Directors may have similar legal obligations to present business opportunities to multiple entities and the Company does not expect its Directors to present investment and business opportunities to it. In addition, conflicts of interest may arise when the Board evaluates a particular business opportunity.

Each of the Founders and the Directors has, or may come to have, other fiduciary obligations, including to other companies on whose board of directors they presently sit and to other companies whose board of directors they may join in the future. To the extent that they identify business opportunities that may be suitable for the Company or other companies on whose board of directors they may sit, the Founders and the Directors may refrain from presenting certain opportunities to the Company that come to their attention in the performance of their duties as directors of such other entities unless the other companies have declined to accept such opportunities or clearly lack the resources to take advantage of such opportunities.

LionTree and its affiliates undertake a broad range of financial advisory services and merchant banking activities for a wide variety of international clients who acquire, hold and sell investments in businesses across a broad range of TMT industries and its current international investment and merchant banking operations have a focus on international TMT industries. In addition, Mr. Bourkoff has strategic investment and merchant banking responsibilities within LionTree and has an economic interest in the success of LionTree separate and apart from his economic interest in the Company. One or more of these businesses in which LionTree and/or its affiliates and/or its clients have an investment or other pecuniary interest may compete with the Company in the out-of-home advertising or other related sectors, resulting in potential conflicts of interest. Conflicts of interest may also arise where the Founders, the Company's Directors or employees of LionTree made available to the Company have affiliations with the Company's competitors. In the case of any such conflicts, the Company's interests may differ from those of the LionTree entity or individual with the conflict, as such entity or individual may have a greater economic interest in the Company's competitor than in the Company, or may believe that the Company's competitor has better prospects than the Company. In such event, that entity or individual may devote more resources, including time and attention, to the Company's competitor than to the Company, which may have a material adverse effect on the Company's results of operations and financial condition.

LionTree and its affiliates undertake a broad range of international financial advisory services and merchant banking activities for a wide variety of clients, and for its own account. Accordingly, there may be situations in which LionTree has an obligation or an interest that actually or potentially conflicts with the Company's interests. These conflicts may not be resolved in the Company's favour and, as a result, the Company may be denied certain investment opportunities or may be otherwise disadvantaged in some situations by the Company's relationship to LionTree.

## **Founder Preferred Shares**

In connection with the 2017 Placing, the Founders and the Founder Entities also committed, in aggregate, \$7,350,000 of capital for 700,000 Founder Preferred Shares (with Warrants being issued to subscribers of

Founder Preferred Shares on the basis of one Warrant per Founder Preferred Share), comprising 147,000 Founder Preferred Shares by Mr. Barron, 399,000 Founder Preferred Shares by LionTree Ocelot LLC and 154,000 Founder Preferred Shares by Mariposa Acquisition III, LLC.

In addition to providing long term capital, the Founder Preferred Shares are intended to have the effect of incentivising the Founders to achieve the Company's objectives. They are structured to provide a return based on the future appreciation of the market value of the Ordinary Shares thus aligning the interests of the Founders with those of the Investors on a long term basis. The Founder Preferred Shares confer upon the holder enhanced rights as set out below.

On Admission, the Founder Preferred Shares were divided into eight equal tranches, pro rata to the number of Founder Preferred Shares held by each holder. The Founder Preferred Shares automatically convert into Ordinary Shares on a one-for-one basis (subject to adjustment in accordance with the Articles in eight equal tranches on the last day of the financial year in which the Acquisition was completed and on the last day of each of the following seven full financial years of the Company following completion of the Acquisition (or if any such date is not a Trading Day, the first Trading Day immediately following such date) with the final tranche converting on the last day of the seventh full financial year following completion of the Acquisition. In addition, the Founder Preferred Shares may convert into additional Ordinary Shares at the end of each such financial year following completion of the Acquisition depending on whether any Additional Annual Enhancement or Ordinary Share Dividend Enhancement is applicable in any particular Enhancement Year.

On each Enhancement Date, the rights which are comprised in one such tranche (the "Enhanced Tranche") shall be enhanced by increasing the holders of the Enhanced Tranche's proportionate entitlement to (a) any assets of the Company which are distributed to members on a winding up of the Company; and (b) any amounts which are distributed by way of dividend or otherwise if and to the extent necessary to ensure that on such Enhancement Date, the Enhanced Tranche has a market value which is at least equal to the market value of the Relevant Number of Ordinary Shares at such time (which for these purposes shall be determined in accordance with sub-section (1) of section 421 of the United Kingdom Income Tax (Earnings and Pensions) Act 2003. So far as possible, any such enhancement shall be divided between the holders of the Enhanced Tranche pro rata to the number of Founder Preferred Shares which are held by them and comprised in the Enhanced Tranche.

As at each Enhancement Date, the Relevant Number of Ordinary Shares means:

- (a) a number of Ordinary Shares equal to the aggregate number of Founder Preferred Shares comprised in the Enhanced Tranche (subject to adjustment in accordance with the Articles); plus
- (b) if the conditions for the Additional Annual Enhancement have been met, such number of Ordinary Shares as is equal to the Additional Annual Enhancement Amount divided by the Additional Annual Enhancement Price (any increase in the calculation of the Relevant Number of Ordinary Shares pursuant to this paragraph (b) being referred to as the "Additional Annual Enhancement"); plus
- (c) if any dividend or other distribution has been made to the holders of Ordinary Shares in the relevant Enhancement Year, such number of Ordinary Shares as is equal to the Ordinary Share Dividend Enhancement Amount at the Ordinary Share Dividend Payment Price (any increase in the calculation of the Relevant Number of Ordinary Shares pursuant to this paragraph (c) being referred to as the "Ordinary Share Dividend Enhancement").

The conditions for the Additional Annual Enhancement referred to in paragraph (b) above are as follows:

- (i) (no Additional Annual Enhancement will occur until such time as the Average Price per Ordinary Share for any ten consecutive Trading Days following Admission is at least \$11.50;
- (ii) following the first Additional Annual Enhancement, no subsequent Additional Annual Enhancement will occur unless the Additional Annual Enhancement Price for the relevant Enhancement Year is greater than the highest Additional Annual Enhancement Price in any preceding Enhancement Year.

In the first Enhancement Year in which the Additional Annual Enhancement is eligible to occur, the Additional Annual Enhancement Amount will be equal to (i) 20 per cent. of the difference between \$10.00 and the Additional Annual Enhancement Price, multiplied by (ii) the number of Ordinary Shares outstanding immediately following the Acquisition including any Ordinary Shares issued pursuant to the exercise of Warrants but excluding any Ordinary Shares issued to shareholders or other beneficial owners of a company or business acquired pursuant to or in connection with the Acquisition (the "Preferred Share Enhancement Equivalent").

Thereafter, the Additional Annual Enhancement Amount will be equal in value to 20 per cent. of the increase in the Additional Annual Enhancement Price over the highest Additional Annual Enhancement Price in any preceding Enhancement Year multiplied by the Preferred Share Enhancement Equivalent.

For the purposes of determining the Additional Annual Enhancement Amount, the Additional Annual Enhancement Price is the Average Price per Ordinary Share for the last 30 consecutive Trading Days in the relevant Enhancement Year (the “Enhancement Determination Period”).

For the purposes of the Ordinary Share Dividend Enhancement, the calculation of the Relevant Number of Ordinary Shares will be determined when the relevant dividend or distribution is declared on the Ordinary Shares but any conversion will take place only at the end of the relevant Enhancement Year on the relevant Enhancement Date.

The Founder Preferred Shares will participate in any dividends on the Ordinary Shares as if they had been converted on a one for one basis.

Pursuant to the Articles, the holders of Founder Preferred Shares have the right to appoint up to four directors to the Board. For so long as a Founder (or a Founder Entity together with their affiliates and permitted transferees) holds in aggregate: a) 20 per cent. or more of the Founder Preferred Shares in issue, such holder shall be entitled, from time to time, to nominate one person as a director of the Company; and b) 50 per cent. or more of the Founder Preferred Shares in issue, such Founder (or his electee) shall be entitled, from time to time, to nominate up to two persons as a director of the Company and the Directors shall appoint such persons. On Admission, the Directors so nominated and appointed were Aryeh B. Bourkoff on behalf of LionTree and Andrew Barron. On Readmission, Mariposa Acquisition III, LLC and LionTree will each have an unexercised appointment right.

In the event a Founder (or his or its Founder Entity, affiliates or permitted transferees) ceases to be a holder of Founder Preferred Shares or holds less than 20 per cent. or 50 per cent., as applicable, of the Founder Preferred Shares in issue, such Founder or his electee (as referred to above) shall no longer be entitled to nominate a person, or two persons, as applicable, as a director of the Company and the holders of a majority of the Founder Preferred Shares in issue (including any Founder or his or its Founder Entity, affiliates or permitted transferees continuing to hold Founder Preferred Shares) shall be entitled to exercise that Founder’s or his electee’s former rights to appoint a director instead (which shall include being entitled to request the removal of that Founder’s or his electee’s appointee(s)).

It is the intention of the Founders not to exercise any appointment rights if the Company is not in compliance with the recommendation in the UK Corporate Governance Code regarding the independence of the Board, or if exercising such rights would result in the Company ceasing to be in compliance with such recommendation.

A holder of Founder Preferred Shares may require at any time before the end of the Enhancement Period some or all of his Founder Preferred Shares to be converted into an equal number of Ordinary Shares (subject to adjustment in accordance with the Articles) by notice in writing to the Company, and in such circumstances those Founder Preferred Shares the subject of such conversion request shall be converted into Ordinary Shares five Trading Days after receipt by the Company of the written notice. In the event of a conversion at the request of the holder, all additional conversion rights with respect to such Founder Preferred Shares will lapse with effect from (and including) the date such written notice is received by the Company. If notice is given in respect of some but not all of the Founder Preferred Shares held by the holder, the portion of the tranche of Founder Preferred Shares to be converted in the Enhancement Year in which notice is received by the Company that is attributable to the holder will be reduced by the number of Founder Preferred Shares the subject of the notice. If that number exceeds the number of Founder Preferred Shares attributable to the holder in such tranche, the balance shall be applied in reducing the portion of Founder Preferred Shares attributable to such holder in subsequent tranches until the balance has been applied in full.

A holder of Founder Preferred Shares may exercise its rights independently of any other holder of Founder Preferred Shares.

On the winding-up of the Company, an Additional Annual Enhancement Amount shall be calculated in respect of a shortened Enhancement Year which shall end on the Trading Day immediately prior to the date of commencement of the winding-up, following which the holders of Founder Preferred Shares shall have the right to a pro rata share (together with Shareholders) in the distribution of the surplus assets of the Company as if such Founder Preferred Shares had been converted into Ordinary Shares immediately prior to the winding-up (after taking account of any enhancement of rights).

The Founder Preferred Shares carry the same voting rights as are attached to the Ordinary Shares and will vote with the Ordinary Shares on the basis of one vote per Founder Preferred Share. Additionally, the Founder Preferred Shares alone carry the right to vote on any Resolution of Members required, pursuant to BVI law, to approve any matter in connection with an Acquisition, or a merger or consolidation in connection with an Acquisition.

See paragraph 4.3 of “Part X—Additional Information” for further details regarding the rights associated with the Founder Preferred Shares.

### **Registration Rights**

Further, and subject to the expiration of any lock-up arrangement entered into between the Founders, the Founder Entities, the Directors and the Joint Brokers and Financial Advisers as further described in paragraph 15 of “Part X—Additional Information”, the Company will provide, at its own cost, such information and assistance as the Founder Entities, Mr. Bourkoff or Mr. Barron may reasonably request to enable them to effect a disposal of all or part of their respective Ordinary Shares at any time after the completion of the Acquisition, including, without limitation, (a) the preparation, qualification and approval of a prospectus in respect of such Ordinary Shares (b) the provision of all financial and other records to any underwriters and any attorneys, accountants or other professionals retained by the Founders or the Founder Entities or the underwriters as shall be reasonably necessary to enable them to conduct a reasonable investigation, and (c) all other steps reasonably necessary to effect the qualification offering and sale of the Ordinary Shares, the entry into any customary agreements and such other actions, (including participating in “roadshows”), as are reasonably required in order to consummate or facilitate the disposition of the Ordinary Shares.



## PART IV

### OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*The following discussion of the Company's and the Ocean Group's results of operations and financial condition should be read in conjunction with Part VII—A: Historical Financial Information of the Company and Part VII—B: Historical Financial Information of the Ocean Group". The historical financial information for the Company and the Ocean Group has been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively "IFRS"). You should also review the information in the sections "Important Information—Presentation of Financial Information" section.*

*This discussion contains forward-looking statements that reflect the Company's and the Ocean Group's plans, estimates and beliefs and involve risks and uncertainties. The Company's and the Ocean Group's actual results may differ materially from those projected in the forward-looking statements. Factors that might cause future results to differ materially from those projected in the forward-looking statements include, but are not limited to, those discussed below and elsewhere in this document, particularly in the section headed "Risk Factors" beginning on page 15 of this Document.*

### OCEAN OUTDOOR LIMITED

#### Overview

With effect from the date of completion of the Ocean Transaction, 28 March 2018, the Company reflects the acquisition of the Ocean Group in the Group's consolidated financial statements prepared in accordance with IFRS. Upon completion of the Ocean Transaction on 28 March 2018, the Company, through its wholly owned subsidiary, Jersey Topco, acquired all of the outstanding equity of Ocean from the Ocean Sellers for an enterprise value of approximately £200 million. The Ocean Transaction was funded through the Company's cash on hand.

The first consolidated financial statements reflecting the Ocean Transaction are contained in the Company's half-year financial report for the six months ended 30 June 2018 ("HY2018 Report"). The acquisition of the Ocean Group is accounted for in the Group's consolidated financial statements using the purchase method as required by IFRS 3 "Business Combinations". The net assets of the Ocean Group were adjusted to fair value as of the date when control of the Ocean Group passed to the Company. The excess of the costs of acquisition over the fair value of the assets and liabilities of the Ocean Group were recorded as goodwill.

In addition, on 4 June 2018, the Company announced that it had acquired Forrest Media, for an enterprise value of approximately £32 million. The Company, through its wholly owned subsidiary, Ocean Bidco, entered into the Forrest Acquisition Agreement on 2 June 2018, pursuant to which it agreed to acquire all of the issued and outstanding share capital in the capital of Forrest Media (Holdings) Limited and all of the issued and outstanding shares in Forrest Media Limited. The Forrest Transaction was funded through the Company's cash on hand.

Whilst the economic environment remains uncertain and the advertising market has been softening in parts, based upon the Company's contracts and management's expectation for market outlook, the Company continues to expect revenue growth for 2018 for Ocean at high single digits, while it anticipates Forrest Media revenues to recover to last year levels.

#### Accounting policies and financial reporting

The Company's first financial year was from incorporation until 31 December 2017. The Company's current financial year end is 31 December, and the next set of audited annual financial statements will be for the period from 1 January 2018 to 31 December 2018. The Company will produce and publish half yearly financial statements as required by the Disclosure and Transparency Rules and has published its first half yearly financial statements for the six months ended 30 June 2018, incorporated herein by reference. The Company presents its financial statements in accordance with IFRS as adopted by the European Union.

The interim financial statements for HY2018 are presented in GBP, which is also the functional currency of each entity within the Group. The Company changed its presentational and functional currency from USD to GBP on 28 March 2018. The Company's financial statements for the year ended 31 December 2017 and the interim condensed financial information were previously presented in USD. For comparative purposes, the reported figures in the HY2018 Report have been translated at an exchange rate of 1.41, the spot rate on the date of acquisition, and the point at which the presentational and functional currency changed to GBP.

#### Key Factors Affecting the Group's Financial Condition and Results of Operations

Set out below are the key factors that have affected, and that the Directors expect will continue to affect, the Group's business, financial condition, results of operations and prospects.



## Current trading and prospects

The Group's third quarter trading update was in line with the Board's expectations and shows revenue growth of approximately 20% in Q3 2018 compared to Q3 2017 on a pro forma basis (assuming all trading entities were part of the Group from the start of 2017), driven by a shift of advertising spend as advertisers returned to out of home media. Ocean, excluding Forrest, grew revenue at approximately 21% in the period. Forrest has started to show growth, with revenues increasing approximately 11% in Q3 2018 compared to Q3 2017.

## Holding Company

The Company is a holding company whose principal source of operating cash is income received from the Ocean Group. The Company is dependent on the income generated by the Ocean Group to meet the Company's expenses and operating cash requirements. The amount of distributions and dividends, if any, which may be paid from the Ocean Group to the Company will depend on many factors, including the Ocean Group's results of operations and financial condition, limits on dividends under applicable law, the Ocean Group's constitutional documents, documents governing any indebtedness of the Company or its subsidiaries (including the members of the Ocean Group), and other factors which may be outside the control of the Company. If the Ocean Group is unable to generate sufficient cash flow, the Company may be unable to pay its expenses or make distributions and dividends on the Ordinary Shares.

## Factors affecting the Ocean Group's Financial Condition and Results of Operations

For an explanation of the key factors affecting the Ocean Group's, financial condition and results of operations, see "Ocean Group—Key Factors Affecting the Ocean Group's Financial Condition and Results of Operations" below, which continue to be the key factors affecting the Ocean Group, and that from 28 March 2018 affect the Group's financial condition and results of operations.

## Forrest Transaction

The Forrest Group is subject to the same key factors affecting the Group's financial condition and results of operations and has the same type of customer base as the Ocean Group, except that the transaction adds Scotland to the Company's geographic footprint and as a result, the economic conditions affecting Scotland will also impact the Company's results going forward. In addition, as reflected in the Appendix to the Group HY2018 presenting the Forrest Group financial information, the Forrest Group billings and revenues for the first half of 2018 have decreased compared to the first half of 2017, while the Forrest Group cost of sales and administrative and other expenses for the first half of 2018 increased compared to the first half of 2017, resulting in a substantial decrease of profit from operations in the first half of 2018 compared to the first half of 2017, which may have an impact on the overall billings, revenue, gross profit and profit from operations for the Group for the full year of 2018, although the Company anticipates the Forrest Group revenues to increase to reach last year's revenues for the full year 2018.

## Foreign Exchange Gain

Due to the change of the Company's presentational and functional currency from USD to GBP on 28 March 2018, the Company recorded a one-time foreign exchange gain of £7,827,000 for HY2018, which had a significant effect on the results of operations.

## Results of Operations

The following table sets forth the Group's consolidated statement of profit or loss and other comprehensive income for 2017:

### Statement of Comprehensive Loss for the period ended 31 December 2017

	Audited for the period 20 January 2017 to 31 December 2017 US\$
Investment income .....	2,967,189
Other Income .....	6,698
Other expenses .....	(2,490,909)
Non-cash charge related to Founder Preferred Shares .....	(34,104,500)
Non-cash charge related to warrant redemption liability .....	(424,900)
Operating loss .....	(34,046,422)
<b>Loss and Total Comprehensive Loss for the Period .....</b>	<b>(34,046,422)</b>

## Year ended 31 December 2017

In the period commenced 20 January 2017 and ended 31 December 2017, the first accounting period since its incorporation, the Company recorded a loss before tax of \$34 million. During this period, the Company incurred operating costs of \$37.0 million, including \$2.5 million of Other expenses, which are administrative expenses, \$34.1 million of non-cash charges related to Founder Preferred Shares which are in respect of the Annual Dividend Amount and were valued and recognised as a liability under IAS 32, and a \$0.4 million non-cash charge related to the warrant redemption liability. These expenses were partially offset by Investment income totaling approximately \$3.0 million.

Costs of Admission of \$10.5 million were recorded as an offset to the gross proceeds from the IPO in the Company's balance sheet.

## HY2018 Compared to HY2017 (on an actual basis)

The following table sets forth the Group's consolidated statement of profit or loss and other comprehensive income for the first half of 2018 compared to the first half of 2017 on an actual basis:

	Unaudited for the period 01/01/18 to 30/06/18 £'000	Unaudited for the period 20/01/17 to 30/06/17 £'000
<b>Billings</b> .....	<b>18,398</b>	—
<b>Revenue</b> .....	<b>13,078</b>	—
Cost of sales .....	<b>(8,043)</b>	—
<b>Gross profit</b> .....	<b>5,035</b>	—
Administrative and other expenses .....	<b>(5,801)</b>	(1,202)
Other income .....	—	4
<b>Loss from operations</b> .....	<b>(766)</b>	(1,198)
Finance expense .....	<b>(5)</b>	—
Finance income .....	<b>1,160</b>	651
Foreign exchange .....	<b>7,827</b>	—
Non-cash charge related to Founder Preferred Shares .....	—	(24,188)
Non-cash charge related to warrant redemption liability .....	—	(301)
<b>Profit / (loss) before tax</b> .....	<b>8,216</b>	(25,036)
Tax (expense) / credit .....	<b>(263)</b>	—
<b>Profit / (loss) from continuing operations</b> .....	<b>7,953</b>	(25,036)
<b>Total comprehensive income</b> .....	<b>7,953</b>	(25,036)

Due to the acquisition of the Ocean Group on 28 March 2018 and the Forrest Group on 2 June 2018, the condensed statement of profit and loss for HY2018 does not provide a period on period comparison for the newly formed Group's performance and operations reflected in the items Billings, Revenue, Cost of sales and Gross profit. This is due to the Company being an investment vehicle in FY2017.

The Group had a loss from operations of £766,000 for HY2018, due to administrative and other expenses of £5,801,000 outweighing the gross profit of £5,035,000. The profit before tax of £8,216,000 mainly reflects a one-time foreign exchange gain of £7,827,000 due to the change of the Company's presentational and functional currency from USD to GBP on 28 March 2018. In addition, finance income of £1,160,000 contributed to the profit before tax.

## HY2018 Compared to HY2017 (on a combined/acquisition adjusted basis)

The acquisition adjusted pro forma financial information presented on this page has been extracted without adjustment from the unaudited interim financial statements of Ocean Outdoor Limited for the six months to 30 June 2018. The acquisition adjusted pro forma financial information has not been prepared in accordance with Annex 2 of the PD Regulation nor does it constitute financial statements under section 434 of the Companies Act 2006.

For illustrative purposes and in order to show material trends, the following sets forth the unaudited acquisition adjusted pro forma profit and loss statements included in the appendix to the HY2018 accounts which show the period results for HY2017 on a combined basis, assuming that each entity in the Group as at 30 June 2018 had been part of the Group as at 1 January 2017. Accordingly, the combined pro forma financial information assumes that Ocean and Forrest Media, which were acquired in HY2018, had been members of the Group for the financial year HY2017. As a result, the combined unaudited pro forma financial information for the six months ended 30 June 2017 (“HY2017”) does not reflect actual accounting numbers and does not take account of any transaction fees, operating costs and savings and any other changes recorded in HY2018 as a result of the completion of the related acquisitions. The combined financial information for HY2017 by its nature addresses a hypothetical situation and does not purport to represent the Group’s actual financial position or results.

	Unaudited HY 2018 £'000	Unaudited Pro forma HY 2017* £'000
<b>Billings</b> .....	<b>35,995</b>	<b>36,838</b>
<b>Revenue</b> .....	<b>25,545</b>	<b>25,674</b>
Cost of sales .....	<b>(15,747)</b>	<b>(15,989)</b>
<b>Gross profit</b> .....	<b>9,798</b>	<b>9,685</b>
Administrative and other expenses .....	<b>(10,680)</b>	<b>(11,366)</b>
<b>Profit from operations</b> .....	<b>(882)</b>	<b>(1,681)</b>
Finance expense .....	<b>(5,552)</b>	<b>(5,899)</b>
Finance income .....	<b>1,160</b>	<b>1,098</b>
Non-cash charge related to Founder Preferred Shares .....	<b>—</b>	<b>(24,188)</b>
Non-cash charge related to Warrant redemption liability .....	<b>—</b>	<b>(301)</b>
<b>Profit before tax</b> .....	<b>(5,274)</b>	<b>(30,971)</b>
Tax expense .....	<b>(666)</b>	<b>(390)</b>
<b>Profit from continuing operations</b> .....	<b>(5,940)</b>	<b>(31,361)</b>
<b>Total comprehensive income</b> .....	<b>(5,940)</b>	<b>(31,361)</b>

\* All HY2017 numbers are on an acquisition adjusted basis only, reflecting an addition of the financial results of the Company, Ocean and Forrest Media as if all had been acquired as at 1 January 2017. HY2017

The following is a discussion of the HY2018 actual results compared to the acquisition adjusted pro forma financial information for HY2017, which is included to discuss the material trends in the businesses.

The Group recorded steady Billings during the period at £31,859,000 (HY2017: £32,006,000), and revenue increased slightly by 1.8%, at £22,528,000 (HY2017: £22,139,000). Macroeconomic factors contributed to a slowdown in the Ocean Group’s growth recorded in previous periods, including Brexit-related conditions, a softening of the overall UK advertising market in parts and competitors having responded in a variety of ways impacting the market. Digital billings made up 93% of total billings (HY2017:89%).

Gross profit grew by 8.4% to £8,815,000 (HY2017: £8,130,000), due to a decrease in Cost of sales which resulted from various savings achieved with suppliers.

### Key Performance Indicator

The Company utilises Adjusted EBITDA as an additional key performance indicator, as described below. The Company believes Adjusted EBITDA provides an important alternative measure with which to assess its underlying trading performance on a constant basis. The Company’s calculation of Adjusted EBITDA may be different from the calculations used by other companies and therefore comparability may be limited. Adjusted EBITDA is a non-IFRS measure and should not be considered as an alternative or substitute to operating profit or as a measure of operating performance.

Set forth below is the Group's reconciliation of profit from operations to Adjusted EBITDA as contained in an Appendix to the HY2018 Report (under "Ocean Outdoor Limited and subsidiaries"). All figures for periods before HY2018 are presented on a combined pro forma basis, assuming that each entity in the Group as at 30 June 2018 had been part of the Group as at the beginning of the relevant period presented below. The combined pro forma financial information for each of HY2017 and financial years 2015, 2016 and 2017 by its nature addresses a hypothetical situation and does not purport to represent the Group's actual financial position or results

	H1 2018 £'000	H1 2017 £'000	FY17 £'000	FY16 £'000
<b>Profit from operations</b> .....	<b>(882)</b>	(1,681)	(683)	10,131
Depreciation .....	<b>2,033</b>	1,859	4,021	3,788
Profit on disposal .....	—	—	—	(14)
Amortisation .....	<b>5,421</b>	2,732	5,464	5,464
Deal fees .....	<b>5,121</b>	—	619	222
Private equity and listed company related expenses .....	<b>(4,685)</b>	4,870	8,981	281
Other one-off costs .....	<b>522</b>	265	686	273
<b>Adjusted EBITDA</b> .....	<b>7,530</b>	8,045	19,088	20,145

Adjusted EBITDA is derived from EBITDA by deducting non-operational and non-recurring items, such as profit on disposals, deal fees related to the Transactions, private equity related expenses related to the acquisition of Ocean and other one-off costs.

## Liquidity and Capital Resources

### Sources of cash and liquidity

The Company's sources of cash are the proceeds of the 2017 Placing, the subscription monies arising from the issue of the Founder Preferred Shares and the proceeds from the exercise of the Warrants. It used such cash to fund the expenses of the 2017 Placing, on-going costs and expenses, the costs and expenses incurred in connection with seeking to identify and effect an Acquisition and to fund the Ocean Transaction and the Forrest Transaction.

The Company's future liquidity will depend primarily on: (i) the profitability of the Group; (ii) the Company's management of available cash; (iii) cash distributions on sale of existing assets; (iv) the use of borrowings, if any, to fund short term liquidity needs; and (v) dividends or distributions from subsidiary companies.

### Debt Refinancing

In connection with the Ocean Transaction, the Group repaid all debt.

### Cash uses

The Company's principal use of cash will be to finance ongoing administrative costs and expenses and the costs and expenses incurred in connection with seeking to identify and effect future acquisitions. The Company expects that any future acquisitions will primarily be financed through cash on hand and/or additional equity offerings and debt.

### Cash Flow Analysis

The following table presents the Group's cash flow summary for HY2018 and FY2017. The financial information for FY2017 has been translated from USD to GBP in the HY2018 Report due to the change of reporting currency:

	Unaudited HY2018 (£'000)	Unaudited FY2017 (£'000)
Net cash flows from operating activities .....	20,182	(605)
Net cash used in investing activities .....	(243,822)	—
Net cash (used in) / from financing activities .....	86,500	294,119
Net increase in cash and cash equivalents .....	(137,140)	293,514
Cash and cash equivalents at the beginning of year .....	294,576	—
Cash and cash equivalents at the end of year .....	157,436	293,514

### ***Net cash flows from operating activities***

#### ***HY 2018***

The Group recorded a net cash flow from operating activities of £20,182,000 in HY2018, which comprised profit for the year of £7,953,000 and reflects an increase in trade and other payables of £40,487,000, offset by £28,023,000 for an increase in trade and other receivables and £1,160,000 for finance income.

#### ***FY2017***

The Group recorded a net cash flow from operating activities of £(605,000) in FY2017, which comprised loss for the year of £25,036,000, offset by the non-cash charge related to Founder Preferred Shares of £24,188,000 and non-cash charge related to warrant redemption liability of £301,000.

### ***Net cash used in investing activities***

#### ***HY2018***

Net cash used in investing activities of £(243,822,000) mainly related to the acquisition of subsidiaries, net of cash acquired (as discussed under “—Overview”).

#### ***FY2017***

As the Company was a cash shell in FY2017, no cash was used in investing activities.

### ***Net cash (used in)/ from financing activities***

#### ***HY2018***

Net cash from financing activities of £86,500,000 in HY2018 consisted of the issue of Ordinary shares and warrants in connection with the closing of the Ocean Acquisition.

#### ***FY2017***

Net cash from financing activities of £294,119,000 in FY2017 reflects the issuance of 41,790,000 Ordinary Shares on 8 March 2017 (of which 41,765,000 were issued in the IPO at US\$10.00 per share and 25,000 were issued to the non-founder directors in conjunction with the IPO) as well as the issuance of 147,000 Founder Preferred Shares on 20 January 2017 at US\$10.50 per share and a further 553,000 Founder Preferred Shares on 8 March 2017, also at US\$10.50 per share, in each case with attached warrants.

### **Off-Balance Sheet Arrangement**

As at 30 June 2018, the Group did not have any off-balance sheet arrangements.

### **Changes to Accounting Policies**

IFRS 15 and IFRS 9 were applied for the first time in HY2018.

#### ***IFRS 15 Revenue from Contracts with Customers***

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations. It applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The Group adopted IFRS 15 using the full retrospective method of adoption.

The application of IFRS 15 has led to a change in the presentation of volume rebates in the income statement that were previously recognised as a cost on the line “cost of sales” and which are henceforth classified as revenue. The change described above has an impact of £1.74 million under IFRS revenue recognition and has no impact on the operating margin and net income for the first half of 2018. This reclassification has no effect on the statement of cash flows or the statement of financial position.

## ***IFRS 9 Financial Instruments***

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group has applied IFRS 9 retrospectively, with the initial application date of 1 January 2018 and adjusting the comparative information for the period beginning 1 January 2017. There is no material impact on the adoption of IFRS 9 on the comparative figures.

## **Critical Accounting Policies**

Preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgments, estimates and underlying assumptions are reviewed on an on-going basis, and revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

When reviewing the Group's financial statements, you should review the summary of critical accounting estimates and judgements described in note 2.14 to the 2017 Group Financial Statements as well as note 2.3 to the 2018HY Report and note 3 to the Ocean Group 2017 Financial Statements. The Directors believe that key estimates, judgements and assumptions have been made in the following areas in the preparation of the Consolidated Financial Statements.

## ***Valuation of Founder Shares***

The valuation of the Founder Preferred Shares (and attached warrants) in FY2017 involved a higher degree of judgement and complexity. The fair value of the Founder Preferred Shares with warrants and related share-based payments were calculated using a Monte Carlo valuation model. The share-based payment related to the Founder Preferred Shares with warrants in excess of the amount paid for the shares was charged immediately in full to the income statement with a corresponding credit to equity as the shares vested immediately on the grant date.

## ***Other Critical Accounting Policies***

For a discussion of the other critical accounting policies relevant to the Group, please refer to the discussion for the Ocean Group under “—Critical Accounting Policies” below.

# **OCEAN GROUP**

The following is a discussion and analysis of the results of operations and financial condition of the Ocean Group and is based on the audited consolidated historical financial information of the Ocean Group and its subsidiaries as of and for the years ended 31 December 2015, 2016 and 2017. References to “FY2015”, “FY2016” and “FY2017” are to the twelve-months periods ended 31 December of the relevant year.

## **Overview**

Established in 2005, Ocean is a pure play operator of premium DOOH advertising in the UK. DOOH is an advertising channel that enhances the traditional out-of-home market through merging the inherent strengths of out-of-home advertising and enhancing through location, audience, research, data and unique technology such as vehicle detection, geo location and facial detection technology.

For the full year 2017, Ocean delivered Revenue and Adjusted EBITDA (excluding one off items) of approximately £67 million and £16 million, respectively. Since 2015, Ocean has grown Revenue and Adjusted EBITDA at a compounded growth rate of 7.2% and 9.0%, respectively, further supported by a strong development pipeline. For the full year 2018, Ocean anticipates revenue growth will be in the high single digits. Based on the Group's pipeline and the market outlook, Ocean believes that high single digit revenue growth for Ocean in 2018 is appropriate, with Forrest revenue recovering to last year's levels.

## **Key Factors Affecting the Ocean Group's Financial Condition and Results of Operations**

Set out below are the key factors that have affected, and that the Directors expect will continue to affect, the Ocean Group's business, financial condition, results of operations and prospects.



### ***Competition***

The Ocean Group operates in a highly competitive industry and its ability to maintain or increase its current advertising and sales revenues or market share has a significant effect on its revenues. The Ocean Group competes for advertising revenue with other outdoor advertising operators, as well as with other media, such as radio, newspapers, magazines, television, direct mail, mobile devices and internet based services. The Ocean Group competes, among others, by uniqueness of its locations. The relationship with the specialist sales agencies that it contracts with and commissions paid under the related agency agreements is another important factor in competing with other outdoor advertising operators as well as other media. Competition has a significant effect on the Ocean Group's sales volumes and margins and as a result, its operating results.

### ***Economic Conditions Affecting the United Kingdom***

The Ocean Group's operations are based solely in the UK and therefore its results, financial condition and prospects are dependent on the underlying condition of the general economy in the UK. The Ocean Group derives revenues from the sale of advertising and expenditures by advertisers tend to be cyclical, reflecting economic conditions and budgeting and buying patterns. Periods of a slowing economy or recession, or periods of economic uncertainty, may be accompanied by a decrease in advertising which would reduce the Ocean Group's advertising revenues and have an adverse effect on the Ocean Group's revenue, profit margins, cash flow and liquidity. As a result of the concentration of the Ocean Group's operations in the UK, it will not be able to mitigate the effect of any economic downturn in the UK by reliance on income generated in other countries.

In addition, there has been an increase in political uncertainty as a result of the UK vote in favour of exiting the EU. It is not clear what the impact on the Ocean Group (including its business, employees, operations and assets) will be when, the UK leaves the EU, but any such change may have a material effect on the business, financial condition and results of operations of the Ocean Group.

### ***Relationship with Media Agencies***

The Ocean Group's relationship with four leading specialist media buying agencies is of key importance to its results, as most of its gross revenue is booked through those agencies. These agencies are the "customer" through which the services of the Ocean Group are provided to the underlying advertisers. These agencies are incentivised to meet certain threshold levels of billings because of certain industry-typical volume rebates that the Ocean Group grants.

### ***Site Agreements***

The Ocean Group gains access to advertising sites through short, medium and long term contracts or concessions (being comprised of (i) leases, (ii) licences; and (iii) certain commercial site agreements) with asset owners such as local municipalities and commercial landlords. The majority of contracts are with private landlords, although the Ocean Group has two significant contracts with local municipalities, which are subject to tender procedures at renewal. These agreements are long-term and typically range from seven to up to 20 years in duration. In 2017, more than 20% of gross profit less depreciation was contributed by sites with a term of more than ten years, and approximately two-thirds of gross profit less depreciation was contributed by sites with a term of five years or more. While every contract is bespoke and dependent on negotiation with a particular landlord, historically renewal rates have been high. Maintaining existing site agreements and contracting with new site landlords is of key importance to deliver the Ocean Group's services. Revenue under the site agreements is structured individually in each agreement and can comprise fixed rent as well as revenue-sharing elements based on profits achieved.

### ***Expansion of the Ocean Group's geographical footprint and Cost of Development and Sale of Digital Out-of-Home Displays***

As part of its strategy to expand its geographical footprint, in the periods under review the Ocean Group launched a number of new locations for the delivery of large format DOOH. The Ocean Group's key capital expenditure has been for the purchase and build-out of screens. In 2016, capital expenditures amounted to £3.7 million and in 2017 to £5.7 million in relation to new site locations nationwide, as well as new DOOH technologies.

DOOH is expected to continue to be the fastest growing sub sector of out-of-home, and the Group intends to capitalise on this long term trend, by continuing to make significant capital expenditures. The cost of developing new sites has been the most limiting factor in the Group's expansion.

## ***Acquisitions***

In the periods under discussion, two significant acquisitions affected Ocean Group's financial statements: the acquisition of Mediaco Outdoor Limited which manages a contract for Manchester City Council, which completed in April 2015, and the acquisition of Ocean Topco Limited in January 2015. These acquisitions resulted in an increase of administrative expenses in the statement of comprehensive income in the relevant periods (in relation to acquisition costs), increases of Ocean Group's revenues and profit and the recognition of goodwill relating to certain intangible assets.

## ***Access to Capital and Cost of Financing***

Development and sale of out-of-home advertising requires substantial capital investment to obtain access to advertising sites through entering into leases, obtaining licences and entering into commercial site agreements with asset owners and for the planning and development of the displays. The accounting losses incurred by the Ocean Group in all periods under discussion were principally due to the interest payable on loan notes and irredeemable preference shares (treated as debt). These originated from the debt funded nature of previous management buyouts. Interest was charged to the profit and loss account, although was not payable until the exit of the previous owners of the Ocean Group. All of the Ocean Group's debt was repaid in connection with the closing of the Ocean Transaction. In particular, in connection with the Ocean Transaction, the Company amended the Warrant Instrument and received gross proceeds of \$111,044,840 from the early exercise of Warrants, and as at the date of this Document, there are no Warrants outstanding. The Cost of Financing is not expected to have a significant impact on future periods, unless the Group decides to use significant leverage to expand the business further.

As at 31 December 2015, 2016 and 2017, the Ocean Group's outstanding loans and borrowings amounted to £113,479,000, £121,170,000 and £128,159,000, respectively, and its finance expense amounted to £10,536,000, £11,949,000 and £11,987,000, respectively. At 31 December 2017, 13,853,473 irredeemable preference shares with a par value of £1 were in issue. The preference shares are classified as a financial liability and carry a fixed dividend of 12 per cent per annum.

## ***Principal Components of Statement of Profit or Loss and other Comprehensive Income***

### ***Billings***

Billings represent amounts receivable from clients, exclusive of sale taxes, in respect of charges for fees, commissions and rechargeable expenses incurred on behalf of clients.

### ***Revenue***

Revenue represents billings less agency and specialist commissions. The Ocean Group derives its revenue primarily from the provision of services to customers. The Ocean Group had four principal customers in each of FY2015, 2016 and 2017. These customers are the specialist advertising agencies through which the Ocean Group's services to companies seeking advertising are booked, as in most cases the contractual relationship is between the Ocean Group and one of those agencies, rather than the underlying customer. These agencies are paid commissions. When transacting with the specialist agencies, the Ocean Group typically grants a volume rebate if billings to the agency in a given year exceed certain thresholds. The agency agreements do not contain guarantees of any volume.

Billings to these customers totalled £67,035,000 for the year ended 31 December 2017, £65,006,000 for the year ended 31 December 2016 and £53,674,000 for the year ended 31 December 2015. The top ten advertising agencies in 2017 accounted for approximately 64% of revenue. The advertisers that book the Ocean Group's services through these advertising agencies are a diversified group, with the top ten advertisers accounting for approximately 24% of revenue with no one account being over 5%.

Revenue represents the amounts (excluding the value added tax) derived from the provision of services to customers during the 52 week period ended 31 December of a financial year net of commissions and discounts. Revenue is recognised on a 52 week period to reflect the period of customer bookings, normally in 2 week blocks. The difference on this basis to recognition of revenue for a full year is immaterial. Revenue is recognised on an over time basis, because the customer simultaneously receives and consumes the economic benefits provided under the contract by the Ocean Group's performance. All amounts are derived from continuing activities.

The Ocean Group comprises a single operating segment.

### ***Cost of Sales***

The Ocean Group's cost of sales includes site rents, profit shares, agency rebates, depreciation, site rates and maintenance charges.

### ***Administrative Expenses***

The Ocean Group's administrative expenses consist primarily of staff costs, amortisation charges on the Ocean Group's intangible assets and certain acquisition costs.

Acquisition costs in relation to the following acquisitions were recognised as part of administrative expenses in FY 2015:

On 19 January 2015, the Ocean Group acquired 100% of the voting shares of Ocean Topco Limited. Acquisition costs of £3,823,000 arose as a result of the transaction, which were recognised as part of administrative expenses. On 22 April 2015, the Ocean Group acquired 100% of the voting shares of Media Outdoor Limited, and acquisition costs of £510,000 were recognised as administrative expenses.

For trade receivables, impairment provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses.

### ***Finance Expense***

Finance expenses comprise mainly the interest portion on finance leases and interest expense on financial liabilities measured at amortised cost.

The table below sets out the breakdown of the Ocean Group's finance expenses for the periods under review:

	<b>Audited FY2015 (£'000)</b>	<b>Audited FY2016 (£'000)</b>	<b>Audited FY2017 (£'000)</b>
Finance expenses:			
Finance leases (interest portion) . . . . .	31	8	1
Interest expense on financial liabilities measured at amortised cost . . . . .	10,505	11,941	11,986
<b>Total finance expense . . . . .</b>	<b>10,536</b>	<b>11,949</b>	<b>11,987</b>
Net finance expense recognised in profit or loss . . . . .	10,535	11,949	11,987

See "—Loans and Borrowings" below for additional information regarding the Ocean Group's borrowings and redeemable preference shares.

### ***Finance Income***

Finance income consists of interest received on bank deposits.

### ***Total Tax Expense***

Total tax expense is composed of the Ocean Group's current taxes on profits for a year, offset by deferred tax expense in relation to the origination and reversal of temporary differences.

## Results of Operations

The following table sets forth the Ocean Group's consolidated statement of profit or loss and other comprehensive income for the periods under review:

	Audited FY2015 (£'000)	Audited FY2016 (£'000)	Audited FY2017 (£'000)
<b>Billings</b> .....	53,674	65,006	67,035
<b>Revenue</b> .....	43,162	51,655	53,166
Cost of sales .....	(28,121)	(33,530)	(34,606)
<b>Gross profit</b> .....	15,041	18,125	18,560
Administrative expenses .....	(15,368)	(11,931)	(12,777)
<b>Profit from operations</b> .....	327	6,194	5,783
Finance expense .....	(10,536)	(11,949)	(11,987)
Finance income .....	1	—	119
<b>Loss before tax</b> .....	(10,862)	(5,755)	(6,085)
Tax income/ (expense) .....	684	411	(527)
<b>Loss from continuing operations</b> .....	(10,178)	(5,344)	(6,612)
<b>Total comprehensive income</b> .....	(10,178)	(5,344)	(6,612)

## FY2017 Compared with FY2016

### Billings

Billings increased by £2,029,000, or 3.1%, from £65,006,000 for FY2016 to £67,035,000 for FY2017, as a result of the taking on of new sites such as Westfield Stratford.

### Revenue

Revenue, being directly linked with Billings, increased by £1,511,000, or 2.93%, from £51,655,000 for FY2016 to £53,166,000 for FY2017, for reasons as identified above.

### Cost of Sales

Cost of sales increased by £1,076,000, or 3.21%, from £33,530,000 for FY2016 to £34,606,000 for FY2017, primarily due to the rent charges incurred on the Westfield Stratford sites.

### Gross Profit

Gross profit increased by £434,000, or 2.39%, from £18,125,000 for FY2016 to £18,560,000 for FY2017, slightly less than the Ocean Group's increase in revenue for FY2017 compared to FY2016 because of a higher increase of cost of sales.

### Administrative Expenses

Administrative expenses increased by £846,000, or 7.35%, from £11,931,000 for FY2016 to £12,777,000 for FY2017, primarily due to an increase in staff number and a one off charge relating to an exit bonus scheme.

### Profit from Operations

Profit from operations decreased by £411,000, or 6.64%, from £6,194,000 for FY2016 to £5,783,000 for FY2017, due to the fact that the Ocean Group's administrative expenses for FY2017 increased by more than the increase in gross profit.

### Finance Expense

Finance expense increased slightly by £38,000, or 0.32%, from £11,949,000 for FY2016 to £11,987,000 for FY2017, primarily due to the savings made by refinancing at a lower interest rate towards the end of 2016.

### Finance Income

There was no finance income in FY2016. Finance income of £119,000 was recognised in FY2017 in respect of fair value movements on financial assets.

### ***Loss before Tax***

Loss before tax increased by £330,000, or 5.73%, from £5,755,000 for FY2016 to £6,085,000 for FY2017, as a result of the factors discussed above.

### ***Tax Expense***

Tax expense moved from an income of £411,000 in 2016 to a charge of £527,000 in 2017, primarily as a result of the Ocean Group's substantially increased tax on profits for the year as well as new Corporate Interest Restriction rules coming into force from 1 April 2017, which restricted the amount of tax-deductible interest for the Ocean Group.

### ***Loss from Continuing Operations***

Loss from continuing operations/total comprehensive income increased substantially by £1,268,000, or 23.73%, to £6,612,000 in FY2017 from £5,344,000 in FY2016 mainly due to the substantial increase in tax expense.

## **FY2016 Compared with FY2015**

### ***Billings***

Billings increased by £11,332,000, or 21.11%, from £53,674,000 for FY2015 to £65,006,000 for FY2016, primarily as a result of FY2015 including Mediaco revenue from 22 April 2015 (the acquisition date) as well as the addition of new sites such as The Piccadilly Curve, Westfield Stratford and three screens in Birmingham in 2016, which was off-set in part by the loss of two banner sites.

### ***Revenue***

Revenue, being directly linked with Billings, increased by £8,493,000, or 19.67%, from £43,162,000 for FY2015 to £51,655,000 for FY2016, as identified above.

### ***Cost of Sales***

Cost of sales increased substantially by £5,409,000, or 19.23%, from £28,121,000 for FY2015 to £33,530,000 for FY2016, which was due to an increase in site rents, profit share and agency rebate costs which were a result of the additional sites added in 2016.

### ***Gross Profit***

Gross profit increased by £3,084,000, or 20.50%, from £15,041,000 for FY2015 to £18,125,000 for FY2016, primarily due to the substantial increase in cost of sales.

### ***Administrative Expenses***

Administrative expenses decreased by £3,437,000, or 22.36%, from £15,368,000 for FY2015 to £11,931,000 for FY2016, primarily due to FY2015 including approximately £2.6m of transaction fees for the acquisition of Ocean by Searchlight Capital.

### ***Profit from Operations***

Profit from operations increased by £5,867,000, or 1,794%, from £327,000 for FY2015 to £6,194,000 for FY2016, due to an increase in Billings and a decrease in Administrative Expenses.

### ***Finance Expense***

Finance expense increased by £1,413,000, or 13.41%, from £10,536,000 for FY2015 to £11,949,000 for FY2016, primarily due to the increase of bank debt used to refinance third party debt to pay off loan notes.

### ***Finance Income***

There was finance income of £1,000 in FY2015 and £nil in FY2016.

### ***Loss before Tax***

Loss before tax decreased by £5,107,000, or 47.02%, from £10,862,000 for FY2015 to £5,755,000 for FY2016, as a result of the factors discussed above.

### ***Tax Income***

Tax income decreased to £411,000 (from £684,000 in FY2015), primarily as a result of the Ocean Group's tax planning.

### ***Loss from Continuing Operations***

Loss from continuing operations/total comprehensive income decreased substantially by £4,834,000 or 47.50%, to £5,344,000 in FY2016 from £10,178,000 in FY2015 mainly due to an increase in Billings and a decrease in Administrative Expenses.

### ***Liquidity and Capital Resources***

Since its establishment, the Ocean Group has financed its growth and operations primarily through internally generated cash flows. The Ocean Group's principal uses of cash have mainly been for making capital expenditures, operating expenses and interest expense.

The Ocean Group's cash and cash equivalents as of 31 December 2016 and 2017 were £11,000,000 and £18,702,000, respectively.

The following table presents the Ocean Group's cash flow summary for the periods under review:

	<b>Audited FY2015</b>	<b>Audited FY2016</b>	<b>Audited FY2017</b>
	<b>(£'000)</b>	<b>(£'000)</b>	<b>(£'000)</b>
Net cash flows from operating activities .....	8,631	13,197	18,406
Net cash used in investing activities .....	(105,645)	(3,683)	(5,706)
Net cash (used in)/ from financing activities .....	102,685	(4,185)	(4,998)
Net increase in cash and cash equivalents .....	5,671	5,329	7,702
Cash and cash equivalents at the beginning of year .....	—	5,671	11,000
Cash and cash equivalents at the end of year .....	5,671	11,000	18,702

### ***Net cash flows from operating activities***

#### ***FY2017***

The Ocean Group recorded a net cash flow from operating activities of £18,406,000 in FY2017, which comprised loss for the year of £6,612,000 offset by non-cash movements of £3,292,000 for depreciation of property, plant and equipment, £5,464,000 for amortisation of intangible fixed assets and £11,987,000 for finance expense. A change in trade and other payables of £10,078,000 contributed significantly to the cash generated from operations of £19,206,000. In addition, a change in trade and other receivables of £(4,077,000), which was due to an increase in receivables, also had a significant effect.

#### ***FY2016***

The Ocean Group recorded a net cash flow from operating activities of £13,197,000 in FY2016, which resulted in a loss for the year of £5,344,000, offset by non-cash movements of £3,114,000 for depreciation of property, plant and equipment, of £5,464,000 for amortisation of intangible fixed assets and of £11,949,000 for finance expense. A change in provisions of £(1,242,000), decreased the cash flows from operating activities.

#### ***FY2015***

The Ocean Group recorded a net cash flow from operating activities of £8,631,000 in FY2015, which resulted in a loss for the year of £10,178,000, offset by non-cash movements of £2,632,000 for depreciation of property, plant and equipment, non-cash outflows of £5,321,000 for amortisation of intangible fixed assets and of £10,536,000 for finance expense. An increase in trade and other payables of £1,453,000, increased the cash flows from operating activities.

### ***Net cash used in investing activities***

#### ***FY2017***

Net cash used in investing activities of £(5,706,000) related to the purchases of property, plant and equipment, which was due to location investment.



## *FY2016*

Net cash used in investing activities of £(3,683,000) related to the purchases of property, plant and equipment, which was due to location investment.

## *FY2015*

Net cash used in investing activities of £(105,645,000) mainly related to the acquisition of subsidiaries, net of cash acquired (as discussed under “—Key Factors Affecting the Ocean Group’s Financial Condition and Results of Operations—Acquisitions”). Purchases of property, plant and equipment of £(5,726,000) also contributed to net cash used in investing activities.

## ***Net cash (used in)/ from financing activities***

### *FY2017*

Net cash used in financing activities of £(4,965,000) for debt servicing and £(33,000) in respect of the capital elements of financial lease repayments.

### *FY2016*

Net cash used in financing activities of £(4,185,000) mainly related to debt servicing.

### *FY2015*

Net cash from financing activities of £102,685,000 mainly related to financing issued in order to finance the acquisition of the Ocean Group in its state at that time.

## **Loans and Borrowings**

The Ocean Group’s total loans and borrowings as at 31 December 2017 were £128,159,000, primarily consisting of a loan, bank borrowings and irredeemable preference shares. The details of the Ocean Group’s interest-bearing loans are as follows:

	Book value 2015 £’000	Fair value 2015 £’000	Book value 2016 £’000	Fair value 2016 £’000	Book value 2017 £’000	Fair value 2017 £’000
<b>Non-Current</b>						
<i>Bank loans</i>						
—Secured .....	51,628	51,628	72,065	72,065	72,692	72,692
—Unsecured						
Loan notes .....	44,586	40,778	29,798	28,656	33,625	32,981
Preference shares .....	15,434	15,434	17,291	17,291	19,366	19,366
Finance leases (note 24) .....	32	32	—	—	—	—
	<u>111,680</u>	<u>107,812</u>	<u>119,154</u>	<u>118,012</u>	<u>125,683</u>	<u>125,039</u>
<b>Current</b>						
<i>Bank loans</i>						
—Secured .....	1,678	1,678	1,984	1,984	2,476	2,476
—Unsecured						
Finance leases (note 24) .....	121	121	32	32	—	—
	<u>1,799</u>	<u>1,799</u>	<u>2,016</u>	<u>2,016</u>	<u>2,476</u>	<u>2,476</u>
<b>Total loans and borrowings .....</b>	<u><u>113,479</u></u>	<u><u>109,671</u></u>	<u><u>121,170</u></u>	<u><u>120,028</u></u>	<u><u>128,159</u></u>	<u><u>127,515</u></u>

The bank loan is secured by a fixed and floating charge over the assets of the Ocean Group. The Ocean Group had undrawn committed borrowing facilities available at 31 December 2017, for which all conditions have been met, of a revolving cash facility of £5 million.

The average interest rate for the Ocean Group’s outstanding unsecured loans which were repayable after one year was 12%. The Ocean Group’s loans and borrowings during the periods under review were:

- (i) a bank loan secured by a fixed and floating charge over the assets of the Ocean Group.

- (ii) an undrawn committed borrowing facilities available at 31 December, for which all conditions have been met, of a revolving cash facility of £5 million.
- (iii) 13,853,473 irredeemable preference shares at a part value of £1 each that were allotted, called up and fully paid. These shares were classified as a financial liability and carried a fixed dividend of 12% per annum.

## Capital Expenditure and Material Commitments

### Material Capital Expenditure and Divestments

The Ocean Group's capital expenditure was £105,650,000, £3,683,000, and £5,706,000, respectively, in FY2015, FY2016, and FY2017. Details of capital expenditures made by the Ocean Group for the periods indicated are as follows:

	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>
	<u>(£'000)</u>	<u>(£'000)</u>	<u>(£'000)</u>
<b>Capital Expenditures</b>			
Acquisition of subsidiaries, net of cash acquired <sup>(1)</sup> . . . . .	(99,924)	—	—
Plant and equipment <sup>(2)</sup> . . . . .	(5,726)	(3,683)	(5,706)
<b>Total capital expenditure</b> . . . . .	<u>(105,650)</u>	<u>(3,683)</u>	<u>(5,706)</u>

#### Notes:

(1) Represents the acquisition of Ocean Topco Limited and subsidiaries & Mediacore Outdoor Limited.

(2) Represents acquisition of plant and equipment to build out new locations.

The above capital expenditures were made to support the Ocean Group's growth and were financed by borrowings and internally generated cash.

### Lease Commitments

As at 31 December 2017, the Ocean Group had operating lease commitments of £97,152,000. The Ocean Group's lease commitments as at the end of FY2015, FY2016 and FY2017 were as follows:

	<u>As at 31 December</u>		
	<u>2015</u>	<u>2016</u>	<u>2017</u>
	<u>(£'000)</u>	<u>(£'000)</u>	<u>(£'000)</u>
Not later than one year . . . . .	10,385	11,901	12,385
Later than one year and not later than five years . . . . .	36,800	46,664	45,935
Later than five years . . . . .	36,082	43,109	38,832
	<u>83,267</u>	<u>101,674</u>	<u>97,152</u>

## Contingent Liabilities

As at 31 December 2017, to the best of the Directors' knowledge, information and belief, the Directors were not aware of any contingent liabilities which may have a material effect on the financial position and profitability of the Ocean Group.

## Off-Balance Sheet Arrangement

As at 31 December 2017, the Ocean Group did not have any off-balance sheet arrangements.

## Changes to Accounting Policies

The Ocean Group adopted IFRS for the first time in presenting its statutory financial statements for the year ended 31 December 2017, those for the period ended 31 December 2015 and year ended 31 December 2016 having been prepared in accordance with UK GAAP. The impact of first time adoption of IFRS on equity and total comprehensive income as presented under UK GAAP is disclosed in note 29.

Other changes to the Ocean Group's accounting policies relate to the early adoption of IFRS 9 *Financial Instruments* and IFRS 15 *Revenue from Contracts with Customers*, which are discussed in more detail in note 1 to the 2017 Financial Statements. The adoption of these new standards has had no impact the amounts equity and total comprehensive income previously presented under UK GAAP. The Group has not applied any transitional reliefs in its first time adoption of IFRS 9 and IFRS 15.

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective in future accounting periods that the Group has decided not to adopt early. The most significant of these is IFRS 16 *Leases*, which is mandatorily effective for periods beginning on or after 1 January 2019. Adoption of IFRS 16 will result in the Group recognising right-of-use assets and lease liabilities for all contracts that are, or contain, a lease. For leases currently classified as operating leases, under current accounting requirements the Group does not recognise related assets or liabilities, and instead spreads the lease payments on a straight-line basis, disclosing in its annual financial statements the total commitment. The Group will be required to apply IFRS 16 from 1 January 2019 and is in the process of gathering data to estimate the impact on the reported income and net assets. Upon transition to IFRS 16, it is likely that the Group will apply the modified retrospective approach and therefore will only recognise leases on balance sheet as at 1 January 2019, measuring right-of-use assets by reference to the measurement of the lease liability on that date. This will ensure that there is no immediate impact on net assets at that date. Instead of recognising an operating expense for its operating lease payments, the Group will recognise interest on its lease liabilities and amortisation on its right-of-use assets. This will increase reported EBITDA by up to the amount of the current operating lease cost, this amount depending upon the extent to which the Group decides to take advantage of the exemptions available under IFRS 16 for low value assets and short-term leases.

### **Critical Accounting Policies**

Preparation of the Ocean Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgments, estimates and underlying assumptions are reviewed on an on-going basis, and revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

When reviewing the Ocean Group's financial statements, you should review the summary of critical accounting estimates and judgements described in note 3 to the 2017 Financial Statements. The Directors believe that key estimates, judgements and assumptions have been made in the following areas in the preparation of the Consolidated Financial Statements.

#### ***Classification of Leases as Operating or Finance Leases***

Determining whether leases entered into by the Ocean Group as lessee are operating leases or finance leases requires the exercise of significant judgment. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

#### ***Impairment of Assets***

The determination of whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill, requires the exercise of significant judgment. In taking that decision, management needs to take into account factors including the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

#### ***Goodwill***

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The directors believe that the Ocean Group comprises a single cash generating unit. For the purpose of impairment testing, the recoverable amount of the cash generating unit was measured on the basis of its value in use, by applying EBITDA projections (as a proxy for cash flows) based on financial forecasts covering a three-year period. The key assumptions for the value in use calculation were those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the forecast period. The estimated growth rates were based on past performance and expectation of future changes in the market.

#### ***Depreciation of property, plant and equipment***

In order to determine whether to record any depreciation of property, plant and equipment, management needs to estimate the useful lives and residual values.

### ***Fair value measurement***

Some of the Ocean Group's assets and liabilities are required to be measured at fair value. Fair value measurement utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'). The Group measures the following items at fair value: Derivative financial instruments (interest rate swaps) and long term incentive plan liability.

#### ***Fair Value Estimates of Derivative Financial Instruments***

The Ocean Group took out an interest rate hedge effective on 19 July 2015 to mitigate the risk that its LIBOR linked senior bank debt interest payable might increase if interest rates were to increase. The Ocean Group was not previously party to any derivative financial instruments. The valuation technique used in determining the hedge's fair value was discounted cash flow, where future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the credit risk of various counterparties.

## PART V

### SELECTED FINANCIAL INFORMATION

Selected financial information relating to Company and the Ocean Group set out below has been extracted, without material adjustment, from Section B of “Part VII—A: Historical Financial Information of the Company” and Section B of “Part VII—B: Historical Financial Information of Ocean”. See “Important Information—Presentation of financial information” and “Other financial measures”. Shareholders should read the whole of this Document before making any investment decision and not rely solely on the summarised information in this “Part V—Selected Financial Information”.

#### Selected Historical Financial Information of the Company

##### Unaudited condensed statement of profit or loss and other comprehensive income for the 6 months ended 30 June 2018

	For the period 01/01/18 to 30/06/18 £'000	For the period 20/01/17 to 30/06/17 £'000
<b>Billings</b> .....	<u>18,398</u>	<u>—</u>
<b>Revenue</b> .....	<u>13,078</u>	<u>—</u>
Cost of sales .....	<u>(8,043)</u>	<u>—</u>
<b>Gross profit</b> .....	<u>5,035</u>	<u>—</u>
Administrative and other expenses .....	<u>(5,801)</u>	<u>(1,202)</u>
Other income .....	<u>—</u>	<u>4</u>
<b>Loss from operations</b> .....	<u>(766)</u>	<u>(1,198)</u>
Finance expense .....	<u>(5)</u>	<u>—</u>
Finance income .....	<u>1,160</u>	<u>651</u>
Foreign exchange .....	<u>7,827</u>	<u>—</u>
Non-cash charge related to Founder Preferred Shares .....	<u>—</u>	<u>(24,188)</u>
Non-cash charge related to warrant redemption liability .....	<u>—</u>	<u>(301)</u>
<b>Profit / (loss) before tax</b> .....	<u>8,216</u>	<u>(25,036)</u>
Tax (expense) / credit .....	<u>(263)</u>	<u>—</u>
<b>Profit / (loss) from continuing operations</b> .....	<u>7,953</u>	<u>(25,036)</u>
<b>Total comprehensive income</b> .....	<u>7,953</u>	<u>(25,036)</u>
<b>Total comprehensive income attributable to:</b>		
Owners of the parent .....	<u>7,953</u>	<u>(25,036)</u>
<b>Loss per share attributable to the ordinary equity holders of the parent</b>		
<b>Profit or loss from continuing operations</b>		
Basic earnings per share (£) .....	<u>0.16</u>	<u>(0.83)</u>

# **Unaudited condensed statement of financial position As at 30 June 2018**

	For the period 01/01/18 to 30/06/18 £'000	For the period 20/01/17 to 30/06/17 £'000
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment .....	24,665	—
Intangible assets .....	219,741	—
	<u>244,406</u>	<u>—</u>
<b>Current assets</b>		
Trade and other receivables .....	28,081	58
Cash and cash equivalents .....	157,436	294,576
	<u>185,517</u>	<u>294,634</u>
<b>Total assets</b> .....	<u>429,923</u>	<u>294,634</u>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables .....	40,320	88
Income tax payable .....	905	—
	<u>41,225</u>	<u>88</u>
<b>Non-current liabilities</b>		
Warrant redemption liability .....	—	301
<b>Total liabilities</b> .....	<u>41,225</u>	<u>389</u>
<b>NET ASSETS</b> .....	<u>388,698</u>	<u>294,245</u>
<b>Issued capital and reserves attributable to owners of the parent</b>		
Ordinary Share capital .....	—	—
Ordinary Share premium reserve .....	375,406	288,906
Founder Preferred Share Capital .....	5,213	5,213
Retained earnings .....	8,079	126
<b>TOTAL EQUITY</b> .....	<u>388,698</u>	<u>294,245</u>



# Unaudited condensed statement of cash flows for the 6 months ended 30 June 2018

	For the period 01/01/18 to 30/06/18 £'000	For the period 20/01/17 to 30/06/17 £'000
<b>Cash flows from operating activities</b>		
Profit / (Loss) for the period	7,953	(25,036)
<i>Adjustments for:</i>		
Depreciation of property, plant and equipment	912	—
Amortisation of intangible fixed assets	—	—
Finance income	(1,160)	—
Finance expense	5	—
Tax	263	—
Non-cash charge related to Founder Preferred Shares	—	24,188
Non-cash charge related to warrant redemption liability	—	301
Non-cash charge related to Founder director options	—	31
	<u>7,973</u>	<u>(516)</u>
(Increase) / Decrease in trade and other receivables	(28,023)	(122)
Increase / (Decrease) in trade and other payables	40,487	33
Decrease in provisions	—	—
<b>Cash generated from operations</b>	<u>20,437</u>	<u>(605)</u>
Income taxes paid	(255)	—
<b>Net cash flows from operating activities</b>	<u>20,182</u>	<u>(605)</u>
<b>Investing activities</b>		
Acquisition of subsidiaries net of cash acquired	(244,813)	—
Purchases of property, plant and equipment	(164)	—
Interest payable	(5)	—
Interest received	1,160	—
<b>Net cash used in investing activities</b>	<u>(243,822)</u>	<u>—</u>
<b>Financing activities</b>		
Issue of Founder Preferred Shares and warrants	—	5,213
Issue of Ordinary Shares and warrants	86,500	296,383
Repayment of loans and borrowings	—	—
Issue costs incurred	—	(7,477)
<b>Net cash (used in)/from financing activities</b>	<u>86,500</u>	<u>294,119</u>
<b>Net increase in cash and cash equivalents</b>	<u>(137,140)</u>	<u>293,514</u>
<b>Cash and cash equivalents at beginning of period</b>	<u>294,576</u>	<u>—</u>
<b>Cash and cash equivalents at end of period</b>	<u>157,436</u>	<u>293,514</u>

## Selected Historical Financial Information of the Ocean Group

### Consolidated statement of profit or loss and other comprehensive income

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Billings</b> .....	<u>53,674</u>	<u>65,006</u>	<u>67,035</u>
<b>Revenue</b> .....	43,162	51,655	53,166
Cost of sales .....	(28,121)	(33,530)	(34,606)
<b>Gross profit</b> .....	15,041	18,125	18,560
Administrative expenses .....	(15,368)	(11,931)	(12,777)
<b>Profit from operations</b> .....	327	6,194	5,783
Finance expense .....	(10,536)	(11,949)	(11,987)
Finance income .....	1	—	119
<b>Loss before tax</b> .....	(10,862)	(5,755)	(6,085)
Tax credit / (expense) .....	684	411	(527)
<b>Loss from continuing operations</b> .....	(10,178)	(5,344)	(6,612)
<b>Total comprehensive income</b> .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Loss for the year attributable to:</b>			
Owners of the parent .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent .....	<u>(10,178)</u>	<u>(5,344)</u>	<u>(6,612)</u>
<b>Loss per share attributable to the ordinary equity holders of the parent</b>			
<b>Profit or loss from continuing operations</b>			
Basic and Diluted (£) .....	<u>(18.37)</u>	<u>(7.92)</u>	<u>(9.68)</u>

**Consolidated statement of financial position for the period/years ended 31 December**

	2015 £'000	2016 £'000	2017 £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment . . . . .	17,252	17,821	20,235
Intangible assets . . . . .	97,018	91,554	86,091
	<u>114,270</u>	<u>109,375</u>	<u>106,326</u>
<b>Current assets</b>			
Trade and other receivables . . . . .	16,539	16,522	20,587
Cash and cash equivalents . . . . .	5,671	11,000	18,702
	<u>22,210</u>	<u>27,522</u>	<u>39,289</u>
<b>Total assets</b> . . . . .	<u>136,480</u>	<u>136,897</u>	<u>145,615</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables . . . . .	25,604	24,684	33,728
Loans and borrowings . . . . .	1,799	2,016	2,476
Derivative financial liabilities . . . . .	—	—	8
Income tax payable . . . . .	155	315	536
	<u>27,588</u>	<u>27,015</u>	<u>36,748</u>
<b>Non-current liabilities</b>			
Loans and borrowings . . . . .	111,680	119,154	125,683
Derivative financial liabilities . . . . .	57	126	—
Deferred tax liability . . . . .	6,809	5,567	4,761
	<u>146,104</u>	<u>151,862</u>	<u>167,192</u>
<b>Total liabilities</b> . . . . .	<u>146,104</u>	<u>151,862</u>	<u>167,192</u>
<b>NET LIABILITIES</b> . . . . .	<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>
<b>Issued capital and reserves attributable to owners of the parent</b>			
Share capital . . . . .	6	6	6
Share premium reserve . . . . .	548	551	551
Retained earnings . . . . .	(10,178)	(15,522)	(22,134)
<b>TOTAL EQUITY</b> . . . . .	<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>

## Consolidated statement of cash flows

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Cash flows from operating activities</b>			
Loss for the year	(10,178)	(5,344)	(6,612)
<i>Adjustments for:</i>			
Depreciation of property, plant and equipment	2,632	3,114	3,292
Amortisation of intangible fixed assets	5,321	5,464	5,464
Finance income	(1)	—	(119)
Finance expense	10,536	11,949	11,987
	8,310	15,183	14,012
Change in trade and other receivables	321	33	(4,077)
Change in trade and other payables	1,453	(522)	10,078
Change in provisions	(956)	(1,242)	(807)
<b>Cash generated from operations</b>	9,128	13,452	19,206
Income taxes paid	(497)	(255)	(800)
<b>Net cash flows from operating activities</b>	8,631	13,197	18,406
<b>Investing activities</b>			
Acquisition of subsidiaries, net of cash acquired	(99,924)	—	—
Purchases of property, plant and equipment	(5,726)	(3,683)	(5,706)
Sale of property, plant and equipment	4	—	—
Interest received	1	—	—
<b>Net cash used in investing activities</b>	(105,645)	(3,683)	(5,706)
<b>Financing activities</b>			
Issue of ordinary shares	554	3	—
Issue of preference shares	13,853	—	—
Capital element of finance lease repayments	(717)	(121)	(33)
Proceeds from loans and borrowings	94,608	21,000	—
Repayment of loans and borrowings	—	(11,296)	—
Interest paid on loans and borrowings	(2,069)	(12,768)	(4,965)
Issue costs incurred	(3,544)	(1,003)	—
<b>Net cash (used in)/from financing activities</b>	102,685	(4,185)	(4,998)
<b>Net increase in cash and cash equivalents</b>	5,671	5,329	7,702
<b>Cash and cash equivalents at beginning of year</b>	—	5,671	11,000
<b>Cash and cash equivalents at end of year</b>	5,671	11,000	18,702

**Unaudited condensed statement of profit or loss and other comprehensive income for the 6 months ended 30 June 2018**

	Unaudited H1 2018 £'000	Unaudited H1 2017 £'000
<i>Billings</i> .....	<u>31,859</u>	<u>32,006</u>
<b>Revenue</b> .....	22,528	22,139
Cost of sales .....	(13,713)	(14,009)
<b>Gross profit</b> .....	8,815	8,130
Administrative and other expenses .....	(14,618)	(5,993)
<b>Profit from operations</b> .....	(5,803)	2,137
Finance expense .....	(5,552)	(5,899)
Finance income .....	—	—
<b>Profit before tax</b> .....	(11,355)	(3,762)
Tax expense .....	(456)	(390)
<b>Profit from continuing operations</b> .....	(11,811)	(4,152)
<b>Total comprehensive income</b> .....	<u>(11,811)</u>	<u>(4,152)</u>

## PART VI

### CAPITALISATION AND INDEBTEDNESS STATEMENT OF THE COMPANY

#### Capitalisation

The following table sets out the Company's capitalisation as at 30 June 2018.

	30/06/2018 £'000's
<b>Shareholder's equity</b>	
Share capital	—
Share premium	375,406
Other reserves	—
Founder preferred shares	5,213
<b>Total capitalisation</b>	<u>380,619</u>

There has been no material change in the Company's capitalisation from 30 June 2018 to the date of this document.

#### Indebtedness

As at 31 October 2018, the Company's net financial indebtedness was £(156.9) million and it had no contingent indebtedness or indirect indebtedness. The following table sets out the net funds of the Company as at 31 October 2018.

	31/10/2018 £'000's
<b>Current debt</b>	
Guaranteed	—
Secured	—
Unguaranteed/ Unsecured	—
<b>Total Current debt</b>	<u>—</u>
<b>Non-Current debt (excluding current portion of long-term debt)</b>	
Guaranteed	—
Secured	—
Unguaranteed/ Unsecured	—
<b>Total non-current debt</b>	<u>—</u>
Cash	30,019
Cash equivalent (Detail)	—
Trading securities (Treasury Bills)	126,839
<b>Liquidity</b>	<u>156,858</u>
<b>Current Financial Receivable</b>	—
Current Bank debt	—
Current portion of non-current debt	—
Other current financial debt	—
<b>Current Financial Debt</b>	<u>—</u>
<b>Net Current Financial Indebtedness</b>	<u>(156,858)</u>
Non-current Bank loans	—
Bonds Issued	—
Other non-current loans	—
<b>Non-current Financial Indebtedness</b>	<u>—</u>
<b>Net Financial Indebtedness<sup>3</sup></b>	<u>(156,858)</u>

<sup>3</sup> The Company had no contingent indebtedness or indirect indebtedness as at 31 October 2018.



## **PART VII**

### **A—HISTORICAL FINANCIAL INFORMATION OF THE COMPANY**

The audited financial statements relating to the Company for the period from incorporation on 20 January 2017 to 31 December 2017 and the unaudited interim financial statements for the six months ended 30 June 2018 are incorporated by reference into this Document as described in Part XII of this Document.

### **B—HISTORICAL FINANCIAL INFORMATION OF OCEAN**

The unaudited condensed statement relating to the Ocean Group of profit and loss and other comprehensive income for the 6 months ended 30 June 2018 is incorporated by reference into this Document as described in Part XII of this Document.

## **PART VII**

### **C—HISTORICAL FINANCIAL INFORMATION OF THE OCEAN GROUP**

#### **Section A: Accountant's Report on the Historical Financial Information of the Ocean Group**

The Directors  
Ocean Outdoor Limited  
Kingston Chambers, PO Box 173  
Road Town, Tortola  
British Virgin Islands

7 January 2019

Ladies and Gentlemen

#### **SCP Acquisition Topco Limited and its subsidiaries (the “Ocean Group”)**

We report on the financial information set out on pages 76 to 99 for the period ended 31 December 2015 and the years ended 31 December 2016 and 31 December 2017. This financial information has been prepared for inclusion in the prospectus dated 7 January 2019 of Ocean Outdoor Limited on the basis of the accounting policies set out in note 2 to the financial information. This report is required by paragraph 20.1 of Annex I of the Prospectus Directive Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

#### **Responsibilities**

The Directors of Ocean Outdoor Limited are responsible for preparing the financial information on the basis of preparation set out in note 1 to the financial information and in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

#### **Basis of opinion**

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

#### **Opinion on financial information**

In our opinion, the financial information gives, for the purposes of the prospectus dated 7 January 2019, a true and fair view of the state of affairs of the Ocean Group as at 31 December 2015, 31 December 2016 and 31 December 2017 and of its losses, cash flows, recognised gains and losses and changes in equity for the period ended 31 December 2015, and the years ended 31 December 2016 and 31 December 2017 and in accordance with International Financial Reporting Standards as adopted by the European Union as described in note 1.

#### **Declaration**

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

KPMG LLP

## Section B: Historical Financial Information of the Ocean Group

### Consolidated statement of profit or loss and other comprehensive income

	Note	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Billings</b> .....	1b	53,674	65,006	67,035
<b>Revenue</b> .....	5	43,162	51,655	53,166
Cost of sales .....		(28,121)	(33,530)	(34,606)
<b>Gross profit</b> .....		15,041	18,125	18,560
Administrative expenses .....		(15,368)	(11,931)	(12,777)
<b>Profit from operations</b> .....		(327)	6,194	5,783
Finance expense .....	9	(10,536)	(11,949)	(11,987)
Finance income .....	9	1	—	119
<b>Loss before tax</b> .....		(10,862)	(5,755)	(6,085)
Tax credit / (expense) .....	10	684	411	(527)
<b>Loss from continuing operations</b> .....		(10,178)	(5,344)	(6,612)
<b>Total comprehensive income</b> .....		(10,178)	(5,344)	(6,612)
	Note	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Loss for the year attributable to:</b>				
Owners of the parent .....		(10,178)	(5,344)	(6,612)
<b>Total comprehensive income attributable to:</b>				
Owners of the parent .....		(10,178)	(5,344)	(6,612)
<b>Loss per share attributable to the ordinary equity holders of the parent</b> .....	11			
Basic and Diluted (£) .....		(18.37)	(7.92)	(9.68)

The accompanying notes are an integral part of this historic financial information.

# **Consolidated statement of financial position as at 31 December**

	Note	2015 £'000	2016 £'000	2017 £'000
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment .....	12	17,252	17,821	20,235
Intangible assets .....	13	97,018	91,554	86,091
		<u>114,270</u>	<u>109,375</u>	<u>106,326</u>
<b>Current assets</b>				
Trade and other receivables .....	16	16,539	16,522	20,587
Cash and cash equivalents .....		5,671	11,000	18,702
		<u>22,210</u>	<u>27,522</u>	<u>39,289</u>
<b>Total assets</b> .....		<u>136,480</u>	<u>136,897</u>	<u>145,615</u>
<b>Liabilities</b>				
<b>Current liabilities</b>				
Trade and other payables .....	17	25,604	24,684	33,728
Loans and borrowings .....	18	1,799	2,016	2,476
Derivative financial liabilities .....	19	—	—	8
Income tax payable .....		155	315	536
		<u>27,588</u>	<u>27,015</u>	<u>36,748</u>
<b>Non-current liabilities</b>				
Loans and borrowings .....	18	111,680	119,154	125,683
Derivative financial liabilities .....	19	57	126	—
Deferred tax liability .....	21	6,809	5,567	4,761
<b>Total liabilities</b> .....		<u>146,104</u>	<u>151,862</u>	<u>167,192</u>
<b>NET LIABILITIES</b> .....		<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>
<b>Issued capital and reserves attributable to owners of the parent</b>				
Share capital .....	22	6	6	6
Share premium reserve .....		548	551	551
Retained earnings .....		(10,178)	(15,522)	(22,134)
<b>TOTAL EQUITY</b> .....		<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>

The accompanying notes are an integral part of this historic financial information.

## Consolidated statement of cash flows

	Note	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Cash flows from operating activities</b>				
Loss for the year		(10,178)	(5,344)	(6,612)
<i>Adjustments for:</i>				
Depreciation of property, plant and equipment	12	2,632	3,114	3,292
Amortisation of intangible fixed assets	13	5,321	5,464	5,464
Finance income	9	(1)	—	(119)
Finance expense	9	10,536	11,949	11,987
		8,310	15,183	14,012
Change in trade and other receivables		321	33	(4,077)
Change in trade and other payables		1,453	(522)	10,078
Change in provisions		(956)	(1,242)	(807)
<b>Cash generated from operations</b>		9,128	13,452	19,206
Income taxes paid		(497)	(255)	(800)
<b>Net cash flows from operating activities</b>		8,631	13,197	18,406
<b>Investing activities</b>				
Acquisition of subsidiaries, net of cash acquired	25	(99,924)	—	—
Purchases of property, plant and equipment		(5,726)	(3,683)	(5,706)
Sale of property, plant and equipment		4	—	—
Interest received		1	—	—
<b>Net cash used in investing activities</b>		(105,645)	(3,683)	(5,706)
<b>Financing activities</b>				
Issue of ordinary shares	29	554	3	—
Issue of preference shares		13,853	—	—
Capital element of finance lease repayments		(717)	(121)	(33)
Proceeds from loans and borrowings		94,608	21,000	—
Repayment of loans and borrowings		—	(11,296)	—
Interest paid on loans and borrowings		(2,069)	(12,768)	(4,965)
Issue costs incurred		(3,544)	(1,003)	—
<b>Net cash (used in)/from financing activities</b>		102,685	(4,185)	(4,998)
<b>Net increase in cash and cash equivalents</b>		5,671	5,329	7,702
<b>Cash and cash equivalents at beginning of year</b>		—	5,671	11,000
<b>Cash and cash equivalents at end of year</b>	29	5,671	11,000	18,702

The accompanying notes are an integral part of this historic financial information.

## Consolidated statement of changes in equity

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
<b>12 December 2014</b> .....	—	—	—	—
<b>Comprehensive loss for the period</b>				
Loss for the period .....	—	—	(10,178)	(10,178)
<b>Total comprehensive Income/(loss)</b> .....	—	—	(10,178)	(10,178)
<b>Contributions by and distributions to shareholders</b>				
Issue of share capital .....	6	548	—	554
<b>31 December 2015</b> .....	<u>6</u>	<u>548</u>	<u>(10,178)</u>	<u>(9,624)</u>
	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
<b>1 January 2016</b> .....	6	548	(10,178)	(9,624)
<b>Comprehensive loss for the year</b>				
Loss for the year .....	—	—	(5,344)	(5,344)
<b>Total comprehensive Income/(loss)</b> .....	6	548	(15,522)	(14,968)
<b>Contributions by and distributions to shareholders</b>				
Issue of share capital .....	—	3	—	3
<b>31 December 2016</b> .....	<u>6</u>	<u>551</u>	<u>(15,522)</u>	<u>(14,965)</u>
	Share capital £'000	Share premium £'000	Retained earnings £'000	Total equity £'000
<b>1 January 2017</b> .....	6	551	(15,522)	(14,965)
<b>Comprehensive loss for the year</b>				
Loss for the year .....	—	—	(6,612)	(6,612)
<b>Total comprehensive Income/(loss)</b> .....	6	551	(22,134)	(21,577)
<b>Contributions by and distributions to shareholders</b>				
Issue of share capital .....	—	—	—	—
<b>31 December 2017</b> .....	<u>6</u>	<u>551</u>	<u>(22,134)</u>	<u>(21,577)</u>

The accompanying notes are an integral part of this historic financial information.

## Notes

### 1a General information

The principal activity of the company in the period under review was that of a holding company. The principal activity of the group in the years under review was that of the development and sale of Digital Out Of Home (DOOH) displays.

SCP Acquisition Topco Limited is incorporated and domiciled in England and Wales with a company number 09353293. The registered office is 25 Kingly Street, London, W1B 5QB.

The immediate parent company was SCP OCN Acquisition Lux S.a.r.l, a company registered in Luxembourg, which owned 72.3% of the called up share capital of the company. The ultimate controlling party and ultimate parent was SCP II Holdings (lux) S.a.r.l, a company registered in Luxembourg.

### 1b Basis of preparation

The Historical Financial Information for the year ended 31 December 2017 has been prepared specifically for the purposes of this Prospectus and in accordance with the requirements of the Prospectus Directive Regulation, and in accordance with the basis of preparation.

The financial information presented within this document does not comprise the statutory accounts of SCP Acquisition Topco Limited for the financial years ended 31 December 2017, 31 December 2016 and period ended 31 December 2015.

The statutory accounts for those years have been reported on by the company's auditor and delivered to the registrar of companies. The reports of the auditor were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. The Annual Report, including the auditor's report, can be obtained on request to the company at 25 Kingly Street, London, W1B 5QB.



The principal accounting policies adopted in the preparation of the Historical Financial Information are set out in note 2. The policies have been consistently applied to all the years presented, unless otherwise stated.

The Historical Financial Information is presented in Sterling, which is the functional currency of each entity within the Group.

Amounts are rounded to the nearest thousand, unless otherwise stated.

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (as endorsed by the EU) (collectively “IFRS”).

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 3.

Per IFRS 1, the entity should present an opening statement of financial position at the date of transition, being 1 January 2015. The company was incorporated on 12 December 2014 and only began trading on 19 January 2015 and therefore the opening statement of financial position has not been included in these historic financial statements as it provides no additional information to users of the historic financial information.

### ***Basis of measurement***

The Historical Financial Information has been prepared on a historical cost basis, except for the following items (refer to individual accounting policies for details):

- Financial instruments—fair value through profit or loss
- Cash settled long term incentive plan liabilities.

### ***Changes in accounting policies***

The Group adopted IFRS for the first time in presenting its statutory financial statements for the year ended 31 December 2017, those for the period ended 31 December 2015 and year ended 31 December 2016 having been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (“UK GAAP”). The impact of first time adoption of IFRS on equity and total comprehensive income as presented under UK GAAP is disclosed in note 29.

#### *i) New standards, interpretations and amendments effective from 1 January 2018 that the Group has decided to adopt early*

Alongside the first time adoption of IFRS, the Group has adopted early IFRS 9 *Financial Instruments* which would otherwise have been mandatorily effective for periods beginning on or after 1 January 2018. The standard has been adopted from the earliest reporting period presented in this document. The adoption of this new standard has had no material impact on the amounts of equity and total comprehensive income previously presented. The Group has not applied any transitional reliefs in its first time adoption of IFRS 9.

#### *ii) New standards, interpretations and amendments not yet effective*

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective in future accounting periods that the Group has decided not to adopt early. The most significant of these are IFRS 15 *Revenue from Contracts with Customers* and IFRS 16 *Leases*, which are mandatorily effective for periods beginning on or after 1 January 2018 and 1 January 2019 respectively.

IFRS 15 supersedes IAS 11 *Construction Contracts*, IAS 18 *Revenue* and related Interpretations. It applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The Group will adopt IFRS 15 using the full retrospective method of adoption from 1 January 2018.

Substantially all of the Group's contracts with customers contain a single performance obligation, being the rental of advertising space, and are subject to fixed prices, so removing the judgement that would otherwise be required in determining the transaction price and allocating it across multiple performance obligations. Revenue is recognised on an over time basis. This is because the customer simultaneously receives and consumes the economic benefits provided under the contract by the Group's performance.

The application of IFRS 15 will lead to a change in accounting and presentation of volume rebates which is considered as variable consideration under IFRS 15 and will be presented as part of revenue in income statement as opposed to the current presentation in cost of sales. As a result of implementation of IFRS 15 revenue and cost of sales is estimated to reduce by £5.7m in FY 2015, £6.6m in FY 2016 and £6.7m in FY 2017. This is not expected to have an impact on the operating margin, net income or net assets for the period presented in the historic financial information.

Adoption of IFRS 16 will result in the Group recognising right-of-use assets and lease liabilities for all contracts that are, or contain, a lease. For leases currently classified as operating leases, under current accounting requirements the Group does not recognise related assets or liabilities, and instead spreads the lease payments on a straight-line basis, disclosing in its annual financial statements the total commitment.

The Group will be required to apply IFRS 16 from 1 January 2019 and is in the process of gathering data to estimate the impact on the reported income and net assets. Upon transition to IFRS 16, it is likely that the Group will apply the modified retrospective approach and therefore will only recognise leases on balance sheet as at 1 January 2019, measuring right-of-use assets by reference to the measurement of the lease liability on that date. This will ensure that there is no immediate impact on net assets at that date. Instead of recognising an operating expense for its operating lease payments, the Group will recognise interest on its lease liabilities and amortisation on its right-of-use assets. This will increase reported EBITDA by up to the amount of the current operating lease cost, this amount depending upon the extent to which the Group decides to take advantage of the exemptions available under IFRS 16 for low value assets and short-term leases.

### ***Non-GAAP performance measures***

Billings represent the advertising spend by the advertiser, including fees received by the Group and fees directly payable by the advertiser to their advertising agency, exclusive of sales tax.

Billings is the standard metric used by the out of home advertising industry body "Outsmart" to measure the market size and industry trends. Management consider Billings to be an important metric to assess the performance of the underlying business against Industry trends and therefore presents Billings as a Non-GAAP performance measure.

Billings does not represent the revenue recognised by the Group. A reconciliation of Billings to the revenue recognised is provided below.

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Billings .....	53,674	65,006	67,035
Advertising agency fees payable by advertiser .....	(10,512)	(13,351)	(13,869)
Revenue	<u>43,162</u>	<u>51,655</u>	<u>53,166</u>

## **2 Accounting policies**

### ***Revenue***

Revenue represents the amounts (excluding the value added tax) derived from the provision of services to customers during the 52-week period ended 31 December 2017 (2016: 52-week period ended 27 December 2016, 2015: For the period from incorporation on 12 December 2014 to 27 December 2015) exclusive of any sales tax. Revenue is recognised on a 52-week period to reflect the period of customer bookings, normally in 2-week blocks. The difference on this basis to recognition of turnover for a full year is immaterial.

### ***Basis of consolidation***

Where the SCP Acquisition Topco Limited ("the Company") has control over an investee, it is classified as a subsidiary. The Company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The Historical Financial Information presents the results of the Company and its subsidiaries (“the Group”) as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The Historical Financial Information incorporates the results of business combinations using the acquisition method. In the statement of financial position, the acquiree’s identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

### ***Goodwill***

Goodwill represents the excess of the cost of a business combination over the total acquisition date fair value of the identifiable assets, liabilities and contingent liabilities acquired.

Cost comprises the fair value of assets given, liabilities assumed and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss. Direct costs of acquisition are recognised immediately as an expense.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is credited in full to the consolidated statement of comprehensive income on the acquisition date.

### ***Other intangible assets—acquired rights over advertising sites***

Intangible assets are recognised on business combinations if they are separable from the acquired entity or give rise to other contractual/legal rights. The amounts ascribed to such intangibles are arrived at by using appropriate valuation techniques.

The Group has recognised acquired rights over advertising sites on business combinations as intangible assets. These are amortised over the contractual life of the advertising sites on a straight-line basis.

### ***Impairment of non-financial assets (excluding deferred tax assets)***

Impairment tests on goodwill and other intangible assets with indefinite useful economic lives are undertaken annually at the financial year end. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an individual asset or cash generating units (‘CGU’) exceeds its recoverable amount (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly.

Impairment charges are included in profit or loss, except to the extent they reverse gains previously recognised in other comprehensive income. An impairment loss recognised for goodwill is not reversed.

### ***Financial assets***

The Group classifies its financial assets into one of the categories discussed below, depending on the business model and cash flow type under which the assets are held. The Group has not classified any of its financial assets as fair value through other comprehensive income. The Group’s accounting policy for each category is as follows:

#### ***Fair value through profit or loss***

This category comprises only in-the-money derivatives (see “Financial liabilities” section for out-of-the-money derivatives). They are carried in the statement of financial position at fair value with changes in fair value recognised in the consolidated statement of comprehensive income in the finance income or expense line. The Group does not voluntarily classify any financial assets as being at fair value through profit or loss.

#### ***Amortised cost***

These assets are non-derivative financial assets held under the ‘hold to collect’ business model and attracting cash flows that are solely payments of principal and interest. They comprise trade and other receivables and cash and cash equivalents. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for trade and other receivables are calculated using an expected credit loss model. Under this model, impairment provisions are recognised to reflect expected credit losses based on a combination of

historic and forward-looking information, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net; such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

### ***Financial liabilities***

The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Group's accounting policy for each category is as follows:

#### ***Fair value through profit or loss***

This category comprises only out-of-the-money derivatives (see "Financial assets" for in the money derivatives). They are carried in the consolidated statement of financial position at fair value with changes in fair value recognised in finance costs in the consolidated statement of comprehensive income. The Group does not hold or issue derivative instruments for speculative purposes, but for hedging purposes. Other than these derivative financial instruments, the Group does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

#### ***Other financial liabilities***

Other financial liabilities include the following items:

- Bank borrowings, loan notes and the Group's irredeemable preference shares are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the consolidated statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.
- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

### ***Fair value measurement***

Some of the Group's assets and liabilities are required to be measured at fair value. Fair value measurement utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures the following items at fair value:

- Derivative financial instruments – interest rate swaps
- Cash settled long term incentive plan liability

### ***Share capital***

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The Group's ordinary shares are classified as equity instruments. Irredeemable preference shares are classified as a liability.

### ***Defined contribution schemes***

Contributions to defined contribution pension schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

### ***Cash based exit bonus***

The Group operates a cash settled long term incentive plan for selected management staff payable on an exit which includes a change in control, listing or a wind up of the Group subject to the equity value distributable to the shareholders of SCP Acquisition Topco Limited at the time of the exit. The Group's liability is measured at each reporting date, taking into account the terms and conditions on which the bonus is awarded and the extent to which employees have rendered service. Movements in the liability (other than cash payments) are recognised in the consolidated statement of comprehensive income.

### ***Leased assets***

Where substantially all of the risks and rewards incidental to ownership of a leased asset have been transferred to the Group (a "finance lease"), the asset is treated as if it had been purchased outright. The amount initially recognised as an asset is the lower of the fair value of the leased asset and the present value of the minimum lease payments payable over the term of the lease. The corresponding lease commitment is shown as a liability. Lease payments are analysed between capital and interest. The interest element is charged to the consolidated statement of comprehensive income over the period of the lease and is calculated so that it represents a constant proportion of the lease liability. The capital element reduces the balance owed to the lessor.

Where substantially all of the risks and rewards incidental to ownership are not transferred to the Group (an "operating lease"), the total rentals payable under the lease are charged to the consolidated statement of comprehensive income on a straight-line basis over the lease term. The aggregate benefit of lease incentives is recognised as a reduction of the rental expense over the lease term on a straight-line basis.

### ***Dividends***

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the AGM.

Dividends on the preference shares, which are classified as a financial liability, are treated as finance costs and are recognised on an accruals basis when an obligation exists at the reporting date.

### ***Deferred taxation***

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- The initial recognition of goodwill
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

### ***Property, plant and equipment***

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs.

Depreciation is provided on all items of property, plant and equipment so as to write off their carrying value over their expected useful economic lives. It is provided at the following rates:

#### **Site assets**

Site build costs	-	Over the length of the lease
Digital signage	-	10 years
Light boxes	-	10 years

Assets under the course of construction are only depreciated once complete.

## **Equipment**

Fixtures and fittings	- 4 years straight line
Computer equipment	- 2 years straight line
Motor vehicles	- 4 years straight line

## ***Going concern***

Management have prepared cash flow forecasts which demonstrate the Group has sufficient funds to continue to operate for foreseeable future. Management have reviewed all foreseeable financial commitments as part of their going concern review. Accordingly, the Group continues to adopt the going concern basis of accounting in preparing this historic financial statement.

## **3 Critical accounting estimates and judgements**

The preparation of the historical financial information in conformity with IFRS involves the use of judgement and/or estimation. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

### ***Judgements***

No areas of judgement have been identified that would have a significant effect on the amounts recognised in these Historic Financial Statements. However management monitors the following on a regular basis.

Determine whether there are indicators of impairment of the Group's tangible and intangible assets, excluding goodwill – Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. No indicators of impairment were identified during the period for which this historic information has been prepared.

### ***Estimates and assumptions***

No sources of estimation uncertainty have been identified which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## **4 Financial instruments—Risk Management**

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk, and
- Liquidity risk.

The Group's operations do not expose it to material foreign currency risk.

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

### ***(i) Principal financial instruments***

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables
- Bank overdrafts
- Floating-rate bank loans



- Fixed rate loan notes and preference shares, and
- Interest rate swaps

**(ii) Financial instruments by category**

Financial assets	Financial assets at fair value through profit or loss			Financial assets at amortised cost		
	2015 £'000	2016 £'000	2017 £'000	2015 £'000	2016 £'000	2017 £'000
Cash and cash equivalents . . . . .	—	—	—	5,671	11,000	18,702
Trade and other receivables . . . . .	—	—	—	14,170	14,704	18,046
<b>Total financial assets . . . . .</b>	<u>—</u>	<u>—</u>	<u>—</u>	<u>19,841</u>	<u>25,704</u>	<u>36,748</u>
Financial liabilities	Financial liabilities at fair value through profit or loss			Financial liabilities at amortised cost		
	2015 £'000	2016 £'000	2017 £'000	2015 £'000	2016 £'000	2017 £'000
Trade and other payables . . . . .	—	—	—	24,115	23,717	31,792
Loans and borrowings . . . . .	—	—	—	113,479	121,170	128,159
Derivatives . . . . .	57	126	8	—	—	—
<b>Total financial liabilities . . . . .</b>	<u>57</u>	<u>126</u>	<u>8</u>	<u>137,594</u>	<u>144,887</u>	<u>159,951</u>

**(iii) Financial instruments not measured at fair value**

Financial instruments not measured at fair value include cash and cash equivalents, trade and other receivables, trade and other payables, and loans and borrowings.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, trade and other payables approximates their fair value.

The Group's derivative financial instruments comprise interest rate swaps. These instruments were first entered into during 2015. The Group was not previously party to any derivative financial instruments. The Group's derivative financial instruments at 31 December 2017 are classified at Level 2 in the fair value hierarchy.

**General objectives, policies and processes**

The Board has overall responsibility for the determination of the Group's risk management objectives and policies. The Board receives monthly reports from the Group Financial Controller through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted. In respect of the period ends presented, all of the Group's cash was held on current account with HSBC Bank plc.

Further disclosures regarding trade and other receivables, which are neither past due nor impaired, are provided in in note 16.

**Fair value and cash flow interest rate risk**

The Group is exposed to cash flow interest rate risk from long-term borrowings at variable rate. Where the Group wishes to vary the amount of external fixed rate debt it holds, the Group makes use of interest rate swaps to achieve the desired interest rate profile. Although the board accepts that this policy neither protects the Group entirely from the risk of paying rates in excess of current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

### Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 90 days. The Group also seeks to reduce liquidity risk by fixing interest rates (and hence cash flows) on a portion of its long-term borrowings, this is further discussed in the 'interest rate risk' section above.

The Board receives rolling 12-month cash flow projections on a monthly basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	Total £'000	Up to 3 months £'000	Between 3 and 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
<b>At 31 December 2015</b>						
Trade and other payables	25,604	4,357	21,068	179	—	—
Loans and borrowings	167,331	4,401	8,291	11,806	30,117	112,715
Derivative financial liabilities	57	—	—	—	57	—
<b>Total</b>	<b>192,992</b>	<b>8,758</b>	<b>29,359</b>	<b>11,985</b>	<b>30,174</b>	<b>112,715</b>
	Total £'000	Up to 3 months £'000	Between 3 and 12 Months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
<b>At 31 December 2016</b>						
Trade and other payables	24,684	3,246	21,374	64	—	—
Loans and borrowings	172,013	4,671	8,389	11,736	81,514	65,704
Derivative financial liabilities	126	—	—	126	—	—
<b>Total</b>	<b>196,823</b>	<b>7,917</b>	<b>29,763</b>	<b>11,926</b>	<b>81,514</b>	<b>65,704</b>
	Total £'000	Up to 3 months £'000	Between 3 and 12 months £'000	Between 1 and 2 years £'000	Between 2 and 5 years £'000	Over 5 years £'000
<b>At 31 December 2017</b>						
Trade and other payables	33,728	4,511	29,063	154	—	—
Loans and borrowings	159,447	5,336	8,877	12,513	78,989	53,732
Derivative financial liabilities	8	8	—	—	—	—
<b>Total</b>	<b>193,183</b>	<b>9,855</b>	<b>37,940</b>	<b>12,667</b>	<b>78,989</b>	<b>53,732</b>

### Capital Disclosures

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- to provide an adequate return to shareholders by pricing products and services commensurately with the level of risk.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

	2015 £'000	2016 £'000	2017 £'000
Loans and borrowings .....	113,479	121,170	128,159
Less: cash and cash equivalents .....	(5,671)	(11,000)	(18,702)
	<u>107,808</u>	<u>110,170</u>	<u>109,457</u>
Total equity .....	<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>
Total capital .....	<u>(9,624)</u>	<u>(14,965)</u>	<u>(21,577)</u>

## 5 Revenue

All revenue is recognised on an over time basis from services provided in the UK and to UK based customers.

### *Analysis of revenue by service type:*

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Rental of advertising space .....	<u>43,162</u>	<u>51,655</u>	<u>53,166</u>

## 6 Expenses by nature

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Employee benefit expenses (see note 7)			
Depreciation of property, plant and equipment .....	2,632	3,114	3,292
Amortisation of intangible assets <sup>1</sup> .....	5,321	5,464	5,464
Operating lease expense .....	9,583	11,879	12,557

1 Amortisation charges on the group's intangible assets are recognised in the administrative expenses line item in the statement of profit or loss and other comprehensive income.

## 7 Employee benefit expenses

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Employee benefit expenses (including directors) comprise:			
Wages and salaries .....	2,876	3,264	3,385
Defined contribution pension cost .....	38	392	407
Cash settled long term incentive plan expense (note 20) .....	—	—	450
Social security contributions and similar taxes .....	<u>356</u>	<u>39</u>	<u>54</u>
	<u>3,270</u>	<u>3,695</u>	<u>4,296</u>

### *Key management personnel compensation*

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, including the directors. Compensation of key management personnel (including the directors) is as follows:

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Salary .....	1,026	931	1,195
Benefits in kind .....	44	55	64
Defined benefit scheme costs .....	<u>37</u>	<u>32</u>	<u>33</u>
	<u>1,107</u>	<u>1,018</u>	<u>1,292</u>

Remuneration of the highest paid director is as follows:

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Salary .....	231	225	225
Benefits in kind .....	9	11	13
Pension contributions .....	10	11	11
	<u>250</u>	<u>247</u>	<u>249</u>

## 8 Segment information

The directors consider that the Group comprises a single operating segment, this being the rental of advertising space. This judgement is consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the board of directors.

## 9 Finance income and expense

### *Recognised in profit or loss*

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Finance income</b>			
Interest received on bank deposits .....	1	—	—
Financial assets at fair value through profit and loss-net changes in fair value .....	<u>—</u>	<u>—</u>	<u>119</u>
<b>Total finance income</b> .....	<u>1</u>	<u>—</u>	<u>119</u>
<b>Finance expense</b>			
Finance leases (interest portion) .....	31	8	1
Interest expense on financial liabilities measured at amortised cost .....	10,448	11,872	11,986
Financial assets at fair value through profit and loss – net change in fair value .....	<u>57</u>	<u>69</u>	<u>—</u>
<b>Total finance expense</b> .....	<u>10,536</u>	<u>11,949</u>	<u>11,987</u>
<b>Net finance expense recognised in profit or loss</b> .....	<u>10,536</u>	<u>11,949</u>	<u>11,987</u>

## 10 Tax expense

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<b>Current tax expense</b>			
Current tax charge for the year .....	190	866	1,145
Adjustments in respect of prior periods .....	<u>5</u>	<u>(49)</u>	<u>188</u>
<b>Total current tax</b> .....	<u>195</u>	<u>817</u>	<u>1,333</u>
<b>Deferred tax expense</b>			
Deferred tax credit for the year .....	(852)	(1,377)	(781)
Adjustments in respect of prior periods .....	<u>(27)</u>	<u>149</u>	<u>(25)</u>
<b>Total deferred tax</b> .....	<u>(879)</u>	<u>(1,228)</u>	<u>(806)</u>
<b>Total tax (credit) / expense</b> .....	<u>(684)</u>	<u>(411)</u>	<u>527</u>

The reasons for the difference between the actual tax charge for the year and the standard rate of corporation tax in the United Kingdom applied to loss for the year are as follows:

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
Loss before tax	(10,862)	(5,755)	(6,085)
Tax using the Company's domestic tax rate of 20.25% (2016 – 20.00%, 2017 – 19.25 %)	(2,200)	(1,151)	(1,171)
Fixed asset differences	8	7	(35)
Expenses not deductible for tax purposes	1,669	950	1,453
Other permanent differences	(90)	—	—
Adjustments in respect of prior periods	5	(49)	188
Adjustments in respect of prior periods – deferred tax	(27)	149	(25)
Adjust deferred tax to average rate	(49)	(317)	117
Total tax expense	(684)	(411)	527

#### *Expenses not deductible for tax purposes*

The key contributor to the expenses not deductible for tax purposes is interest disallowable per the advanced thin capitalisation agreement.

#### *Changes in tax rates and factors affecting the future tax charge*

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. Deferred tax assets and liabilities at 31 December 2017 have been calculated taking into consideration the applicable rates when the temporary differences are expected to reverse.

## **11 Earnings per share**

	For the period from 12 December 2014 to 31 December 2015 £'000	For the year ended 31 December 2016 £'000	For the year ended 31 December 2017 £'000
<i>Numerator</i>			
Loss for the year and earnings used in basic EPS	(10,178)	(5,344)	(6,612)
Earnings used in diluted EPS	(10,178)	(5,344)	(6,612)
	'000	'000	'000
<i>Denominator</i>			
Weighted average number of shares used in basic			
EPS	554	675	683
Weighted average number of shares used in diluted			
EPS	554	675	683

## 12 Property, plant and equipment

	Site assets £'000	Equipment £'000	Total £'000
<b>Cost or valuation</b>			
<b>At 12 December 2014</b> .....	—	—	—
Additions .....	5,441	285	5,726
Acquired through business combinations .....	20,930	501	21,431
Disposals .....	(1,051)	(282)	(1,333)
<b>At 31 December 2015</b> .....	<u>25,320</u>	<u>504</u>	<u>25,824</u>
<b>At 1 January 2016</b> .....	25,320	504	25,824
Additions .....	3,604	79	3,683
Disposals .....	(951)	(43)	(994)
<b>At 31 December 2016</b> .....	<u>27,973</u>	<u>540</u>	<u>28,513</u>
<b>At 1 January 2017</b> .....	27,973	540	28,513
Additions .....	5,647	59	5,706
Disposals .....	(1,373)	—	(1,373)
<b>At 31 December 2017</b> .....	<u>32,247</u>	<u>599</u>	<u>32,846</u>
	Site assets £'000	Equipment £'000	Total £'000
<b>Accumulated depreciation and impairment</b>			
<b>At 12 December 2014</b> .....	—	—	—
Acquired through business combinations .....	6,855	414	7,269
Provided for period .....	2,531	101	2,632
Disposals .....	(1,051)	(278)	(1,329)
<b>At 31 December 2015</b> .....	<u>8,335</u>	<u>237</u>	<u>8,572</u>
<b>At 1 January 2016</b> .....	8,335	237	8,572
Provided for period .....	3,020	94	3,114
Disposals .....	(951)	(43)	(994)
<b>At 31 December 2016</b> .....	<u>10,404</u>	<u>288</u>	<u>10,692</u>
<b>At 1 January 2017</b> .....	10,404	288	10,692
Provided for period .....	3,203	89	3,292
Disposals .....	(1,373)	—	(1,373)
<b>At 31 December 2017</b> .....	<u>12,234</u>	<u>377</u>	<u>12,611</u>
<b>Net book value</b>			
At 31 December 2015 .....	<u>16,985</u>	<u>267</u>	<u>17,252</u>
At 31 December 2016 .....	<u>17,569</u>	<u>252</u>	<u>17,821</u>
At 31 December 2017 .....	<u>20,313</u>	<u>222</u>	<u>20,235</u>



Included within site assets is £3,531,000 (2016 – £1,934,000, 2015 – £1,268,000) related to assets under course of construction.

The net book value of tangible fixed assets includes an amount of £Nil (2016 – £315,000, 2015 – £370,000) in respect of assets held under finance leases and hire purchase contracts. The related depreciation charge for the year was £Nil (2016 – £55,000, 2015 – £51,000).

### 13 Intangible assets

	Acquired rights over advertising sites £'000	Goodwill £'000	Total £'000
<i>Cost</i>			
<b>At 12 December 2014</b> .....	—	—	—
Acquired through business combinations .....	40,942	61,397	102,339
<b>At 31 December 2015</b> .....	40,942	61,397	102,339
<b>At 1 January 2016 and 31 December 2016</b> .....	40,942	61,397	102,339
<b>At 1 January 2017 and 31 December 2017</b> .....	40,942	61,397	102,339
<i>Accumulated amortisation and impairment</i>			
<b>At 12 December 2014</b> .....	—	—	—
Amortisation charge .....	5,321	—	5,321
<b>At 31 December 2015</b> .....	5,321	—	5,321
<b>At 1 January 2016</b> .....	5,321	—	5,321
Amortisation charge .....	5,464	—	5,464
<b>At 31 December 2016</b> .....	10,784	—	10,784
<b>At 1 January 2017</b> .....	10,784	—	10,784
Amortisation charge .....	5,464	—	5,464
<b>At 31 December 2017</b> .....	16,248	—	16,248
<i>Net book value</i>			
At 31 December 2015 .....	35,621	61,379	97,018
At 31 December 2016 .....	30,158	61,379	91,554
At 31 December 2017 .....	24,694	61,397	86,091

### 14 Goodwill and impairment

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate in order to calculate the present value of the cash flows.

The directors believe that the Ocean Group comprises a single cash generating unit. For the purpose of impairment testing, the recoverable amount of the cash generating unit was measured on the basis of its value in use, based on financial forecasts covering a three-year period. The key assumptions for the value in use calculation are:

- Discount rates
- Growth rates
- EBITDA

Pre-tax discount rates used in impairment review is 12%.

Growth rates are used to extrapolate cash flows beyond the three-year forecast period. The average growth rate used in the value in use calculation beyond the forecast period was 2.5%.

EBITDA is based on revenue projections less direct and allocated costs established using management approved budgets and forecasts.

These metrics are based on past performance and expectations of future changes in the market. They have been assessed and consideration given to any reasonable possible changes to these assumptions, including the undertaking of a sensitivity analysis.

The Directors do not consider that any reasonable changes to the assumptions used in goodwill impairment review would result in an impairment. The surplus headroom above the carrying value of goodwill at 31 December 2017 was satisfactory. No impairment arises from: an increase in the discount rate to 15%; a limit in the growth rate to -5% per annum; or a reduction of 5% EBITDA.

No instances have been identified that could cause the carrying amount of goodwill to exceed its recoverable amount and therefore no impairment has been recognised.

## 15 Subsidiaries

The principal subsidiaries of SCP Acquisition Topco Limited, all of which have been included in these Historical Financial Information, are as follows:

Name	Country of incorporation and principal place of business	Proportion of ownership interest at 31 December		
		2015	2016	2017
SCP Acquisition Midco Limited .....	England	100%	100%	100%
SCP Acquisition Bidco Limited* .....	England	100%	100%	100%
Ocean Topco Limited* .....	England	100%	100%	100%
Ocean Bidco Limited* .....	England	100%	100%	100%
Ocean Outdoor UK Limited* .....	England	100%	100%	100%
Signature Outdoor Limited* .....	England	100%	100%	100%
Mediaco Outdoor Limited* .....	England	100%	100%	100%

\* The shares held in these entities are held indirectly.

The registered address for SCP Acquisition Topco Limited and each entity named above is: 25 Kingly Street, London, W1B 5QB.

## 16 Trade and other receivables

	2015 £'000	2016 £'000	2017 £'000
Trade receivables .....	14,170	14,704	18,046
Prepayments .....	1,995	1,684	2,459
Other debtors .....	374	134	82
<b>Total trade and other receivables—Current .....</b>	<b>16,539</b>	<b>16,522</b>	<b>20,587</b>

The carrying value of trade and other receivables classified as loans and receivables approximates fair value.

The Group does not hold any collateral as security.

As at 31 December 2017 trade receivables of £5,162,000 (2016—£3,269,000, 2015—£3,053,000) were past due but not impaired. They relate to the customers with no material default history. The ageing analysis of these receivables is as follows:

	2015 £'000	2016 £'000	2017 £'000
Current .....	11,117	11,435	12,644
Up to 3 months .....	2,668	2,598	4,354
3 to 6 months .....	170	145	724
More than 6 months .....	215	526	324
	<u>14,170</u>	<u>14,704</u>	<u>18,046</u>

## 17 Trade and other payables

	2015 £'000	2016 £'000	2017 £'000
Trade payables	5,749	4,840	5,329
Other payables	1,741	374	208
Accruals	16,276	17,909	21,883
<b>Total financial liabilities, excluding loans and borrowings, classified as financial liabilities measured at amortised cost</b>	23,766	23,123	27,420
Income and other taxes	1,471	967	1,936
Deferred income	367	594	4,372
<b>Total Trade and other payables</b>	<b>25,604</b>	<b>24,684</b>	<b>33,728</b>

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

## 18 Loans and borrowings

The book value and fair value of loans and borrowings are as follows:

	Book value 2015 £'000	Fair value 2015 £'000	Book value 2016 £'000	Fair value 2016 £'000	Book value 2017 £'000	Fair value 2017 £'000
<b>Non-Current</b>						
Bank loans						
—Secured	51,628	51,628	72,065	72,065	72,692	72,692
—Unsecured						
Loan notes	44,586	40,778	29,798	28,656	33,625	32,981
Preference shares	15,434	15,434	17,291	17,291	19,366	19,366
Finance leases (note 24)	32	32	—	—	—	—
	<u>111,680</u>	<u>107,872</u>	<u>119,154</u>	<u>118,012</u>	<u>125,683</u>	<u>125,039</u>
<b>Current</b>						
Bank loans						
—Secured	1,678	1,678	1,984	1,984	2,476	2,476
—Unsecured						
Finance leases (note 24)	121	121	32	32	—	—
	<u>1,799</u>	<u>1,799</u>	<u>2,016</u>	<u>2,016</u>	<u>2,476</u>	<u>2,476</u>
<b>Total loans and borrowings</b>	<b><u>113,479</u></b>	<b><u>109,671</u></b>	<b><u>121,170</u></b>	<b><u>120,028</u></b>	<b><u>128,159</u></b>	<b><u>127,515</u></b>

All of the Group's loans and borrowings are denominated in Sterling.

### *Loan notes and bank borrowings*

The bank loan is secured by a fixed and floating charge over the assets of the group.

The group has undrawn committed borrowing facilities available at 31 December, for which all conditions have been met, of a revolving cash facility of £5m.

### *Irredeemable preference shares*

The Company has in issue 13,853,473 £1 irredeemable preference shares that are allotted, called up and fully paid. The £1 preference shares are irredeemable and carry a non-discretionary fixed interest rate coupon of 12 per cent per annum compounded annually. These shares are classified as a financial liability in accordance with IFRS 9.

## 19 Derivative instruments

The group took out an interest rate hedge effective on 19 July 2015 to mitigate the risk that its LIBOR linked senior bank debt interest payable might increase if interest rates were to increase.

	2015 £'000	2016 £'000	2017 £'000
Interest rate hedge .....	<u>57</u>	<u>126</u>	<u>8</u>
Categorised as:			
Current .....	—	—	8
Non-current .....	<u>57</u>	<u>126</u>	<u>—</u>
	<u>57</u>	<u>126</u>	<u>8</u>

## 20 Employee benefit liabilities

Liabilities for employee benefits comprise:

	2015 £'000	2016 £'000	2017 £'000
Cash settled long-term incentive plan .....	—	—	450
Accrual for annual leave .....	<u>10</u>	<u>14</u>	<u>12</u>
	<u>10</u>	<u>14</u>	<u>462</u>
Categorised as:			
Current .....	<u>10</u>	<u>14</u>	<u>462</u>

## 21 Deferred tax

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly. Deferred tax assets and liabilities at 31 December 2017 have been calculated taking into consideration the applicable rates when the temporary differences are expected to reverse.

The movement on the deferred tax account is as shown below:

	2015 £'000	2016 £'000	2017 £'000
At 1 January .....	—	(6,795)	(5,567)
Arising on business combinations .....	(7,674)	—	—
Recognised in profit and loss .....	<u>879</u>	<u>1,228</u>	<u>806</u>
At 31 December .....	<u>(6,795)</u>	<u>(5,567)</u>	<u>(4,761)</u>

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences giving rise to deferred tax assets where the directors believe it is probable that these assets will be recovered.

The movements in deferred tax assets and liabilities during the period are shown below.

Details of the deferred tax liability, amounts recognised in profit or loss and amounts recognised in other comprehensive income are as follows:

	Asset 2015 £'000	Liability 2015 £'000	Net 2015 £'000	(Charged)/ credited to profit or loss 2015 £'000
Temporary differences on:				
Intangible assets .....	—	(6,377)	(6,377)	1,078
Fixed assets and other differences .....	<u>14</u>	<u>(432)</u>	<u>(418)</u>	<u>(199)</u>
Net tax assets/(liabilities) .....	<u>14</u>	<u>(6,809)</u>	<u>(6,795)</u>	<u>879</u>

	2016 £'000	2016 £'000	2016 £'000	2016 £'000
Temporary differences on:				
Intangible assets		(5,107)	(5,107)	1,270
Fixed assets and other differences	—	(460)	(460)	(42)
Net tax assets/(liabilities)	—	(5,567)	(5,567)	1,228
	2017 £'000	2017 £'000	2017 £'000	2017 £'000
Temporary differences on:				
Intangible assets	—	(4,160)	(4,160)	947
Fixed assets and other differences	—	(601)	(601)	(141)
Net tax assets/(liabilities)	—	(4,761)	(4,761)	806

## 22 Share capital

	2015 Number	Authorised, issued and fully paid				
		2015 £'000	2016 Number	2016 £'000	2017 Number	2017 £'000
A Ordinary shares of £0.0001 each	493,859	49	493,859	49	493,859	49
B1 Ordinary shares of £0.10 each	16,070	1,607	16,070	1,607	16,070	1,607
B2 Ordinary shares of £0.10 each	16,740	1,674	16,740	1,674	16,740	1,674
B3 Ordinary shares of £0.10 each	3,960	396	3,960	396	3,960	396
B4 Ordinary shares of £0.10 each	5,200	520	5,200	520	5,200	520
B5 Ordinary shares of £0.10 each	3,290	329	3,290	329	3,290	329
B6 Ordinary shares of £0.10 each	3,640	364	3,640	364	3,640	364
B7 Ordinary shares of £0.10 each	5,690	569	5,690	569	5,690	569
B8 Ordinary shares of £0.10 each	5,690	569	5,690	569	5,690	569
C Ordinary shares of £0.001 each	121,217	121	128,942	129	128,942	129
Total	675,356	6,198	683,081	6,206	683,081	6,206

A Ordinary shares each have one vote per share. The Classes B1 to B8 each carry 5% of the voting rights as a class. C Ordinary shares have no voting rights.

The A Ordinary shares and B1-B8 Ordinary shares were issued on 14 December 2015 / 19 January 2015. 121,217 Ordinary C shares were issued on 2 April 2015 and 7,725 Ordinary C shares were issued on 31 March 2016.

## 23 Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	Description and purpose
Share premium	Amount subscribed for share capital in excess of nominal value.
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

## 24 Leases

Finance leases were taken out to finance the build of 7 sites.

Future lease payments are due as follows:

	Minimum lease payments £'000	Interest £'000	Present value £'000
<b>2015</b>			
Not later than one year . . . . .	128	7	121
Between one year and five years . . . . .	33	1	32
	<u>161</u>	<u>8</u>	<u>153</u>
Current liabilities . . . . .			121
Non-current liabilities . . . . .			32
<b>2016</b>			
Not later than one year . . . . .	33	1	32
	<u>33</u>	<u>1</u>	<u>32</u>
Current liabilities . . . . .			32
Non-current liabilities . . . . .			—
<b>2017</b>			
Not later than one year . . . . .	—	—	—
	<u>—</u>	<u>—</u>	<u>—</u>

Operating leases exist as agreements with landlords

The total future value of minimum lease payments is due as follows:

	2015 £'000	2016 £'000	2017 £'000
Not later than one year . . . . .	10,385	11,901	12,385
Later than one year and not later than five years . . . . .	36,800	46,664	45,935
Later than five years . . . . .	36,082	43,109	38,832
	<u>83,267</u>	<u>101,674</u>	<u>97,152</u>

## 25 Business combinations

### (i) Ocean Topco Limited

On 19 January 2015, the Group acquired 100% of the voting shares of Ocean Topco Limited.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Intangible assets . . . . .	—	37,536	37,536
Property, plant and equipment . . . . .	11,511	—	11,511
Receivables . . . . .	14,760	—	14,760
Cash and cash equivalents . . . . .	3,921	—	3,921
Payables . . . . .	(19,872)	—	(19,872)
Deferred tax liability . . . . .	(310)	(6,911)	(7,221)
<b>Total net assets</b> . . . . .	<u>10,010</u>	<u>30,625</u>	<u>40,635</u>
Fair value of consideration paid—all cash . . . . .			97,556
Goodwill (note 13) . . . . .			<u>56,921</u>

Acquisition costs of £3,823,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the statement of comprehensive income.

The fair value adjustments made relate to the recognition of an intangible asset for acquired rights over advertising sites and a provision for deferred tax thereon.

The main factor leading to the recognition of goodwill was the presence of certain intangible assets, such as the assembled workforce of the acquired entity, which do not qualify for separate recognition.



Ocean Topco Limited contributed £38,425,000 to group revenues and £12,063,000 to group profit between the date of acquisition and 31 December 2015. If the acquisition had occurred on 1 January 2015, group revenue would have been £1,984,000 higher and group loss would have been £2,514,000 lower for the year to 31 December 2015.

**(ii) Mediaco Outdoor Limited**

On 22 April 2015, the Group acquired 100% of the voting shares of Mediaco Outdoor Limited.

Details of the fair value of identifiable assets and liabilities acquired, purchase consideration and goodwill are as follows:

	Book value £'000	Fair value adjustments £'000	Fair value £'000
Intangible assets	—	3,406	3,406
Property, plant and equipment	2,594	—	2,594
Receivables	2,225	—	2,225
Cash and cash equivalents	—	—	—
Payables	(5,868)	—	(5,868)
Deferred tax liability	—	(544)	(544)
<b>Total net assets</b>	<b>(1,049)</b>	<b>2,862</b>	<b>1,813</b>
Fair value of consideration paid—all cash			6,289
Goodwill (note 13)			4,476

Acquisition costs of £510,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the statement of comprehensive income.

The fair value adjustments made relate to the recognition of an intangible asset for acquired rights over advertising sites and a provision for deferred tax thereon.

The main factor leading to the recognition of goodwill was the presence of certain intangible assets, such as the assembled workforce of the acquired entity, which do not qualify for separate recognition.

Mediaco Outdoor Limited contributed £4,737,000 to group revenues and £506,000 to group profit between the date of acquisition and 31 December 2015. If the acquisition had occurred on 1 January 2015, group revenue would have been £1,991,000 higher and group loss would have been £77,000 lower for the year to 31 December 2015.

## 26 Related party transactions

### Trading transactions

During the year Group companies entered into the following transactions with related parties who are not members of the Group.

The following directors or shareholders or connected companies are also holders of loan notes and preference shares in Group members, which are included in creditors falling due after one year.

### Total balance due:

	2015 £'000	2016 £'000	2017 £'000
SCP OCN Acquisition Lux S.a.r.l	13,755	15,410	17,259
SCP OCN Finco Lux S.a.r.l	40,703	26,790	30,019
G Bew	628	703	787
T Bleakley	1,846	1,458	1,633
T Goddard	1,772	1,400	1,568
S Joseph	437	489	548

**Total interest payable:**

	2015 £'000	2016 £'000	2017 £'000
SCP OCN Acquisition Lux S.a.r.l . . . . .	1,409	1,655	4,913
SCP OCN Finco Lux S.a.r.l . . . . .	4,013	687	3,916
G Bew . . . . .	64	140	149
T Bleakley . . . . .	189	128	303
T Goddard . . . . .	181	122	291
S Joseph . . . . .	45	97	156

The company's indirect subsidiary Ocean Outdoor UK Limited invoiced Hunter Boot Limited £Nil (2016—£80,000, 2015—£8,000) for the provision of advertising services within the normal course of business and on an arm's length basis. This was paid during the year. Both Hunter Boot Limited and the company had O Haarmann on their boards.

The Group has not made any allowance for bad or doubtful debts in respect of related party debtors nor has any guarantee been given or received during 2017, 2016 or 2015 regarding related party transactions.

**27 Immediate and ultimate parent undertaking and controlling party**

At 31 December 2017, the immediate parent company was SCP OCN Acquisition Lux S.a.r.l, a company registered in Luxembourg, which owned 72.3% of the called up share capital of the company. The ultimate controlling party and ultimate parent was SCP II Holdings (lux) S.a.r.l, a company registered in Luxembourg.

**28 Events after the reporting date**

On 28 March 2018, all issued share capital of SCP Acquisition Topco was acquired by Ocelot Partners Bidco Limited, a company registered in Jersey. It's parent and ultimate parent is Ocean Outdoor Limited (formerly Ocelot Partners Limited), a company registered in British Virgin Islands and listed on the London Stock Exchange.

On 2 June 2018, all the issued share capital of Forrest Media (Holdings) Limited, a company registered in Scotland, was acquired by Ocean Bidco Limited. Ocean Group has identified incremental commercial synergies from combining Forrest Media assets with the Ocean portfolio. The transaction was funded through Ocean's cash on hand and will be immediately accretive to earnings.

**29 First time adoption of IFRS**

	Note	Equity as at 1 January 2015 £'000	Loss for the year ended 31 December 2015 £'000	Equity as at 31 December 2015 £'000
<b>As previously stated under UK GAAP</b> . . . . .		—	(10,734)	(10,180)
Adjustment to previously stated UK GAAP results . . . . .	a	—	(521)	(521)
<b>Transitional adjustments</b> . . . . .				
Reversal of amortisation charge for goodwill . . . . .	b	—	5,410	5,410
Write-off of acquisition expenses arising on business combinations in prior year . . . . .	c	—	(4,333)	(4,333)
<b>As stated under IFRS</b> . . . . .		—	(10,178)	(9,624)

	Note	Equity as at 1 January 2016 £'000	Loss for the year ended 31 December 2016 £'000	Equity as at 31 December 2016 £'000
<b>As previously stated under UK GAAP</b> . . . . .		(10,180)	(10,679)	(20,856)
Adjustment to previously stated UK GAAP results . . . . .	a	(521)	(469)	(990)
<b>Transitional adjustments</b> . . . . .				
Reversal of amortisation charge for goodwill . . . . .	b	5,410	5,804	11,214
Write-off of acquisition expenses arising on business combinations in prior year . . . . .	c	(4,333)	—	(4,333)
<b>As stated under IFRS</b> . . . . .		(9,624)	(5,344)	(14,965)

- Adjustment made to the amortisation charge for the acquired rights over advertising sites and a related deferred tax credit as a result of a change in the fair value of the acquired rights over advertising sites following a re-evaluation of the approach followed to value identifiable intangible assets recognised upon the acquisition of Ocean Topco Limited and Mediaco Outdoor Limited.
- Under IFRS, goodwill is not amortised. An adjustment has therefore been made to reverse the amortisation charge recognised in 2015 and 2016 under UK GAAP.
- IFRS requires that costs incurred in connection with effecting a business combination be expensed. An adjustment has therefore been made to expense the costs of business combinations effected during 2015 that were capitalised under UK GAAP.

## **PART VIII**

### **UNAUDITED PRO FORMA FINANCIAL INFORMATION ON THE GROUP**

#### **Section A: Accountant's Report on the Unaudited Pro Forma Financial Information**

The Directors  
Ocean Outdoor Limited  
Kingston Chambers  
PO Box 173  
Road Town  
British Virgin Islands

7 January 2019

Ladies and Gentlemen

#### **Ocean Outdoor Limited**

We report on the pro forma financial information (the 'Pro forma financial information') set out in Part VIII of the prospectus dated 7 January 2019, which has been prepared on the basis described in Section A, for illustrative purposes only, to provide information about how the acquisition of Ocean Group might have affected the financial information presented on the basis of the accounting policies adopted by Ocean Outdoor Limited in preparing the financial statements for the period ended 31 December 2017. This report is required by paragraph 7 of Annex II of the Prospectus Directive Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

#### **Responsibilities**

It is the responsibility of the directors of Ocean Outdoor Limited to prepare the Pro forma financial information in accordance with Annex II of the Prospectus Directive Regulation.

It is our responsibility to form an opinion, as required by paragraph 7 of Annex II of the Prospectus Directive Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

Save for any responsibility arising under Prospectus Rule 5.5.3R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with paragraph 23.1 of Annex I of the Prospectus Directive Regulation, consenting to its inclusion in the prospectus.

#### **Basis of Opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Ocean Outdoor Limited.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of Ocean Outdoor Limited.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

#### **Opinion**

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of Ocean Outdoor Limited.

**Declaration**

For the purposes of Prospectus Rule 5.5.3R (2)(f) we are responsible for this report as part of the prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the prospectus in compliance with paragraph 1.2 of Annex I of the Prospectus Directive Regulation.

Yours faithfully

**KPMG LLP**

## **Section B: Unaudited Pro Forma Financial Information**

The unaudited consolidated pro forma income statement for the year ended 31 December 2017 set out below in Section B has been prepared to illustrate the effect of the Ocean Transaction on the income statement of the Company as if the Ocean Transaction had taken place on 1 January 2017 ('unaudited pro forma financial information'). The unaudited pro forma financial information has been compiled on the basis of, and should be read in conjunction with, the notes set out below:

The unaudited pro forma income statement of the Group is based on the audited consolidated income statement of the Company at 31 December 2017 and the financial information set out in Part VII B (Historical Financial Information of the Ocean Group) and has been prepared on the basis that the Ocean Transaction had taken place on 1 January 2017 and in a manner consistent with the accounting policies adopted by the Company in preparing the audited financial statements for the year ended 31 December 2017.

This pro forma financial information is unaudited and is produced for illustrative purposes only; by its nature it addresses a hypothetical situation and therefore does not represent the Group's actual financial results of the Ocean Transaction nor is it indicative of the results that may, or may not, be expected to be achieved in the future.

The unaudited pro forma financial information in Section B does not contain a pro forma net asset statement. Part XII (Documents incorporated by reference) of this Prospectus includes the unaudited consolidated financial statements for the six months to 30 June 2018 for the Group which includes an unaudited consolidated statement of financial position of the Group that includes the impact of the Ocean Transaction. As such, a pro forma net asset statement has not been included in the unaudited pro forma financial information.

The unaudited pro forma financial information does not constitute financial statements within the meaning of Section 434 of the Companies Act 2006.

Prospective investors should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this Part VIII.

## Section B: Unaudited Pro Forma Income Statement of the Group

	Company Note 1a USD'000	Company Note 1b £'000	Ocean Group Note 2 £'000	Adjustments Note 3 £'000	Note 4 £'000	Pro forma £'000
<b>Revenue</b> .....	—	—	53,166	—	—	53,166
Cost of sales .....	—	—	(34,606)	—	—	(34,606)
<b>Gross profit</b> .....	—	—	18,560	—	—	18,560
General and administrative expenses .....	(2,491)	(1,935)	(12,777)	(3,636)	—	(18,348)
Other income .....	7	5	—	—	—	5
<b>Operating profit</b> .....	(2,484)	(1,930)	5,783	(3,636)	—	217
Finance income .....	2,967	2,304	119	—	—	2,423
Finance costs .....	(34,529)	(26,819)	(11,987)	—	11,781	(27,025)
<b>Profit before tax</b> .....	(34,046)	(26,445)	(6,085)	(3,636)	11,781	(24,385)
Taxation .....	—	—	(527)	—	—	(527)
<b>Profit for the year</b> .....	<u>(34,046)</u>	<u>(26,445)</u>	<u>(6,612)</u>	<u>(3,636)</u>	<u>11,781</u>	<u>(24,912)</u>

Notes

1)

- a. The income statement of the Company as at 31 December 2017 has been extracted without material adjustment from the annual report and audited financial statements for the period ended 31 December 2017.
  - b. On 28 March 2018, due to the acquisition of the Ocean Group, the functional and presentational currency of the Company was changed from USD to GBP. Therefore, the financial statements for the Company for the year ending 31 December 2018 will be prepared with GBP as both the functional and presentational currency. Accordingly, for the purposes of the pro forma income statement, the income statement of the Company as at 31 December 2017, reported in USD, has been translated into GBP using the average 2017 annual spot rate of 0.776695.
- 2) The income statement of the Ocean Group has been extracted without material adjustment from the Historical Financial Information of the Ocean Group as presented in Part VII B of this document for the year ended 31 December 2017.
  - 3) The adjustment in Note 3 reflects the costs of the Ocean Transaction. Such costs consist of adviser fees wholly attributable to the Ocean Transaction and are non-recurring.
  - 4) This adjustment represents interest costs incurred in the Ocean Group in the year to 31 December 2017 in respect of borrowings that were repaid as part of the Ocean Transaction. The total value of loans repaid by the Company as part of the Ocean Transaction was £131.6 million. This repayment of debt will have a continuing impact on the Group.

No adjustment has been made to reflect the trading results of the Company or the Ocean Group since 31 December 2017.

## **PART IX**

### **TAXATION**

#### **General**

The comments below are of a general and non-exhaustive nature based on the Directors' understanding of the current revenue law and published practice of the tax authorities of the British Virgin Islands, the United Kingdom and the United States, which may not be binding and is subject to change at any time, possibly with retrospective effect. The following summary does not constitute legal or tax advice. It applies only to persons (a) who hold Ordinary Shares (or Depositary Interests in respect of Ordinary Shares) as an investment (rather than as securities to be realised in the course of a trade), (b) who in each case are the absolute and direct beneficial owners of their Ordinary Shares or Depositary Interests in respect of Ordinary Shares, (c) whose Ordinary Shares or Depositary Interests in respect of Ordinary Shares are not held through a U.K. Individual Savings Account or a U.K. Self-Invested Personal Pension and (d) who have not acquired (or been deemed for tax purposes to have acquired) their Ordinary Shares or Depositary Interests in respect of Ordinary Shares by reason of their or another person's employment. Accordingly, the following summary does not apply to any person who does not satisfy any one or more of the preceding criteria. In addition, the following comments may not apply to certain classes of person, including dealers in securities, insurance companies and collective investment schemes.

An investment in the Company involves a number of complex tax considerations. Changes in tax legislation in any of the countries in which the Company or any of its subsidiaries are incorporated, resident or have assets, including the British Virgin Islands and the United Kingdom, or changes in tax treaties negotiated by any of those countries, could adversely affect the returns from the Company to Shareholders.

Shareholders should consult their own independent professional advisers on the potential tax consequences of subscribing for, purchasing, holding or selling Ordinary Shares under the laws of their country and/or state of citizenship, domicile or residence including the consequences of distributions by the Company, either on a liquidation or distribution or otherwise.

#### **British Virgin Islands taxation**

##### ***The Company***

The Company is not subject to any income, withholding or capital gains taxes in the British Virgin Islands. No capital or stamp duties are levied in the British Virgin Islands on the issue, transfer or redemption of Ordinary Shares.

##### **Shareholders**

Shareholders who are not tax resident in the British Virgin Islands will not be subject to any income, withholding or capital gains taxes in the British Virgin Islands, with respect to the shares of the Company owned by them and dividends received on such Ordinary Shares, nor will they be subject to any estate or inheritance taxes in the British Virgin Islands in connection with the shares of the Company.

#### **United Kingdom taxation**

##### ***The Company***

The Company became centrally managed and controlled in the United Kingdom with effect from 28 February 2018 and therefore became resident in the United Kingdom for U.K. taxation purposes with effect from that date.

Accordingly, with effect from 28 February 2018, the Company is subject to U.K. taxation on its income and gains, except where an exemption applies. Dividend income received by the Company will generally be exempt from U.K. corporation tax if certain conditions are met.

##### ***Shareholders***

##### ***Disposals of Ordinary Shares***

Subject to their individual circumstances, Shareholders who are resident in the United Kingdom for U.K. tax purposes, or who carry on a trade in the United Kingdom through a branch, agency or permanent establishment with which their holding of Ordinary Shares is connected, will potentially be liable to U.K. taxation (as further explained below) on any chargeable gains which accrue to them on a sale or other "disposal" of their Ordinary Shares for U.K. taxation purposes.



For an individual Shareholder who is within the charge to U.K. capital gains tax (on the basis described above), a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain or an allowable loss for the purposes of capital gains tax. The rate of capital gains tax on such a disposal of shares is 10 per cent (in tax year 2018/19) for individuals who are subject to income tax at the basic rate and 20 per cent (in tax year 2018/19) for individuals who are subject to income tax at the higher or additional rates. An individual Shareholder is entitled to realise an annual exempt amount of gains (£11,700 in tax year 2018/19) in each tax year without being liable to U.K. capital gains tax.

For a corporate Shareholder within the charge to U.K. corporation tax (on the basis described above), a disposal (or deemed disposal) of Ordinary Shares may give rise to a chargeable gain within the charge to U.K. corporation tax (at the rate of 19 per cent in tax year 2018/19) or an allowable loss for the purposes of U.K. corporation tax.

Indexation allowance may reduce the amount of chargeable gain that is subject to corporation tax (but may not give rise to or increase an allowable loss). However, no indexation allowance will be available, for the purpose of calculating the amount of any chargeable gain arising on any Ordinary Shares, in respect of any period of ownership falling on or after 1 January 2018.

#### *Dividends on Ordinary Shares*

No U.K. tax will be withheld or deducted at source from dividends paid by the Company on the Ordinary Shares.

Shareholders who are resident in the United Kingdom for tax purposes will, subject to their individual circumstances, be liable to U.K. income tax or, as the case may be, corporation tax on dividends paid to them by the Company.

A nil rate of income tax applies to the first £2,000 of dividend income received by an individual Shareholder in a tax year (the “Nil Rate Amount”), regardless of what tax rate would otherwise apply to that dividend income. Any dividend income received by an individual Shareholder in a tax year in excess of the Nil Rate Amount will be subject to income tax at the following dividend rates (in the tax year 2018/19)—7.5 per cent for basic rate taxpayers, 32.5 per cent for higher rate taxpayers and 38.1 per cent for additional rate taxpayers. When determining the income tax rate band which applies to any dividend income which falls above the Nil Rate Amount, savings and dividend income are treated as the highest part of an individual’s income (and, where an individual has both savings and dividend income, the dividend income is treated as the top slice).

Dividend income that is within the Nil Rate Amount counts towards an individual’s basic or higher rate limits and may therefore affect the rate of income tax that is payable on any dividend income in excess of the Nil Rate Amount.

Shareholders who are within the charge to U.K. corporation tax and who are not “small companies” (as that term is defined in section 931S of the Corporation Tax Act 2009) will be liable to U.K. corporation tax (at a rate of 19 per cent in the tax year 2018/19) on dividends paid to them by the Company unless the dividend falls within an exempt class and certain conditions are met. Examples of exempt classes (as set out in more detail in Chapter 3 of Part 9A of the Corporation Tax Act 2009) include dividends paid on shares that are “ordinary shares” (meaning essentially shares that do not carry any present or future preferential right to dividends or to share in the Company’s assets on its winding-up) and which are not “redeemable”, and dividends paid to a person holding less than 10 per cent of the issued share capital of the payer (or any class of that share capital in respect of which the distribution is made). However, the exemptions are not comprehensive and are subject to anti-avoidance rules. Shareholders of the above description are advised to consult their professional advisers about whether any dividends paid to them will satisfy the requirements of an exempt class and whether any anti-avoidance rules will apply to them.

Shareholders who are within the charge to U.K. corporation tax and who are “small companies” (as that term is defined in section 931S of the Corporation Tax Act 2009) are generally likely to be exempt from U.K. corporation tax on any dividends that they receive from the Company after it became U.K. resident on 28 February 2018.

#### *Individual taxpayers who are subject to Scottish income tax*

The references in the sections “Disposals of Ordinary Shares” and “Dividends on Ordinary Shares” above to individuals who are subject to or pay income tax at the basic rate, higher rate or additional rate includes individuals whose non-savings, non-dividend income is excluded from UK income tax because it is instead

subject to Scottish income tax at rates set by the Scottish Parliament. Such taxpayers are effectively deemed to be subject to UK income tax rates for the purposes of determining the rate of UK income tax which applies to their dividend income and the rate of capital gains tax which applies to their capital gains.

### ***Stamp duty/stamp duty reserve tax***

#### ***(i) Issue of Ordinary Shares***

No U.K. stamp duty or stamp duty reserve tax will be payable on the issue of Ordinary Shares.

#### ***(ii) Transfers of Ordinary Shares***

Subject to an exemption for transfers where the value of the consideration for the transfer does not exceed £1,000, U.K. stamp duty will, in principle, be payable on any instrument of transfer of the Ordinary Shares that is executed in the United Kingdom or that relates to any property situate, or to any matter or thing done or to be done, in the United Kingdom. The stamp duty will be chargeable at the rate of 0.5 per cent on the value of the consideration paid for the transfer and rounded to the nearest £5. However, Shareholders should be aware that, even where an instrument of transfer is in principle liable to stamp duty, stamp duty is not directly enforceable as a tax and, in practice, does not normally need to be paid unless it is necessary to rely on the instrument in the United Kingdom for legal purposes (for example to register a change of ownership by updating a share register or in the event of civil litigation in the United Kingdom). An instrument of transfer need not be stamped in order for the BVI register of Ordinary Shares to be updated, and the register is conclusive proof of ownership. In practice, it is very rare for stamp duty to be paid in the case of registered instruments whose register of ownership is held in the BVI.

Provided that the Ordinary Shares are not registered in any register maintained in the United Kingdom by or on behalf of the Company and they are not paired with any shares issued by a U.K. incorporated company, any agreement to transfer Ordinary Shares will not be subject to U.K. stamp duty reserve tax. The Company currently does not intend that any register of the Ordinary Shares will be maintained in the United Kingdom.

#### ***(iii) Transfers of Depositary Interests in respect of Ordinary Shares***

Any agreement to transfer Depositary Interests in respect of Ordinary Shares entered into on or after 28 February 2018 (that is, the date on which the Company became centrally managed and controlled in the United Kingdom) will be subject to U.K. stamp duty reserve tax, generally at the rate of 0.5 per cent of the consideration for the transfer. The transferee will generally be liable to bear the cost of such stamp duty reserve tax, which will be payable regardless of whether the agreement to transfer is executed or held in the United Kingdom and whether the Company's share register is held in the United Kingdom.

### **U.S. federal income taxation**

The following discussion is a summary of certain U.S. federal income tax issues that may be relevant to a U.S. Holder (as defined herein), holding and disposing of the Ordinary Shares. Additional tax issues may exist that are not addressed in this discussion and that could affect the U.S. federal income tax treatment of the acquisition, holding and disposition of the Ordinary Shares.

This discussion does not address U.S. state, local or non-U.S. income tax consequences. This description does not address the U.S. federal estate, gift or alternative minimum tax consequences, or any state, local or non-U.S. tax consequences relating to the acquisition, ownership and disposition of the Ordinary Shares. The discussion applies, unless indicated otherwise, only to U.S. Holders and certain non-U.S. Holders who hold Ordinary Shares as capital assets within the meaning of Section 1221 of the U.S. Tax Code (generally, as property held for investment) and use the U.S. dollar as their functional currency. It does not address special classes of holders that may be subject to different treatment under the U.S. Tax Code, such as:

- certain financial institutions;
- insurance companies;
- dealers and traders in securities;
- persons holding Ordinary Shares as part of a hedge, straddle, conversion or other integrated transaction;
- partnerships or other entities classified as partnerships for U.S. federal income tax purposes;
- persons liable for the alternative minimum tax;

- tax-exempt organisations;
- certain U.S. expatriates; or
- persons holding Ordinary Shares that own or are deemed to own 10 per cent or more (by vote or value) of the Company's voting stock.

This section is based on the U.S. Tax Code, its legislative history, existing and proposed regulations, published rulings and other guidance by the IRS and court decisions, all as currently in effect. These laws are subject to change, possibly on a retroactive basis. Holders of Ordinary Shares should consult their own tax advisers concerning the U.S. federal, state, local and non-U.S. tax consequences of purchasing, owning and disposing of Ordinary Shares in their particular circumstances.

As used herein, a "U.S. Holder" is a beneficial owner of Ordinary Shares that is, for U.S. federal income tax purposes: (i) an individual who is a citizen or resident of the United States; (ii) a corporation or other entity taxable as a corporation, created or organised in or under the laws of the United States or any political subdivision thereof; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if (1) a court within the U.S. is able to exercise primary supervision over the administration of the trust and one or more "United States persons" (within the meaning of the Code) have the authority to control all substantial decisions of the trust, or (2) it has a valid election in effect under applicable Treasury regulations to be treated as a "United States person".

This summary is based upon certain understandings and assumptions with respect to the business, assets and Shareholders, including that the Company is not, does not expect to become, nor at any time has been a controlled foreign corporation as defined in Section 957 of the U.S. Tax Code ("CFC"). The Company believes that it is not and has never been a CFC, and does not expect to become a CFC. In the event that one or more of such understandings and assumptions proves to be inaccurate, the following summary may not apply and material adverse U.S. federal income tax consequences may result to U.S. Holders.

#### **Passive foreign investment company ("PFIC") considerations**

In general, the Company will be considered a PFIC for any taxable year in which: (i) 75 per cent or more of its gross income consists of passive income; or (ii) 50 per cent or more of the average quarterly market value of its assets in that year are assets (including cash) that produce, or are held for the production of, passive income. For purposes of the above calculations, if the Company, directly or indirectly, owns at least 25 per cent by value of the stock of another corporation, then the Company generally would be treated as if it held its proportionate share of the assets of such other corporation and received directly its proportionate share of the income of such other corporation. Passive income generally includes, among other things, dividends, interest, rents, royalties, certain gains from the sale of stock and securities, and certain other investment income.

Because the Company had no active business in its first year, the Company believes that it met the PFIC income and/or asset tests for the its first year. The PFIC rules, however, contain an exception to PFIC status for companies in their start-up year. Under this exception, a corporation will not be a PFIC for the first taxable year the corporation has gross income if (1) no predecessor of the corporation was a PFIC; (2) it is established to the satisfaction of the IRS that the corporation will not be a PFIC for either of the first two taxable years following the start-up year; and (3) the corporation is not in fact a PFIC for either of these subsequent years.

The Company cannot provide assurance as to whether the start-up year exception will apply. While the Company has made the Acquisition during the current taxable year, its second year, there is no assurance that it will not meet the PFIC income and/or asset tests for the current year and, therefore be treated as a PFIC for the current year. If this were the case, the "start-up" exception described in the preceding paragraph would not apply and, as a result, the Company would likely be a PFIC. In addition, the Company may acquire direct or indirect equity interests in PFICs, referred to herein as "Lower-tier PFICs". The Company's actual PFIC status for any taxable year will not be determinable until after the end of such taxable year. Accordingly, there can be no assurance with respect to its status as a PFIC for any taxable year. Consequently, the Company can provide no assurance that it will not be a PFIC for either the current year or for any subsequent year.

Under certain attribution rules, if the Company is a PFIC, U.S. Holders will be deemed to own their proportionate share of Lower-tier PFICs, and will be subject to U.S. federal income tax on: (i) certain distributions on the shares of a Lower-tier PFIC; and (ii) a disposition of shares of a Lower-tier PFIC, both as if the holder directly held the shares of such Lower-tier PFIC.

If the Company is a PFIC for any taxable year during which a U.S. Holder holds (or, in the case of a Lower-tier PFIC, is deemed to hold) its shares, such U.S. Holder will generally be subject to significant adverse U.S. federal

income tax rules. In general, gain recognised upon a disposition (including, under certain circumstances, a pledge) of Ordinary Shares by such U.S. Holder, or upon an indirect disposition of shares of a Lower-tier PFIC, will be allocated ratably over the U.S. Holder's holding period for such shares and will not be treated as capital gain. To compute the tax on such gain, (i) the excess distribution or gain would be allocated ratably over the U.S. Holder's holding period, (ii) the amount allocated to the current taxable year and any year before the first taxable year for which the Company was a PFIC would be taxed as ordinary income in the current year, and (iii) the amount allocated to other taxable years would be taxed at the highest applicable marginal rate in effect for each such year and an interest charge would be imposed to recover the deemed benefit from the deferred payment of the tax attributable to each such prior year. Any loss recognised will be capital loss, the deductibility of which is subject to limitations. Further, to the extent that any distribution received by a U.S. Holder on its Ordinary Shares (or a distribution by a Lower-tier PFIC to its shareholder that is deemed to be received by a U.S. Holder) exceeds 125 per cent of the average of the annual distributions on such shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter, such distribution ("an excess distribution") will be subject to taxation as described above for dispositions.

If the Company is a PFIC for any taxable year during which a U.S. Holder holds Ordinary Shares, the Company will continue to be treated as a PFIC with respect to the U.S. Holder for all succeeding years during which the U.S. Holder holds Ordinary Shares, regardless of whether the Company actually meets the PFIC asset test or the income test in subsequent years. The U.S. Holder may terminate this deemed PFIC status by making a purging election pursuant to which the U.S. Holder will elect to recognise gain (which will be taxed under the adverse tax rules discussed in the preceding paragraph) as if the U.S. Holder's Ordinary Shares (and any indirect interest in a Lower-tier PFIC) had been sold on the last day of the last taxable year for which the Company qualified as a PFIC.

U.S. Holders should consult their tax advisors regarding the U.S. federal income tax consequences of the PFIC rules. If the Company is treated as a PFIC, each U.S. Holder generally will be required to file a separate annual information return with the IRS with respect to the Company and any Lower-tier PFICs. A failure to file this return will suspend the statute of limitations with respect to any tax return, event, or period to which such report relates (potentially including with respect to items that do not relate to a U.S. Holder's investment in the Ordinary Shares).

#### ***Qualified Electing Fund Election ("QEF Election")***

A U.S. Holder may be able to make a timely election to treat the Company and any Lower-tier PFICs controlled by the Company as qualified electing funds ("QEF Elections") to avoid certain of the foregoing rules with respect to excess distributions and dispositions.

If a U.S. Holder makes a QEF Election, for each taxable year for which the Company is classified as a PFIC the U.S. Holder would be required to include in taxable income its pro rata share of the Company's ordinary earnings and net capital gain (taxed at ordinary income and capital gains rates, respectively), regardless of whether the U.S. Holder receives any dividend distributions from the Company. To the extent attributable to earnings previously taxed as a result of the QEF Election, the U.S. Holder would not be required to include in income any subsequent dividend distributions received from the Company. For purposes of determining a gain or loss on the disposition (including redemption or retirement) of Ordinary Shares, the U.S. Holder's initial tax basis in the Ordinary Shares would be increased by the amount included in gross income as a result of a QEF Election and decreased by the amount of any non-taxable distributions on the Ordinary Shares. In general, a U.S. Holder making a timely QEF Election will recognise, on the sale or disposition (including redemption and retirement) of Ordinary Shares, capital gain or loss equal to the difference, if any, between the amount realised upon such sale or disposition and that U.S. Holder's adjusted tax basis in those Ordinary Shares. Such gain will be long-term if the U.S. Holder has held the Ordinary Shares for more than one year on the date of disposition. Similar rules will apply to any Lower-tier PFICs for which QEF Elections are timely made. Certain distributions on, and gain from dispositions of, equity interests in Lower-tier PFICs for which no QEF Election is made will be subject to the general PFIC rules described above.

Each U.S. Holder who desires to make QEF Elections must individually make QEF Elections with respect to each entity (including the Company, if it is a PFIC, and any Lower-Tier PFIC). Each QEF Election is effective for the U.S. Holder's taxable year for which it is made and all subsequent taxable years and may not be revoked without the consent of the IRS. In general, a U.S. Holder must make a QEF Election on or before the due date for filing its income tax return for the first year to which the QEF Election is to apply. If a U.S. Holder makes a QEF Election in a year following the first taxable year during such U.S. Holder's holding period in which a company is classified as a PFIC, the general PFIC rules, described above under "Passive foreign investment company



(“PFIC”) considerations,” will continue to apply unless the U.S. Holder makes a purging election for the U.S. Holder’s taxable year that includes the first day of the Company’s first year as a QEF. Any gain recognised on this deemed sale would be subject to the general PFIC rules described above under “Passive foreign investment company (“PFIC”) considerations.”

In order to comply with the requirements of a QEF Election, a U.S. Holder must receive certain information from the Company. The Company will make commercially reasonable efforts to comply with all reporting requirements necessary for U.S. Holders to make QEF Elections with respect to the Company and any Lower-tier PFICs which it controls. Specifically, the Company will attempt to provide, as promptly as practicable following the end of any taxable year in which the Company and any such Lower-tier PFIC determines that it is a PFIC, the information necessary for such elections to registered holders of Ordinary Shares with U.S. addresses and to other Shareholders upon request. There is no assurance, however, that the Company will have timely knowledge of its status as a PFIC, or that the information that the Company provides will be adequate to allow U.S. Holders to make a QEF Election. U.S. Holders should consult their own tax advisers as to the advisability of, consequences of, and procedures for making, a QEF Election.

A U.S. Holder may make a separate election to defer the payment of taxes on undistributed income inclusions under the rules for PFICs for which a QEF Election has been made, but if deferred, any such taxes will be subject to an interest charge.

### ***Mark-to-Market Election***

Alternatively, a U.S. Holder may be able to make a mark-to-market election with respect to the Ordinary Shares (but not with respect to the shares of any Lower-tier PFICs) if the Ordinary Shares are “regularly traded” on a “qualified exchange.” In general, the Ordinary Shares will be treated as “regularly traded” in any calendar year in which more than a de minimis quantity of Ordinary Shares are traded on a qualified exchange on at least 15 days during each calendar quarter. A foreign exchange is a “qualified exchange” if it is regulated by a governmental authority in which the exchange is located and with respect to which certain other requirements are met. Although the IRS has not identified specific foreign exchanges that are “qualified” for this purpose, the Company believes that the London Stock Exchange is a qualified exchange. The Company can make no assurance that there will be sufficient trading activity for the Ordinary Shares to be treated as “regularly traded.” Accordingly, U.S. Holders should consult their own tax advisers as to whether the Ordinary Shares would qualify for the mark-to-market election.

If a U.S. Holder is eligible to make and does make the mark-to-market election, for each year in which the Company is a PFIC, the holder will generally include as ordinary income the excess, if any, of the fair market value of the Ordinary Shares at the end of the taxable year over their adjusted tax basis, and will be permitted an ordinary loss in respect of the excess, if any, of the adjusted tax basis of the Ordinary Shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). If a U.S. Holder makes the election, the holder’s tax basis in the Ordinary Shares will be adjusted to reflect any such income or loss amounts. Any gain recognised on the sale or other disposition of Ordinary Shares will be treated as ordinary income.

A mark-to-market election applies to the taxable year in which the election is made and to each subsequent year, unless the Ordinary Shares cease to be regularly traded on a qualified exchange (as described above) or the IRS consents to the revocation of the election. If a mark-to-market election is not made for the first year in which a U.S. Holder owns Ordinary Shares and the Company is a PFIC, the interest charge described above under “Passive foreign investment company (“PFIC”) considerations” will apply to any mark-to-market gain recognised in the later year that the election is first made.

A mark-to-market election under the PFIC rules with respect to the Ordinary Shares would not apply to a Lower-tier PFIC, and a U.S. Holder would not be able to make such a mark-to-market election in respect of its indirect ownership interest in any Lower-tier PFIC. Consequently, U.S. Holders of Ordinary Shares could be subject to the PFIC rules with respect to income of any Lower-tier PFIC.

U.S. Holders should consult their own tax advisers regarding the availability and advisability of making a mark-to-market election in their particular circumstances. In particular, U.S. Holders should consider the impact of a mark-to-market election with respect to their Ordinary Shares, given that the Company does not expect to pay regular dividends, at least in the short to medium term, and given that the Company may have Lower-tier PFICs for which such election is not available.

**The rules dealing with PFICs, QEF Elections and mark-to-market elections are complex and affected by various factors in addition to those described above. As a result, U.S. Holders should consult their own tax advisers concerning the Company's PFIC status and the tax considerations relevant to an investment in a PFIC including the availability of and the merits of making QEF Elections or mark-to-market elections.**

#### **Tax Consequences for U.S Holders if the Company is not a PFIC**

##### *Taxation of Dividends*

In general, subject to the PFIC rules discussed above, a distribution on an Ordinary Share will constitute a dividend for U.S. federal income tax purposes to the extent that it is made from our current or accumulated earnings and profits as determined under U.S. federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits, it will be treated as a non-taxable reduction of basis to the extent of the U.S. holder's tax basis in the Ordinary Share on which it is paid, and to the extent it exceeds that basis it will be treated as capital gain. For purposes of this discussion, the term "dividend" means a distribution that constitutes a dividend for U.S. federal income tax purposes. The Company has not maintained and does not plan to maintain calculations of earnings and profits under U.S. federal income tax principles. Accordingly, it is unlikely that U.S. Holders will be able to establish that a distribution by the Company is in excess of its current and accumulated earnings and profits (as computed under U.S. federal income tax principles). Therefore, a U.S. Holder should expect that a distribution by the Company will generally be treated as taxable in its entirety as a dividend to U.S. Holders for U.S. federal income tax purposes even if that distribution would otherwise be treated as a non-taxable return of capital under the rules set forth above. If the Internal Revenue Service treats the Company as a tax resident of the United Kingdom for purposes of the U.K./U.S. income tax treaty, non-corporate U.S. Holders who meet certain other requirements will qualify for a lower rate of tax on dividend payments ("Qualified Dividends"), currently 20%, (not including the Medicare Contribution Tax). If the Company is a PFIC for the taxable year in which the dividend is paid or the preceding year, the dividend payment will not be a Qualified Dividend. No assurances can be given that the dividend payments will constitute Qualified Dividends.

Except if the Company is treated as a 10 percent owned foreign corporation with respect to a U.S. corporation, the gross amount of any dividend on an Ordinary Share (which will include the amount of any foreign taxes withheld) generally will be subject to U.S. federal income tax as foreign source dividend income, and will not be eligible for the corporate dividends received deduction. The amount of a dividend paid in foreign currency will be its value in U.S. dollars based on the prevailing spot market exchange rate in effect on the day the U.S. holder receives the dividend. A U.S. holder will have a tax basis in any distributed foreign currency equal to its U.S. dollar amount on the date of receipt, and any gain or loss realised on a subsequent conversion or other disposition of foreign currency generally will be treated as U.S. source ordinary income or loss. If dividends paid in foreign currency are converted into U.S. dollars on the date they are received by a U.S. holder, the U.S. holder generally should not be required to recognise foreign currency gain or loss in respect of the dividend income.

##### *Taxation of Capital Gains*

Subject to the PFIC rules discussed above, on a sale or other taxable disposition of an Ordinary Share, a U.S. Holder will recognise capital gain or loss in an amount equal to the difference between the U.S. Holder's adjusted basis in the Ordinary Share and the amount realised on the sale or other disposition, each determined in U.S. dollars. Such capital gain or loss will be long-term capital gain or loss if at the time of the sale or other taxable disposition the Ordinary Share has been held for more than one year. In general, any adjusted net capital gain of an individual is subject to a maximum federal income tax rate of 20 per cent. Capital gains recognised by corporate U.S. holders generally are subject to U.S. federal income tax at the same rate as ordinary income. The deductibility of capital losses is subject to limitations.

Any gain a U.S. Holder recognises generally will be U.S. source income for U.S. foreign tax credit purposes, and, subject to certain exceptions, any loss will generally be a U.S. source loss. If a non-US income tax is paid on a sale or other disposition of an Ordinary Share, the amount realised will include the gross amount of the proceeds of that sale or disposition before deduction of the non-US tax. The generally applicable limitations under U.S. federal income tax law on crediting foreign income taxes may preclude a U.S. Holder from obtaining a foreign tax credit for any non-US tax paid on a sale or other disposition of an Ordinary Share. The rules relating to the determination of the foreign tax credit are complex, and U.S. holders are urged to consult with their own tax advisers regarding the application of such rules. Alternatively, any non-US income tax paid on the sale or other disposition of an Ordinary Share may be taken as a deduction against taxable income, provided the U.S. Holder takes a deduction and not a credit for all foreign income taxes paid or accrued in the same taxable year.

Dividends received and capital gains from the sale or other taxable disposition of the Ordinary Shares recognised by certain non-corporate U.S. Holders with respect to Ordinary Shares will be includable in computing net investment income of such U.S. Holder for purposes of the 3.8 per cent Medicare Contribution Tax.

## **Tax Consequences for Non-U.S. Holders of Ordinary Shares**

### **Dividends**

A non-U.S. Holder generally will not be subject to U.S. federal income tax or withholding on dividends received from the Company with respect to Ordinary Shares, other than in certain specific circumstances where such income is deemed effectively connected with the conduct by the non-U.S. Holder of a trade or business in the United States. If a non-U.S. Holder is entitled to the benefits of a U.S. income tax treaty with respect to those dividends, that income is generally subject to U.S. federal income tax only if it is attributable to a permanent establishment maintained by the non-U.S. Holder in the United States. A non-U.S. Holder that is subject to U.S. federal income tax on dividend income under the foregoing exception generally will be taxed with respect to such dividend income on a net basis in the same manner as a U.S. Holder unless otherwise provided in an applicable income tax treaty; a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such item at a rate of 30 per cent (or at a reduced rate under an applicable income tax treaty).

### **Sale, Exchange or Other Taxable Disposition of Ordinary Shares**

A non-U.S. Holder generally will not be subject to U.S. federal income tax or withholding with respect to any gain recognised on a sale, exchange or other taxable disposition of Ordinary Shares unless:

- certain circumstances exist under which the gain is treated as effectively connected with the conduct by the non-U.S. Holder of a trade or business in the United States, and, if certain tax treaties apply, is attributable to a permanent establishment maintained by the non-U.S. Holder in the United States; or
- the non-U.S. Holder is an individual and is present in the United States for 183 or more days in the taxable year of the sale, exchange or other taxable disposition, and meets certain other requirements.

If the first exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax with respect to such item on a net basis in the same manner as a U.S. Holder unless otherwise provided in an applicable income tax treaty; a non-U.S. Holder that is a corporation for U.S. federal income tax purposes may also be subject to a branch profits tax with respect to such item at a rate of 30 per cent (or at a reduced rate under an applicable income tax treaty). If the second exception applies, the non-U.S. Holder generally will be subject to U.S. federal income tax at a rate of 30 per cent (or at a reduced rate under an applicable income tax treaty) on the amount by which such non-U.S. Holder's capital gains allocable to U.S. sources exceed capital losses allocable to U.S. sources during the taxable year of disposition of the Ordinary Shares.

### **Information Reporting and Backup Withholding**

Under U.S. federal income tax laws, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a foreign corporation (including IRS Forms 926). Penalties for failure to file certain of these information returns are severe. Pursuant to Section 1298(f), for any year in which the Company is a PFIC, each U.S. Holder will be required to file an information statement, Form 8621, regarding such U.S. Holder's ownership interest in the Company. U.S. Holders of Ordinary Shares should consult with their own tax advisers regarding the requirements of filing information returns and QEF Elections and mark-to-market elections.

Furthermore, certain U.S. Holders who are individuals and to the extent provided in future Regulations, certain entities, will be required to report information with respect to such U.S. Holder's investment in "foreign financial assets" on IRS Form 8938. An interest in the Company constitutes a foreign financial asset for these purposes. Persons who are required to report foreign financial assets and fail to do so may be subject to substantial penalties. Potential Shareholders are urged to consult with their own tax advisers regarding the foreign financial asset reporting obligations and their application to an investment in Ordinary Shares.

Payment of dividends and sales proceeds that are made within the United States or through certain U.S.- related financial intermediaries generally are subject to information reporting and to backup withholding unless the U.S. Holder is a corporation or other exempt recipient or, in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that no loss of exemption from backup withholding has occurred. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle such U.S. Holder to a refund, provided that the required information is furnished to the IRS.

Under certain circumstances, the Company or its paying agent may be required, pursuant to the Foreign Account Tax Compliance Act and the regulations promulgated thereunder ("FATCA"), to withhold U.S. tax at a rate of



30% on all or a portion of payments of dividends or other corporate distributions to U.S. Holders which are treated as “foreign pass-thru payments” made on or after the later of January 1, 2019 or when final treasury regulations providing a definition of foreign pass-thru payments are published, if such payments are not in compliance with FATCA. The rules regarding FATCA and “foreign pass-thru payments,” including the treatment of proceeds from the disposition of the Ordinary Shares, are not completely clear, and further guidance is expected from the IRS that would clarify how FATCA might apply to dividends or other amounts paid on or with respect to the Ordinary Shares.

Non-U.S. Holders generally are not subject to information reporting or backup withholding with respect to dividends paid on Ordinary Shares, or the proceeds from the sale, exchange or other disposition of Ordinary Shares, provided that each such non-U.S. Holder certifies as to its foreign status on the applicable duly executed IRS Form W-8 or otherwise establishes an exemption.

*This summary is for general information only and it is not intended to be, nor should it be construed to be, legal advice to any prospective Shareholder. Further, this summary is not intended to constitute a complete analysis of all U.S. federal income tax consequences relating to Holders of their acquisition, ownership and disposition of the Ordinary Shares. Accordingly, holders of the Ordinary Shares should (where relevant) read the sections “British Virgin Islands taxation” and “United Kingdom taxation” above and should consult their own tax advisers about the U.S. federal, state, local and non-U.S. consequences of the acquisition, ownership and disposition of the Ordinary Shares.*

## PART X

### ADDITIONAL INFORMATION

#### 1. Responsibility

The Directors, whose names appear on page 39, and the Company accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company (who have each taken all reasonable care to ensure that such is the case), the information contained in this Document is in accordance with the facts and contains no omission likely to affect its import.

#### 2. The Company

- 2.1 The Company was incorporated with limited liability under the laws of the British Virgin Islands under the BVI Companies Act on 20 January 2017, with number 1935255, under the name Ocelot Partners Limited.
- 2.2 On 28 March 2018, the Company changed its name to Ocean Outdoor Limited.
- 2.3 The Company is not regulated by the British Virgin Islands Financial Services Commission or the FCA or any financial services or other regulator. With effect from Readmission the Company will be subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the U.K. Listing Authority), to the extent such rules apply to companies with a Standard Listing.
- 2.4 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been created, is the BVI Companies Act.
- 2.5 The Company's registered office is Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands. The Company's telephone number is +1 284 852 3000.
- 2.6 As at the date of this Document, the latest practicable date prior to publication of this Document, the Company had the following significant subsidiaries:

<u>Name</u>	<u>Country of incorporation</u>	<u>Proportion of ownership interests</u>
Ocelot Jersey Topco Limited (formerly Ocelot Partners Bidco Limited) .....	Jersey	100%
SCP Acquisition Topco Limited .....	England and Wales	100%
SCP Acquisition Midco Limited .....	England and Wales	100%
SCP Acquisition Bidco Limited .....	England and Wales	100%
Ocean Topco Limited .....	England and Wales	100%
Ocean Bidco Limited .....	England and Wales	100%
Ocean Outdoor UK Limited .....	England and Wales	100%
Signature Outdoor Limited .....	England and Wales	100%
MediaCo Outdoor Limited .....	England and Wales	100%
Forrest Media (Holdings) Limited (formerly Forrest Group Limited) .....	Scotland	100%
Forrest Media Limited .....	Scotland	100%
Forrest Media Outdoor Limited .....	Scotland	100%
Forrest Brands Limited .....	Scotland	68%

#### 3. Share Capital

- 3.1 The following table shows the issued and fully paid shares of the Company at the date of this Document:

<u>Class of Share up</u>	<u>Issued and credited as fully paid</u>	
	<u>Number</u>	<u>Amount paid up</u>
Ordinary .....	53,920,844	\$539,208,440
Founder Preferred Shares .....	700,000	\$ 7,350,000

- 3.2 Prior to the date of this Document:

- (a) On 20 January 2017, the Company issued 147,000 Founder Preferred Shares to Mr. Barron.
- (b) On 13 March 2017, the Company issued 41,790,000 Ordinary Shares and 553,000 Founder Preferred Shares in connection with the 2017 Placing and the subscription by the Founder Entities for the Founder Preferred Shares.

- (c) On 27 March 2018, the Company issued 11,104,484 Ordinary Shares pursuant to the exercise of Warrants.
  - (d) On 28 March 2018, the Company issued 875,844 Ordinary Shares to certain members of management in connection with the Ocean Transaction.
  - (e) On 27 April 2018, the Company issued an additional 66,666 Ordinary Shares.
  - (f) On 4 June 2018, the Company issued an additional 59,850 Ordinary Shares to the Forrest Sellers in connection with the Forrest Transaction.
  - (g) On 3 December 2018, the Company issued an additional 24,000 Ordinary Shares in aggregate to the Independent Non-Executive Directors (other than Ms. Desai and Mr. Miller) pursuant to the terms of their letters of appointment.
- 3.3 Pursuant to a resolution passed on 7 March 2017, it was resolved that all pre-emption rights in the Articles (whether to issue equity securities or sell them from treasury) be disapplied (i) for the purposes of, or in connection with, the 2017 Placing; (ii) in relation to, in connection with or resulting from, an Acquisition or in connection with or resulting from the restructuring of any debt or other financial obligation relating to the Acquisition (whether assumed or entered into by the Company or owed or guaranteed by any company or entity acquired), and whether in either such case such issue of shares occurs before or after the Acquisition has occurred; (iii) for the purposes of or in connection with the issue of Ordinary Shares pursuant to any exercise of any Warrant; (iv) generally for such purposes as the Directors may think fit, an aggregate amount not exceeding one-third of the aggregate value of Ordinary Shares in issue (as at the close of the first Business Day following Admission); (v) for the purposes of the issue of securities offered (by way of a rights issue, open offer or otherwise) to existing holders of Ordinary Shares, in proportion (as nearly as may be) to their existing holdings of Ordinary Shares up to an amount equal to one-third of the aggregate value of the Ordinary Shares in issue as at the close of the first Business Day following Admission but subject to the Directors having a right to make such exclusions or other arrangements in connection with the offering as they deem necessary or expedient: (A) to deal with equity securities representing fractional entitlements and (B) to deal with legal or practical problems in the laws of any territory, or the requirements of any regulatory body; (vi) for the purposes of the issue of Ordinary Shares as may be necessary for the purposes of, or in connection with, satisfying the rights of holders of Founder Preferred Shares issued by the Company (as more particularly described in paragraph 4.3 below); (vii) for the purposes of the issue of equity securities to Non-Founder Directors pursuant to their letters of appointment; and (viii) for the purposes of or in connection with the issue of Ordinary Shares pursuant to the exercise of the Initial Director Options, on the basis that the authorities in (iv) and (v) above shall expire at the conclusion of the next annual general meeting of the Company after the passing of the resolution, save that the Company shall be entitled to make an offer or agreement which would or might require equity securities to be issued pursuant to (iv) to (v) above (inclusive) before the expiry of its power to do so, and the Directors shall be entitled to issue or sell from treasury the equity securities pursuant to any such offer or agreement after that expiry date and provided further that the Directors may sell, as they think fit, any equity securities from treasury.
- 3.4 Save as disclosed in this Document:
- (a) no share or loan capital of the Company has been issued or is proposed to be issued;
  - (b) no person has any preferential subscription rights for any shares of the Company;
  - (c) no share or loan capital of the Company is currently under option or agreed conditionally or unconditionally to be put under option; and
  - (d) no commissions, discounts, brokerages or other special terms have been granted by the Company since its incorporation in connection with the issue or sale of any share or loan capital of the Company.
- 3.5 The Ordinary Shares will be listed on the Official List and will be traded on the main market of the London Stock Exchange. The Ordinary Shares are not listed or traded on, and no application has been or is being made for the admission of the Ordinary Shares to listing or trading on any other stock exchange or securities market.
- 4. Memorandum and Articles of Association of the Company**
- 4.1 The Memorandum of Association of the Company provides that the Company has, subject to the BVI Companies Act and any other British Virgin Islands legislation from time to time in force, irrespective of corporate benefit, full capacity to carry on or undertake any business or activity, do any act or enter into

any transaction and full rights, powers and privileges for these purposes. For the purposes of Section 9(4) of the BVI Companies Act, there are no limitations on the business that the Company may carry on.

- 4.2 Set out below is a summary of the provisions of the Memorandum and Articles of Association of the Company. A copy of the Memorandum and Articles is available for inspection at the address specified in paragraph 22 of this Part X.

(a) Variation of Rights

The rights attached to any class of shares may only, whether or not the Company is being wound up, be varied in such a manner which the Directors in their discretion determine may have a material adverse effect on such rights, with the consent in writing of the holders of not less than 50 (fifty) per cent. of the issued shares of that class or by the holders of not less than 50 (fifty) per cent. of the votes cast by eligible holders of the issued shares of that class at a separate meeting of the holders of that class. Notwithstanding the foregoing, the Directors may make such variation to the rights of any class of shares that they, in their absolute discretion (acting in good faith) determine to be necessary or desirable in connection with or resulting from an Acquisition (including at any time after the Acquisition has been made).

For the purposes of any consent required as specified in the preceding paragraph, the Directors may treat one or more classes of shares as forming one class if they consider that any proposed variation of the rights attached to each such class of shares would affect each such class in materially the same manner.

The rights conferred upon the holders of any shares or of any class issued with preferred, deferred or other rights shall not (unless otherwise expressly provided by the terms of issue) be deemed to be varied by the creation of or issue of further shares ranking *pari passu* therewith (excluding for these purposes, the date from which such new shares will rank for dividends), or in the case of the Founder Preferred Shares (for the avoidance of doubt) the creation or issue of Ordinary Shares, the exercise of any power under the disclosure provisions requiring members to disclose an interest in shares as set out in the Articles, the reduction of capital on such shares or by the purchase or redemption by the Company of its own shares or the sale into treasury. There are no express provisions under the BVI Companies Act relating to variation of rights of shareholders.

(b) Depositary Interests and uncertificated shares

The Directors shall, subject always to any applicable laws and regulations and the facilities and requirements of any relevant system concerned and the Articles, have power to implement and/or approve any arrangement they may think fit in relation to the evidencing of title to and transfer of interest in shares in the capital of the Company in the form of depositary interests or similar interests, instruments or securities. The Board may permit shares (or interests in shares) to be held in uncertificated form and to be transferred by means of a relevant system of holding and transferring shares (or interests in shares) in uncertificated form in such manner as they may determine from time to time.

(c) Squeeze-Out Provisions

Section 176 of the BVI Companies Act (ability of the shareholders holding 90 per cent. of the votes of the outstanding shares or class of outstanding shares to require the Company to redeem the shares held by the remaining members) which may be disappplied by the memorandum or articles of association of a company, shall not apply to the Company.

(d) Pre-emption Rights

- (i) Section 46 of the BVI Companies Act (statutory pre-emptive rights), which may be opted into by the memorandum or articles of association of a company, does not apply to the Company.
- (ii) Subject to the exceptions noted below, the Company shall not following Admission issue any equity securities (and shall not sell any of them from treasury) to a person on any terms unless:
  - (A) it has made a written offer in accordance with the Articles to each holder of equity securities of that class (other than the Company itself by virtue of it holding treasury shares) to issue to him on the same or more favourable terms a proportion of those equity securities which is as nearly as practicable equal to the proportion in value held by the holders of the relevant class(es) of equity securities then in issue; and

- (B) the period during which any such offer may be accepted by the relevant current holders has expired or the Company has received a notice of the acceptance or refusal of every offer so made from such holders.
  - (iii) Equity securities that the Company has offered to issue to a holder of equity securities in accordance with paragraph (d)(ii)(A) and (B) above may be issued to him, or anyone in whose favour he has renounced his right to their issue, without contravening the above pre-emption rights.
  - (iv) Where equity securities are held by two or more persons jointly, an offer pursuant to the above pre-emption rights may be made to the joint holder first named in the register of members in respect of those equity securities.
  - (v) In the case of a holder's death or bankruptcy, the offer must be made:
    - (A) to the persons claiming to be entitled to the equity securities in consequence of the death or bankruptcy, at an address supplied, in accordance with the Articles; or
    - (B) until any such address has been so supplied giving the notice in any manner in which it would have been given if the death or bankruptcy has not occurred.
  - (vi) The above pre-emption rights shall not apply in relation to the issue of bonus shares, equity securities in the Company if they are, or are to be, wholly or partly paid up otherwise than in cash, and equity securities in the Company which would apart from any renunciation or assignment of the right to their issue, be held under an employee share scheme.
  - (vii) Equity securities held by the Company as treasury shares are disregarded for the purpose of the pre-emption rights so that the Company is not treated as a person who holds equity securities and equity securities held as treasury shares are not treated as forming the issued shares of the Company.
  - (viii) The Directors may be given by virtue of a Special Resolution of Members the power to issue or sell from treasury equity securities and, on the passing of such resolution, the Directors shall have the power to issue or sell from treasury pursuant to that authority, equity securities wholly for cash as if the pre-emption rights above do not apply to the issue or sale from treasury.
- (e) Shareholder Meetings
- The Company shall hold the first annual general meeting within a period of 18 months following the date of the Acquisition. Not more than 15 months shall elapse between the date of one annual general meeting and the date of the next, unless the members pass a resolution in accordance with the Articles waiving or extending such requirement.
- Any Director may convene an annual general meeting or other meeting of members at such times and in such manner and places within or outside the British Virgin Islands as the Directors consider necessary or desirable. The Directors shall convene a meeting of members upon the written request of members entitled to exercise 30 (thirty) per cent. or more of the voting rights in respect of the matter for which the meeting is requested.
- The Director convening a meeting shall give not less than 10 calendar days' written notice of a meeting to those members who are entitled to vote at the meeting and the other Directors. A meeting of members may be called by shorter notice if members holding at least 90 (ninety) per cent. of the total voting rights on all the matters to be considered at the meeting have waived notice of the meeting. The inadvertent failure to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive such notice shall not invalidate the proceedings at the meeting.
- (f) Votes of Members
- Holders of Ordinary Shares and Founder Preferred Shares will have the right to receive notice of and to attend and vote at any meetings of members except in relation to any Resolution of Members that the Directors, in their absolute discretion (acting in good faith) determine is: (i) necessary or desirable in connection with a merger or consolidation in relation to, in connection with or resulting from the Acquisition (including at any time after the Acquisition has been made); or (ii) to approve

matters in relation to, in connection with or resulting from the Acquisition (whether before or after the Acquisition has been made). Each holder of shares being present in person or by proxy at a meeting will, upon a show of hands, have one vote and upon a poll each such holder of shares present in person or by proxy will have one vote for each share held by him.

In the case of joint holders of a share, if two or more persons hold shares jointly each of them may be present in person or by proxy at a meeting of members and may speak as a member, and if one or more joint holders are present at a meeting of members, in person or by proxy, they must vote as one.

(g) Restrictions on Voting

No member shall, if the Directors so determine, be entitled in respect of any share held by him to attend or vote (either personally or by proxy) at any meeting of members or separate class meeting of the Company or to exercise any other right conferred by membership in relation to any such meeting if he or any other person appearing to be interested in such shares has failed to comply with a notice requiring the disclosure of shareholder interests and given in accordance with the Articles as described in sub-paragraph (i) below within 7 calendar days, in a case where the shares in question represent at least 0.25 per cent. of their class, or within 14 days, in any other case, from the date of such notice. These restrictions will continue until the information required by the notice is supplied to the Company or until the shares in question are transferred or sold in circumstances specified for this purpose in the Articles.

(h) Share Rights

(i) Pursuant to the Memorandum of Association (which, subject to the Articles, may be amended by a Resolution of Members):

(A) the Company is authorised to issue an unlimited number of shares each of no par value which may be either Ordinary Shares or Founder Preferred Shares.

(B) Ordinary Shares confer upon the holders (in accordance with the Articles):

(a) the rights in a winding-up (in accordance with the provision of the Articles) as specified in sub-paragraph (y) below;

(b) the right, together with the holders of the Founder Preferred Shares, to receive all amounts available for distribution and from time to time to be distributed by way of dividend or otherwise at such time as the Directors shall determine, pro rata to the number of fully paid up shares held by the holder, as if the Ordinary Shares and Founder Preferred Shares constituted one class of share and as if for such purpose the Founder Preferred Shares had been converted into Ordinary Shares immediately prior to such distribution (for the avoidance of doubt, after taking into account any adjustment referred to in paragraph 4.3 below) plus; and

(c) the right to receive notice of, attend and vote as a member at any meeting of members except in relation to any Resolution of Members that the Directors, in their absolute discretion (acting in good faith) determine is: (i) necessary or desirable in connection with a merger or consolidation in relation to, in connection with or resulting from the Acquisition (including at any time after the Acquisition has been made); or (ii) to approve matters in relation to, in connection with or resulting from the Acquisition (whether before or after the Acquisition has been made).

(C) Founder Preferred Shares confer upon the holders (in accordance with the Articles) the rights as specified in paragraph 4.3 of this Part VIII and as otherwise described in this paragraph 4.2.

(ii) Subject to the provisions of the BVI Companies Act and the Articles and without prejudice to any rights attaching to any existing shares, any share in the Company may be issued to such persons, for such consideration and on such terms as the Directors may determine.

(iii) The Company shall issue registered shares only. The Company is not authorised to issue bearer shares, convert registered shares to bearer shares or exchange registered shares for bearer shares.



- (iv) The Company may exercise the powers of paying commissions and in such an amount or at such a percentage rate as the Directors may determine. Subject to the provisions of the BVI Companies Act, any such commission may be satisfied by the payment of cash or by the issue of fully or partly paid shares or partly in one way and partly in another. The Company may also on issue of shares pay such brokerage as may be lawful.

Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by the Articles or by law) the Company shall not be bound by or recognise (even when having notice thereof) any interest in any share other than an absolute right of the registered holder to the entirety of the share or fraction thereof.

- (i) Notice requiring disclosure of interest in shares

The Company may, by notice in writing, require a person whom the Company knows to be, or has reasonable cause to believe is, interested in any shares or at any time during the three years immediately preceding the date on which the notice is issued to have been interested in any shares, to confirm that fact or (as the case may be) to indicate whether or not this is the case and to give such further information as may be required in accordance with the Articles. Such information may include, without limitation: particulars of the person's status (including whether such person constitutes or is acting on behalf of or for the benefit of a Plan (as defined in the Articles) or is a U.S. Person), domicile, nationality and residency; particulars of the person's own past or present interest in any shares (and the nature of such interest); the identity of any other person who has a present interest in the shares held by him; where the interest is a present interest and any other interest, in any shares, subsisted during that three year period at any time when his own interest subsisted to give (so far as is within his knowledge) such particulars with respect to that other interest as may be required by the notice; and where a person's interest is a past interest, (so far as is within his knowledge) like particulars for the person who held that interest immediately upon his ceasing to hold it.

If any member is in default in supplying to the Company the information required by the Company within the prescribed period (which is 14 days after service of the notice, in a case where, the shares concerned represent 0.25 per cent. or more of the issued shares of the relevant class or 7 days, in any other case, or such other reasonable period as the Directors may determine), the Directors in their absolute discretion may serve a direction notice on the member or (subject to the rules of any relevant system, the Listing Rules and the requirements of the U.K. Listing Authority and the London Stock Exchange) take such action as is referred to in sub-paragraph (l) below.

- (j) Untraced shareholders

The Company may sell the share of a Shareholder or of a person entitled by transmission at the best price reasonably obtainable at the time of sale, if:

- (i) during a period of not less than 12 years before the date of publication of the advertisements referred to in sub-paragraph (j)(iii) at least three cash dividends have become payable in respect of the share;
- (ii) throughout such period no cheque payable on the share has been presented by the holder of, or the person entitled by transmission to, the share to the paying bank of the relevant cheque, no payment made by the Company by any other means permitted by the Articles has been claimed or accepted and, so far as any Director is aware, the Company has not at any time during such period received any communication from the holder of, or person entitled by transmission to, the share;
- (iii) on expiry of such period the Company has given notice of its intention to sell the share by advertisement in accordance with the Articles; and
- (iv) the Company has not, so far as the Board is aware, during a further period of three months after the date of the advertisements referred to in sub-paragraph (j)(iii) and before the exercise of the power of sale received a communication from the holder of, or person entitled by transmission to, the share.

Where a power of sale is exercisable over a share, the Company may at the same time also sell any additional share issued in right of such share or in right of such an additional share previously so issued provided that the requirements of sub-paragraphs (j)(ii) to (iv) have been satisfied in relation



to the additional share (except that the period of not less than 12 years shall not apply in respect of such additional share).

To give effect to a sale, the Board may authorise a person to transfer the share in the name and on behalf of the holder of, or person entitled by transmission to, the share, or to cause the transfer of such share, to the purchaser or his nominee.

The Company shall be indebted to the Shareholder or other person entitled by transmission to the share for the net proceeds of sale and shall carry any amount received on sale to a separate account. Any amount carried to the separate account may either be employed in the business of the Company or invested as the Board may think fit. No interest is payable on that amount and the Company is not required to account for money earned on it.

(k) Transfer of shares

Subject to the BVI Companies Act and the terms of the Articles, any member may transfer all or any of his certificated shares by an instrument of transfer in any usual form or in any other form which the Directors may approve. The Directors may accept such evidence of title of the transfer of shares (or interests in shares) held in uncertificated form (including in the form of depositary interests or similar interests, instruments or securities) as they shall in their discretion determine. The Directors may permit such shares or interests in shares held in uncertificated form to be transferred by means of a relevant system of holding and transferring shares (or interests in shares) in uncertificated form. No transfer of shares will be registered if, in the reasonable determination of the Directors, the transferee is or may be a Prohibited Person, or is or may be holding such shares on behalf of a beneficial owner who is or may be a Prohibited Person. The Directors shall have power to implement and/or approve any arrangements they may, in their discretion, think fit in relation to the evidencing of title to and transfer of interests in shares in the Company in uncertificated form (including in the form of depositary interests or similar interests, instruments or securities).

(l) Compulsory transfer of shares

The Directors may require (to the extent permitted by the rules of any Relevant System where applicable) the transfer by lawful sale, by gift or otherwise as permitted by law of any shares that, in the reasonable determination of the Directors, are or may be held or beneficially owned by a Prohibited Person to a person who is not a Prohibited Person qualified under the Articles to hold the shares. In the event that the member cannot locate a qualified purchaser within such reasonable time as the Directors may determine then the Company may locate an eligible purchaser. If no purchaser is found by the selling member or the Company before the time the Company requires the transfer to be made then the member shall be obligated to sell the shares at the highest price that any purchaser has offered and the Company shall have no obligation to the member to find the best price for the relevant shares. The Directors may, from time to time, require of a member that such evidence be furnished to them or any other person in connection with the foregoing matters as they shall in their discretion deem sufficient.

Members who do not comply with the terms of any compulsory transfer notice shall forfeit or be deemed to have forfeited their shares immediately. The Directors, the Company and the duly authorised agents of the Company, including, without limitation, the Registrar, shall not be liable to any member or otherwise for any loss incurred by the Company as a result of any Prohibited Person breaching the compulsory transfer restrictions referred to herein and any member who breaches such restrictions is required under the Articles to indemnify the Company for any loss to the Company caused by such breach.

The Directors may at any time and from time to time call upon any member by notice to provide them with such information and evidence as they shall reasonably require in relation to such member or beneficial owner which relates to or is connected with their holding of or interest in shares in the Company. In the event of any failure of the relevant member to comply with the request contained in such notice within a reasonable time as determined by the Directors in their discretion, the Directors may proceed to avail themselves of the rights conferred on them under the Articles as though the relevant member were a Prohibited Person.

(m) Alteration and redemption of shares

The Company may, subject to the provisions of the BVI Companies Act (including satisfaction of the solvency test pursuant to Section 56 of the BVI Companies Act), purchase, redeem or otherwise

acquire its own shares (with the consent of the member whose shares are to be purchased, redeemed or otherwise acquired) and may hold such shares as treasury shares.

Sections 60, 61 and 62 of the BVI Companies Act (statutory procedure for a company purchasing, redeeming or acquiring its own shares), which may be disapplied by a company's memorandum or articles of association, shall not apply to the Company.

Subject to the BVI Companies Act, where the Directors consider it necessary or desirable to undertake any of the following actions, (i) pursuant to a Resolution of Directors obtained at any time where such action is in relation to, or in connection with or resulting from an Acquisition, or (ii) by a Resolution of Members obtained at any time, the Company may: consolidate and divide all or any of its shares into a smaller number than its existing shares; sub-divide its shares, or any of them, into shares of a larger number so, however, that in such sub-division the proportion between the amount paid and the amount (if any) unpaid on each reduced share shall be the same as in the case of the share from which the reduced share is derived; cancel any shares which at the date of the passing of the resolution have not been taken up or agreed to be taken up by any person; convert all or any of its shares denominated in a particular currency or former currency into shares denominated in a different currency, the conversion being effected at the rate of exchange (calculated to not less than three significant figures) current on the date of the resolution or on such other dates as may be specified therein; where its shares are expressed in a particular currency or former currency, denominate or redenominate those shares, whether by expressing the amount in units or subdivisions of that currency or former currency or otherwise; and reduce any of the Company's reserve accounts (including any share premium amount) in any manner.

(n) Interests of Directors

- (i) A Director shall, forthwith after becoming aware of the fact that he is interested in a transaction entered into or to be entered into by the Company, disclose the interest to all other Directors. A disclosure to all other Directors to the effect that a Director is to be regarded as interested in any transaction which may, after the date of the entry or disclosure, be entered into, is a sufficient disclosure of interest in relation to that transaction, and any such Director may:
  - (A) vote on a matter relating to the transaction;
  - (B) attend a meeting of Directors at which a matter relating to the transaction arises and be included among the Directors present at the meeting for the purposes of a quorum; and
  - (C) sign a document on behalf of the Company, or do any other thing in his capacity as a Director, that relates to the transaction, and such Director shall not, by reason of his office be accountable to the Company for any benefit which he derives from such transaction and no such transaction shall be liable to be avoided on the grounds of any such interest or benefit.

(o) Remuneration and Appointment of Directors

- (i) The Directors shall be remunerated for their services at such rate as the Directors shall determine. In addition, all of the Directors shall be entitled to be paid all reasonable out-of-pocket expenses properly incurred by them in attending meetings of members or class meetings, board or committee meetings or otherwise in connection with the discharge of their duties.
- (ii) The minimum number of Directors shall be one and there shall be no maximum number of Directors.
- (iii) Subject to the BVI Companies Act and the Articles, the Directors shall have power at any time, and from time to time, without sanction of the members, to appoint any person to be a Director, either to fill a casual vacancy or as an additional Director. Subject to the BVI Companies Act and the Articles, the members may by a Resolution of Members appoint any person as a Director and remove any person from office as a Director.
- (iv) Following Admission, each of the Founders shall for so long as he or one or more of his or its Founder Entity, affiliates or permitted transferees in aggregate hold: (a) 20 per cent. or more of the Founder Preferred Shares in issue, such Founder (or if he elects, a single specified

Founder Entity, affiliate or permitted transferee) shall be entitled to nominate one person as a director of the Company; and (b) 50 per cent. or more of the Founder Preferred Shares in issue, such Founder (or if he elects, a single specified Founder Entity, affiliate or permitted transferee) shall be entitled from time to time to nominate up to two persons each as a director of the Company, and the Directors shall appoint such persons. In the event such Founder (or his electee) notifies the Company to remove any Director nominated by him the other Directors shall remove such Director, and in the event of such a removal the relevant holder shall have the right to nominate a Director to fill such vacancy.

- (v) In the event a Founder or one or more of his or its Founder Entity, affiliates or permitted transferees ceases to be a holder of Founder Preferred Shares or holds less than 20 per cent. Or 50 per cent., as applicable, of the Founder Preferred Shares in issue, such Founder or his electee (as referred to above) shall no longer be entitled to nominate a person, or two persons, as applicable, as a director of the Company and the holders of a majority of the Founder Preferred Shares in issue (including any Founder or his or its Founder Entity, affiliates or permitted transferees continuing to hold Founder Preferred Shares) shall be entitled to exercise that Founder's or his electee's former rights to appoint a director instead (which shall include being entitled to request the removal of that Founder's or his electee's appointee(s)).
- (vi) The Directors may from time to time appoint one or more of their body to the office of managing director or to any other office for such term and at such remuneration and upon such terms as they determine.
- (p) Retirement, Disqualification and Removal of Directors
  - (i) A Director is not required to hold a share as a qualification to office.
  - (ii) The office of Director shall be vacated if the Director resigns his office by written notice, if he shall have absented himself from meetings of the Board for a consecutive period of 12 months and the Board resolves that his office shall be vacated, if he ceases to be a Director by virtue of any provision of law or becomes prohibited by law from or is disqualified from being a Director, if he becomes of unsound mind or incapable, if he becomes bankrupt or makes any arrangement or composition with his creditors generally or otherwise has any judgment executed on any of his assets, if he is requested to resign by written notice signed by all his co-Directors (in the case of there being more than two Directors), or he is removed by a Resolution of Members passed at a meeting of members called for the purposes of removing the Director or for purposes including the removal of the Director.
- (q) Proceedings of Directors
  - (i) Subject to the provisions of the Articles, the Directors may regulate their proceedings as they think fit. A Director may, and the secretary at the request of a Director shall, call a meeting of the Directors. Questions arising at a meeting shall be decided by a majority of votes and in the case of an equality of votes the chairman shall have a second or casting vote.
  - (ii) The quorum for the transaction of the business of the Directors shall be two except where otherwise decided by the Directors, or where the number of Directors has been fixed at not less than one pursuant to these Articles or where there is a sole Director, in which case the quorum shall be one.
- (r) Alternate Directors
  - (i) Any Director (other than an alternate director) may appoint any other Director or any other person to be an alternate director to attend and vote in his place at any meeting of the Directors or to undertake and perform such duties and functions and to exercise such rights as he would personally.
- (s) Distributions
  - (i) Founder Preferred Shares confer upon the holders (in accordance with the Articles) the rights specified in paragraph 4.3 of this Part VIII.
  - (ii) The Directors may, by a Resolution of Directors, authorise a distribution if they are satisfied, on reasonable grounds, that, immediately after the distribution, the value of the Company's assets will exceed its liabilities and the Company will be able to pay its debts as they fall due.

- (iii) All dividends or other distributions shall be declared and paid only in respect of fully paid up shares (or those credited as fully paid up) and the holder of any share or shares not fully paid up (or not credited as fully paid up) as at the date such dividend is declared or such distribution is authorised shall not be entitled to such dividend or distribution. For the purposes of calculating each holder's pro rata share of any dividend or distribution paid, reference shall only be had to fully paid up shares (as at the date the dividend is declared or the distribution authorised) of the class or classes to which the dividend or distribution relates. If any share is issued on terms providing that it shall rank for dividend or other distributions as from a particular date, that share shall rank for dividend or other distribution accordingly.
- (iv) Any Resolution of Directors declaring a dividend or a distribution on a share may specify that the same shall be payable to the person registered as the holders of the shares at the close of business on a particular date notwithstanding that it may be a date prior to that on which the resolution is passed and thereupon the dividend or distribution shall be payable to such persons in accordance with their respective holdings so registered, but without prejudice to the rights inter se in respect of such dividend or distribution of transferors and transferees of any such shares.
- (v) A Resolution of Directors declaring a dividend or other distribution may direct that it shall be satisfied wholly or partly by the distribution of assets, may authorise the issue of fractional certificates, may fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees.
- (vi) The Directors may deduct from any dividend or other distribution, or other moneys, payable to any member on or in respect of a share, all sums of money (if any) presently payable by him to the Company on account of calls or otherwise in relation to the shares of the Company.
- (vii) All unclaimed dividends or other distributions may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed and the Company shall not be constituted a trustee thereof. All dividends unclaimed for 3 years may be forfeited by a Resolution of Directors for the benefit of the Company and shall cease to remain owing by the Company. No dividend or other distribution or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.
- (viii) The Directors are empowered to create reserves before recommending or declaring any dividend. The Directors may also carry forward any profits which they think prudent not to divide.
- (t) Disposition of assets  

Section 175 of the BVI Companies Act (any disposition of more than fifty per cent. in value of the assets of a company (other than a transfer of assets in trust to one or more trustees pursuant to Section 28(3) of the BVI Companies Act) if not made in the usual or regular course of the business carried out by the company, requiring approval by a Resolution of Members) which may be disappplied by the memorandum or articles of a company, shall not apply to the Company.
- (u) Continuation  

The Company may by Resolution of Directors or Resolution of Members continue as a company incorporated under the laws of a jurisdiction outside the British Virgin Islands in the manner provided under those laws.
- (v) Merger and Consolidation  

The Company may, with the approval of a Resolution of Members (on which, provided the Directors, in their discretion (acting in good faith) consider such action to be necessary or desirable in relation to, in connection with or resulting from the Acquisition (including at any time after the Acquisition has been made), the Directors may determine that only the holders of Founder Preferred Shares are entitled to vote), merge or consolidate with one or more other BVI or foreign companies. A Resolution of Members shall not be required in relation to a merger of a "parent company" with one or more "subsidiary companies", each as defined in the BVI Companies Act.

(w) Acquisition

Notwithstanding anything to the contrary in the Articles, but subject to compliance with BVI law, any matters that the Directors determine, in their absolute discretion (acting in good faith) to be necessary or desirable in relation to, in connection with or resulting from, the Acquisition (whether before or after the Acquisition has occurred) may be approved by a Resolution of Directors or, to the extent a resolution of Members is required pursuant to BVI law, upon the approval of a Resolution of Members (on which only the holders of Founder Preferred Shares shall be entitled to vote).

(x) Winding-Up

The Directors may by a Resolution of Directors at any time approve the winding-up of the Company to occur at any time after an Acquisition has been completed and when the Directors reasonably conclude that the Company is or will become a Dormant Company (as defined in the Articles). If any proposal to wind-up the Company is approved by such Resolution of Members, the Company shall proceed to be wound-up. Save as described in this sub-paragraph (x), a Special Resolution of Members is required to approve the voluntary winding-up of the Company. The Company may at all times by Resolution of Members appoint a voluntary liquidator.

(y) Return of Capital on a Winding-up

(i) Subject to the BVI Companies Act, on a winding-up of the Company the assets of the Company available for distribution shall be distributed, provided there are sufficient assets available, to the holders of Ordinary Shares and Founder Preferred Shares pro rata to the number of such fully paid up shares held by each holder relative to the total number of issued and fully paid up Ordinary Shares as if such fully paid up Founder Preferred Shares had been converted into Ordinary Shares immediately prior to the winding-up (for the avoidance of doubt, after taking account of any enhancement of rights referred to in paragraph 4.3 below).

(ii) The Company may at all times by a Resolution of Members appoint a voluntary liquidator.

(z) Borrowing Powers

The Directors may exercise all the powers of the Company to borrow or raise money and secure any debt or obligation of or binding on the Company in any manner including by the issue of debentures (perpetual or otherwise) and to secure the repayment of any money borrowed raised or owing by mortgage charge pledge or lien upon the whole or any part of the Company's undertaking property or assets (whether present or future) and also by a similar mortgage charge pledge or lien to secure and guarantee the performance of any obligation or liability undertaken by the Company or any third party.

(aa) Indemnification

The Company may indemnify against all expenses, including legal fees, and against all judgments, fines and amounts paid in settlement and reasonably incurred in connection with legal, administrative or investigative proceedings, any person who is or was a party or is threatened to be made a party to any threatened, pending or completed proceedings, whether civil, criminal, administrative or investigative, by reason of the fact that the person is or was a Director or is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise. This indemnity only applies if the person acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the person had no reasonable cause to believe that their conduct was unlawful.

The Company may purchase and maintain insurance in relation to any person who is or was a Director, officer or liquidator of the Company, or who at the request of the Company is or was serving as a director, officer or liquidator of, or in any other capacity is or was acting for, another company or a partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in that capacity, whether or not the Company has or would have had the power to indemnify the person against the liability as provided in the Articles.

(bb) Amendment of Memorandum and Articles

The Directors may, at any time (including after an Acquisition), amend the Memorandum or the Articles where the Directors determine, in their absolute discretion (acting in good faith), by a



Resolution of Directors that such changes are necessary or desirable in connection with or resulting from an Acquisition, unless in each case the Directors determine that such change would have a materially adverse effect on the rights attaching to any class of shares, in which case approval by the holders of each class of shares will be necessary.

#### **4.3 *Enhanced Rights of Founder Preferred Shares***

The Founder Preferred Shares confer upon the holder enhanced rights as set out below.

On Admission, the Founder Preferred Shares were divided into eight equal tranches, pro rata to the number of Founder Preferred Shares held by each holder. The Founder Preferred Shares automatically convert into Ordinary Shares on a one-for-one basis (subject to adjustment in accordance with the Articles in eight equal tranches on the last day of the financial year in which the Acquisition was completed and on the last day of each of the following seven full financial years of the Company following completion of the Acquisition (or if any such date is not a Trading Day, the first Trading Day immediately following such date) with the final tranche converting on the last day of the seventh full financial year following completion of the Acquisition. In addition, the Founder Preferred Shares may convert into additional Ordinary Shares at the end of each such financial year following completion of the Acquisition depending on whether any Additional Annual Enhancement or Ordinary Share Dividend Enhancement is applicable in any particular Enhancement Year.

On each Enhancement Date, the rights which are comprised in one such tranche (the “Enhanced Tranche”) shall be enhanced (by increasing the holders of the Enhanced Tranche’s proportionate entitlement to (a) any assets of the Company which are distributed to members on a winding up of the Company; and (b) any amounts which are distributed by way of dividend or otherwise) if and to the extent necessary, to ensure that on such Enhancement Date, the Enhanced Tranche has a market value which is at least equal to the market value of the Relevant Number of Ordinary Shares at such time (which for these purposes shall be determined in accordance with sub-section (1) of section 421 of the United Kingdom Income Tax (Earnings and Pensions) Act 2003. So far as possible, any such enhancement shall be divided between the holders of the Enhanced Tranche pro rata to the number of Founder Preferred Shares which are held by them and comprised in the Enhanced Tranche.

As at each Enhancement Date, the Relevant Number of Ordinary Shares means:

- (a) a number of Ordinary Shares equal to the aggregate number of Founder Preferred Shares comprised in the Enhanced Tranche (subject to adjustment in accordance with the Articles); plus
- (b) if the conditions for the Additional Annual Enhancement have been met, such number of Ordinary Shares as is equal to the Additional Annual Enhancement Amount divided by the Additional Annual Enhancement Price (any increase in the calculation of the Relevant Number of Ordinary Shares pursuant to this paragraph (b) being referred to as the “Additional Annual Enhancement”); plus
- (c) if any dividend or other distribution has been made to the holders of Ordinary Shares in the relevant Enhancement Year, such number of Ordinary Shares as is equal to the Ordinary Share Dividend Enhancement Amount at the Ordinary Share Dividend Payment Price (any increase in the calculation of the Relevant Number of Ordinary Shares pursuant to this paragraph (c) being referred to as the “Ordinary Share Dividend Enhancement”).

The conditions for the Additional Annual Enhancement referred to in paragraph (b) above are as follows:

- (i) no Additional Annual Enhancement will occur until such time as the Average Price per Ordinary Share for any ten consecutive Trading Days following Admission is at least \$11.50; and
- (ii) following the first Additional Annual Enhancement, no subsequent Additional Annual Enhancement will occur unless the Additional Annual Enhancement Price for the relevant Enhancement Year is greater than the highest Additional Annual Enhancement Price in any preceding Enhancement Year.

In the first Enhancement Year in which the Additional Annual Enhancement is eligible to occur, the Additional Annual Enhancement Amount will be equal to (i) 20 per cent. of the difference between \$10.00 and the Additional Annual Enhancement Price, multiplied by (ii) the number of Ordinary Shares outstanding immediately following the Acquisition including any Ordinary Shares issued pursuant to the exercise of Warrants but excluding any Ordinary Shares issued to shareholders or other beneficial owners of a company or business acquired pursuant to or in connection with the Acquisition (such number of Ordinary Shares being the “Preferred Share Enhancement Equivalent”).

In each subsequent Enhancement Year, the Additional Annual Enhancement Amount will be equal in value to 20 per cent. of the increase in the Additional Annual Enhancement Price over the highest Additional Annual Enhancement Price in any preceding Enhancement Year multiplied by the Preferred Share Enhancement Equivalent.

For the purposes of determining the Additional Annual Enhancement Amount, the Additional Annual Enhancement Price is the Average Price per Ordinary Share for the last 30 consecutive Trading Days in the relevant Enhancement Year (the “Enhancement Determination Period”).

For the purposes of the Ordinary Share Dividend Enhancement, the calculation of the Relevant Number of Ordinary Shares will be determined when the relevant dividend or distribution is declared on the Ordinary Shares but any conversion will take place only at the end of the relevant Enhancement Year on the relevant Enhancement Date.

The Founder Preferred Shares will participate in any dividends on the Ordinary Shares as if they had been converted on a one for one basis.

Pursuant to the Articles, the holders of Founder Preferred Shares have the right to appoint up to four directors to the Board. For so long as a Founder (or a Founder Entity together with their affiliates and permitted transferees) holds in aggregate: a) 20 per cent. or more of the Founder Preferred Shares in issue, such holder shall be entitled, from time to time, to nominate one person as a director of the Company; and b) 50 per cent. or more of the Founder Preferred Shares in issue, such Founder Preferred Shares in issue, such Founder (or his electee) shall be entitled, from time to time, to nominate up to two persons as a director of the Company and the Directors shall appoint such persons. On Admission, the Directors so nominated and appointed were Aryeh B. Bourkoff on behalf of LionTree and Andrew Barron. On Readmission, Mariposa Acquisition III, LLC and LionTree will each have an unexercised appointment right.

In the event a Founder (or his or its Founder Entity, affiliates or permitted transferees) ceases to be a holder of Founder Preferred Shares or holds less than 20 per cent. or 50 per cent., as applicable, of the Founder Preferred Shares in issue, such Founder or his electee (as referred to above) shall no longer be entitled to nominate a person, or two persons, as applicable, as a director of the Company and the holders of a majority of the Founder Preferred Shares in issue (including any Founder or his or its Founder Entity, affiliates or permitted transferees continuing to hold Founder Preferred Shares) shall be entitled to exercise that Founder’s or his electee’s former rights to appoint a director instead (which shall include being entitled to request the removal of that Founder’s or his electee’s appointee(s)).

It is the intention of the Founders not to exercise the appointment rights if the Company is not in compliance with the recommendation in the U.K Corporate Governance Code regarding the independence of the Board, or if exercising such rights would result in the Company ceasing to be in compliance with such recommendation.

A holder of Founder Preferred Shares may require at any time before the end of the Enhancement Period some or all of his Founder Preferred Shares to be converted into an equal number of Ordinary Shares (subject to adjustment in accordance with the Articles) by notice in writing to the Company, and in such circumstances those Founder Preferred Shares the subject of such conversion request shall be converted into Ordinary Shares five Trading Days after receipt by the Company of the written notice. In the event of a conversion at the request of the holder, all additional conversion rights with respect to such Founder Preferred Shares will lapse with effect from (and including) the date such written notice is received by the Company. If notice is given in respect of some but not all of the Founder Preferred Shares held by the holder, the portion of the tranche of Founder Preferred Shares to be converted in the Enhancement Year in which notice is received by the Company that is attributable to the holder will be reduced by the number of Founder Preferred Shares the subject of the notice. If that number exceeds the number of Founder Preferred Shares attributable to the holder in such tranche, the balance shall be applied in reducing the portion of Founder Preferred Shares attributable to such holder in subsequent tranches until the balance has been applied in full.

A holder of Founder Preferred Shares may exercise its rights independently of any other holder of Founder Preferred Shares.

On the winding-up of the Company, an Additional Annual Enhancement Amount and Ordinary Share Dividend Amount shall be calculated in respect of a shortened Enhancement Year which shall end on the Trading Day immediately prior to the date of commencement of the winding-up, following which the



holders of Founder Preferred Shares shall have the right to a pro rata share (together with Shareholders) in the distribution of the surplus assets of the Company as if such Founder Preferred Shares had been converted into Ordinary Shares immediately prior to the winding-up (after taking account of any enhancement of rights).

In any circumstances where:

- (d) the Directors or the holders of a majority of the outstanding Founder Preferred Shares consider that an adjustment should be made to (1) any factor relevant for the calculation of the Relevant Number of Ordinary Shares or any conversion of Founder Preferred Shares (including the amount which the Average Price per Ordinary Share must meet or exceed for any ten consecutive Trading Days following Admission in order for the right to an Additional Annual Enhancement Amount to commence (initially set at \$11.50)) or (2) the Relevant Number of Ordinary Shares or the number of Ordinary Shares into which the Founder Preferred Shares shall convert, whether following a consolidation or sub-division of the Ordinary Shares in issue after the date of Admission or otherwise; or
- (e) the holders of a majority of the outstanding Founder Preferred Shares disagree with any adjustment as determined by the Directors,

the Directors will either (i) make such adjustment as is mutually determined by the Directors and the holders of the majority of the outstanding Founder Preferred Shares (acting reasonably) or (ii) failing agreement within a reasonable time, will at the Company's expense appoint the Auditors, or such other person as the Directors shall, acting reasonably, determine to be an expert for such purpose, to determine as soon as practicable what adjustment (if any) is fair and reasonable. Upon determination in either case the adjustment (if any) will be made and will take effect in accordance with the determination. The Auditors (or such other expert as may be appointed) shall be deemed to act as an expert and not an arbitrator and applicable laws relating to arbitration shall not apply, the determination of the Auditors (or such other expert as may be appointed) shall be final and binding on all concerned and the Auditors (or such other expert as may be appointed) shall be given by the Company all such information and other assistance as they may reasonable require.

The Founder Preferred Shares carry the same voting rights as are attached to the Ordinary Shares. Additionally, the Founder Preferred Shares alone carry the right to vote on any Resolution of Members required, pursuant to BVI law, to approve any matter in connection with an Acquisition, or a merger or consolidation in connection with an Acquisition.

## 5. Directorships and Partnerships

In addition to their directorships of the Company, the Directors are, or have been, members of the administrative, management or supervisory bodies ("directorships") or partners of the following companies or partnerships, at any time in the five years prior to the date of this Document.

### *Current Directors*

#### *Tom Goddard (Non-Executive Chairman)*

#### *Current directorships and partnerships*

Marketing Force Limited  
 Buzz Bikes Limited  
 Outdoor Media Advisory Limited  
 Atlantic Group Limited  
 FEPE International (President—trade association for out-of-home advertising industry)  
 London Irish Centre Charity (Trustee)

#### *Former directorships and partnerships*

Digicom Out Of Home Digital Media Limited  
 Destination Media Limited  
 Ocean Outdoor (GB) Limited  
 Gallery Media Group Ltd  
 Amscreen Group Limited  
 Amscreen Public Limited Company  
 Bravo Outdoor Ltd  
 SCP Acquisition Topco Limited  
 SCP Acquisition Midco Limited  
 Gallery Out Of Home Media Limited  
 Airport Media Limited  
 Primesight Airports Limited  
 Gallery Capital S.A.  
 Gallery Out Of Home Ltd.

**Tim Bleakley** (Chief Executive Officer)

*Current directorships and partnerships*

Outsmart Out Of Home Limited (out-of-home advertising industry trade body)  
Mediaco Outdoor Limited  
SCP Acquisition Midco Limited  
SCP Acquisition Bidco Limited  
SCP Acquisition Topco Limited  
Signature Outdoor Limited  
Ocean Bidco Limited  
Ocean Topco Limited  
Ocean Outdoor UK Limited  
Forrest Media (Holdings) Limited  
Forrest Media Limited  
Forrest Outdoor Media Limited  
Ocean Brands Limited

*Former directorships and partnerships*

Ocean Outdoor (GB) Limited

**Robert D. Marcus** (Senior Independent Non-Executive Director)

*Current directorships and partnerships*

Equifax Inc.  
New Alternatives for Children (Trustee)  
Uncommon Schools (Trustee)  
Saint Barnabas Medical Center (Trustee)  
The Marcus Family Foundation  
Newark Academy (Trustee)

*Former directorships and partnerships*

Canoe Ventures LLC  
Time Warner Cable Inc.<sup>(1)</sup>  
Change the Equation  
C-SPAN  
National Cable and Telecommunications Association  
Cable Labs  
Museum of Moving Image (Trustee)

Note: (1) Pursuant to item 14(a) of Annex 1 in App 3.1 of the Prospectus Rules, the subsidiaries of Time Warner Cable Inc. of which Robert D. Marcus was a director have not been included.

**Martin HP Söderström** (Independent Non-Executive Director)

*Current directorships and partnerships*

Grundéns Regnkläder Aktiebolag  
Idéfix Tekoprodukter Aktiebolag  
AB Haga Gårdsinvestering i Båstad  
Aktiebolaget Haga Gårdsfastigheter i Båstad  
Aktiebolaget Haga Gårdsförvaltning i Båstad  
Ritzco Capital Management Sverige AB  
Holm Henning & Partners AB  
DIG Consulting AB  
Grundsund 1911 Holding AB  
DIG Investment AB  
DIG Investment VII AB  
Djursholm Country Club AB  
DIG Investment M AB  
DIG Investment VIII  
AB DIG TFH AB  
AAA Nordic Family Alliance AB  
DIG Investment XI AB  
DIG Investment XII AB  
NORD Nordic Retail & Distribution AB  
Grundsund NO Holding AB  
Haga Gard LLC  
HMP Family Foundation AB  
DIG Investment Swe AB  
DIG Investment Swe 1 AB  
Zeeme AB

*Former directorships and partnerships*

DIG Investment V AB

***Sangeeta Desai (Independent Non-Executive Director)***

*Current directorships and partnerships*

N/A

*Former directorships and partnerships*

Original Fremantle LLC  
MISO HOLDINGS ApS  
MISO FILM ApS  
495 Productions Holdings LLC  
Wildside Srl  
Abot Hameiri Communication Ltd  
FremantleMedia Canada Inc.  
Fremantlemedia Portugal S.A  
FremantleMedia Group Limited  
FremantleMedia Limited  
UMI Mobile Inc.  
Easy Tiger Holdings Pty Ltd  
Easy Tiger Productions Pty Ltd  
Bend IT TV Limited  
Apax Europe VI Founder LP  
Apax Europe VII Founder LP

***Thomas Ebeling (Independent Non-Executive Director)***

*Current directorships and partnerships*

Apleona GmbH (Chairman of Supervisory Board)  
EQT AB  
Moonfare GmbH  
Remagine Ventures LP  
TE Convest AG  
Clear Vat AG  
Cullinan Oncology, LLC  
Bayer AG  
GfK SE  
Rantum Capital Management GmbH  
Heilpflanzenwohl AG  
Auris Luxembourg III S.a r.l. (Sivantos Hearing Aids,  
EQI) (Chairman of the Advisory Board)  
Triangle Holding III S.a r.l.  
MPM Oncology Impact Management LP (Advisory  
Board member)

*Former directorships and partnerships*

ProSiebenSat.1 Media SE

***Andrew Miller (Independent Non-Executive Director)***

*Current directorships and partnerships*

Terra Firma  
Welcome Hotels  
Food Folk Group

*Former directorships and partnerships*

Guardian Media Group  
Founders Forum  
Scott Trust  
AA PLC  
CPC  
AWAS  
Friends of Benjamin Franklin House Museum

***Aryeh B. Bourkoff (Non-Executive Director)***

*Current directorships and partnerships*

LionTree GP LLC  
LTA Partners LLC  
LionTree Investments 1 LLC  
Videri Inc.  
LionTree Productions Inc.  
Benjamin Holdings LLC  
ABB Holding LLC  
MediaSlopes LLC  
Ripken Holdings LLC  
Royal Academy America (Trustee)  
Paley Center (Trustee)  
Foundation for Fighting Blindness (Trustee)  
Lincoln Center Media and Entertainment Council  
(Business Advisor)  
Emeritus of UJA Federation of NY (Chairman)  
Alma Ventures (Executive Sponsor)  
Unicef USA (Regional Board)

*Former directorships and partnerships*

Cequel Communications Holdings LLC  
UBS Securities LLC

***Andrew Barron (Non-Executive Director)***

*Current directorships and partnerships*

Arris International PLC  
Tele2 AB

*Former directorships and partnerships*

Primacom Holding GmbH (Chairman)  
Virgin Media Inc. (Chief Operating Officer)  
Com Hem Holding AB (Chairman)

**Senior Managers**

***Stephen Joseph (Senior Manager)***

*Current directorships and partnerships*

SCP Acquisition Topco Limited  
SCP Acquisition Bidco Limited  
SCP Acquisition Midco Limited  
Ocean Topco Limited  
Ocean Bidco Limited  
Ocean Outdoor UK Limited  
Signature Outdoor Limited  
Mediaco Outdoor Limited  
Forrest Media (Holdings) Limited  
Forrest Media Limited  
Forrest Outdoor Media Limited  
Ocean Brands Limited

*Former directorships and partnerships*

Ocean Outdoor (GB) Limited

***Steve George (Senior Manager)***

*Current directorships and partnerships*

Birmingham Outdoor Advertising LLP (LLP Member)  
Signature Outdoor Limited  
Aramason Limited (Director)  
Score Outdoor Limited (Scotland)  
Branksome Towers Flatowners' Association (Block D)  
Limited

*Former directorships and partnerships*

N/A

***Richard Malton (Senior Manager)***

*Current directorships and partnerships*

N/A

*Former directorships and partnerships*

N/A

## 6. Directors' and Senior Managers' Confirmations

- 6.1 Save as disclosed in paragraph 6.2, at the date of this Document none of the Directors or the Senior Managers:
- (a) has any convictions in relation to fraudulent offences for at least the previous five years;
  - (b) has been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or
  - (c) has been subject to any official public incrimination and/or sanction of him by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.
- 6.2 Each of Mr. Goddard, Mr. Bleakley and Mr. Joseph served as directors of Ocean Outdoor (GB) Limited, a holding company that was voluntarily dissolved by application to the Registrar of Companies in England and Wales for striking off that was approved on 20 January 2015 as part of a group-wide reorganisation of the Ocean Group.
- 6.3 Save as set out below and under the heading "Part III—Directors, Senior Managers and Corporate Governance—Conflicts of Interest", none of the Directors or the Senior Managers has any potential conflicts of interest between their duties to the Company and their private interests or other duties they may also have.
- 6.4 For those Directors who are also Founders, in addition to their holdings of Ordinary Shares as disclosed in paragraph 7 below, each of the Founders beneficially owns Founder Preferred Shares, which may give rise to a potential conflict of interest between their duties to the Company as Directors and their private interests as beneficial owners of the Founder Preferred Shares.

## 7. Directors' and Senior Managers' interests

Save as disclosed in the table below or in the table at paragraph 8 below, none of the Directors, Senior Managers nor any member of their immediate families has or will have on or following Readmission any interests (beneficial or non-beneficial) in the shares of the Company or any of its subsidiaries.

Director	No. of Ordinary Shares	Percentage of Issued Ordinary Shares	No. of Founder Preferred Shares
Tom Goddard <sup>(5)</sup>	232,703	0.43%	—
Tim Bleakley <sup>(5)</sup>	310,523	0.58%	—
Aryeh B. Bourkoff <sup>(1)</sup>	1,574,400	2.92%	399,000
Andrew Barron	509,866	0.95%	147,000
Robert D. Marcus <sup>(2)</sup>	119,000	0.22%	—
Martin HP Söderström <sup>(3)</sup>	15,000	0.03%	—
Sangeeta Desai <sup>(4)</sup>	10,000	0.02%	—
Thomas Ebeling	7,500	0.01%	—
Andrew Miller	—	—	—
<b>Senior Manager</b>			
Stephen Joseph <sup>(5)</sup>	105,587	0.20%	—
Steve George	84,805	0.16%	—
Richard Malton	70,049	0.13%	—

Notes:

- (1) Represents an indirect interest held by LionTree Ocelot LLC. Mr. Bourkoff has managerial control of LionTree Ocelot LLC and may be considered to have beneficial ownership of LionTree Ocelot LLC's interests in the Company.
- (2) Robert D. Marcus holds options over Ordinary Shares pursuant to an Option Deed described in paragraph 10 below. The Option Deed grants Mr. Marcus a five year option to acquire 50,000 Ordinary Shares at an exercise price of \$11.50 per Ordinary Share (subject to adjustment in accordance with the Option Deed).

- (3) Martin HP Söderström holds options over Ordinary Shares pursuant to an Option Deed described in paragraph 10 below. The Option Deed grants Mr. Söderström a five year option to acquire 37,500 Ordinary shares at an exercise price of \$11.50 per Ordinary Share (subject to adjustment in accordance with the Option Deed)
- (4) Sangeeta Desai holds options over Ordinary Shares pursuant to an Option Deed described in paragraph 10 below. The Option Deed grants Ms. Desai a five year option to acquire 37,500 Ordinary Shares at an exercise price of \$11.50 per Ordinary Share (subject to adjustment in accordance with the Option Deed).
- (5) Messrs. Goddard, Bleakley and Joseph each hold awards under the Ocelot Management Incentive Plan as further defined in paragraph 10 of “Part X—Additional Information”.

## 8. Founders and other interests

The table below sets out the interests that the Founders have or will have on or following Readmission in the shares of the Company:

Founder	No. of Ordinary Shares	Percentage of Issued Ordinary Shares	No. (and percentage) of Founder Preferred Shares
LionTree Ocelot LLC . . . . .	1,574,400	2.92%	399,000 (57%)
Mariposa Acquisition III, LLC . . . . .	1,169,066	2.23%	154,000 (22%)
Andrew Barron . . . . .	509,866	0.95%	147,000 (21%)

## 9. Major Shareholders and other interests

**9.1** As at 4 January 2019 (the latest practicable date prior to the publication of this Document), the following persons had a notifiable interest in the issued shares of the Company<sup>(1)</sup>:

Shareholder	No. of Ordinary Shares	Percentage of issued Ordinary Shares
Wellington Management Group LLP <sup>(2)</sup>	2,660,100	6.37%
Senator Investment Group LP <sup>(2)</sup>	4,638,462	11.1%
Anchorage Capital Group, L.L.C. <sup>(2)</sup>	4,000,000	9.57%

<sup>(1)</sup> Since the date of disclosures to the Company, the interest of any person listed above in Ordinary Shares may have increased or decreased without any obligations on the relevant person to make further notification to the Company pursuant to the DTRs.

<sup>(2)</sup> Notified on 14 March 2017.

**9.2** Following Readmission, any person that has an interest, directly or indirectly, in at least five per cent. of the voting rights attached to the Company’s issued shares will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.

**9.3** As at 4 January 2019 (the latest practicable date prior to the publication of this Document), the Company was not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

**9.4** Those interested, directly or indirectly, in five per cent. or more of the issued Ordinary Shares of the Company do not now, and, following Readmission, will not, have different voting rights from other holders of Ordinary Shares.

## 10. Directors’ Letters of Appointment, Initial Option Deeds and Incentive Schemes

### 10.1 Executive Director

Tim Bleakley was appointed as a Director and Chief Executive Office of the Company on 28 March 2018. In the financial year ended 31 December 2017, the aggregate remuneration (including pension fund contributions and benefits in kind) of the sole Executive Director was £299,999. Tim Bleakley received a salary of £275,000 and benefits in kind comprising private medical insurance, pension contributions, life assurance and permanent health insurance equal to £14,000 in aggregate.

Tim Bleakley is employed under a service agreement with Ocean Bidco dated 16 May 2012. Mr Bleakley is entitled to receive an annual salary of £275,000 per annum. Mr Bleakley's employment is terminable by 6 months' notice given by either party. Mr Bleakley is entitled to participate in an annual bonus plan. He is also entitled to life assurance, pension contributions, private medical insurance and permanent health insurance. His service agreement includes standard summary termination provisions and post termination restrictive covenants which apply for a period of 12 months following the termination of his employment.

## **10.2 Non-Executive Directors and Senior Managers**

Each of the Directors will be required to be put forward for re-election at the first annual general meeting of the Company following Readmission and annually thereafter.

Each of the Non-Executive Directors, other than Tom Goddard, Thomas Ebeling and Andrew Miller, entered into letters of appointment with the Company dated 8 March 2017. Thomas Ebeling entered into a letter of appointment with the Company dated 19 October 2018 and Andrew Miller entered into a letter of appointment with the Company dated 29 November 2018. Under such letters of appointment, the Independent Non-Executive Directors are entitled to a fee of \$75,000 per annum other than Robert D. Marcus who, as the senior independent non-executive director, is entitled to a fee of \$90,000 per annum. Tom Goddard, as Chairman, is entitled to a fee of £88,250 per annum. Fees are payable quarterly in arrears, as one lump sum payment or in any such manner and by such method as may be agreed with the Company, in writing, and may be taken as either cash or Ordinary Shares. Each Independent Non-Executive Director elected to have their fees paid as one lump sum payment. Mr. Marcus and Mr. Söderström have elected to apply their fees in respect of their second years of appointment, to subscribe for 9,000 Ordinary Shares and 7,500 Ordinary Shares at a price of \$10 per Ordinary Share respectively while Ms. Desai elected to receive her fees in respect of her second year of appointment in cash. Mr. Ebeling elected to apply his fees in respect of his appointment until 30 September 2019 to subscribe for 7,500 Ordinary Shares while Mr. Miller elected to receive his fees in respect of his appointment until 30 September 2019 in cash. Those Directors who are also members of both the Audit & Risk Committee or the Remuneration Committee will also receive \$10,000 per annum, payable quarterly in arrears. In addition, all of the Non-Executive Directors are entitled to be reimbursed by the Company for travel, hotel and other expenses incurred by them in the course of their directors' duties relating to the Company.

In the financial year ended 31 December 2017, in respect of the Senior Managers the aggregate remuneration (including pension fund contributions) of the Senior Managers was £367,035.

Pursuant to the terms of the Initial Option Deeds, Mr. Marcus, Mr. Söderström and Ms. Desai were granted Initial Options in respect of which Mr. Marcus was granted a 5 year option to acquire 50,000 Ordinary Shares and Mr. Söderström and Ms. Desai were granted a five year option to acquire 37,500 Ordinary Shares, all at an exercise price of \$11.50 per Ordinary Share (subject to such adjustment to the number of Ordinary Shares and/or the exercise price as the Directors consider appropriate in accordance with the terms of the Initial Option Deeds in respect of an issue of Ordinary Shares by way of a dividend or distribution to holders of Ordinary Shares, a subdivision or consolidation or any other variation to the share capital of the Company, as determined by the Directors). The Company may terminate their appointment at any time by giving 3 months' notice.

## **10.3 Incentive schemes**

The Company operates the Ocelot Management Incentive Plan (the "MIP"). The MIP enabled key employees to acquire Ordinary Shares. Awards under the MIP have been made to Timothy Bleakley, Thomas Goddard and Stephen Joseph and a number of other executives. The Company does not intend to make further awards under the MIP.

Awards under the MIP are comprised of two parts. The first part enabled employees to acquire Ordinary Shares directly ("**Company Awards**"). The second part enables employees to acquire ordinary shares in Jersey Topco, subject to certain hurdles being met (the "**Jersey Awards**"). The ordinary shares in Jersey Topco acquired by participants under the Jersey Awards ("**Management Hurdle Shares**") may be purchased by the Company at a time and on the terms set out below, for consideration consisting of either Ordinary Shares or cash.

Awards under the MIP are not pensionable.

### *Company Awards*

Under the Company Awards, the Locked-Up Management Sellers acquired a total of 648,813 Ordinary Shares on 28 March 2018. In each case, the price paid was \$10.00 per Ordinary Share.



The Ordinary Shares acquired under the Company Awards are subject to a lock-up under which the Ordinary Shares cannot be sold for the first three years of ownership. 25 per cent. of the Ordinary Shares are released from the lock-up and may be sold after the third anniversary of completion of the Ocean Transaction, a further 25 per cent. after the fourth anniversary of completion of the Ocean Transaction, and the remaining 50 per cent. after the fifth anniversary of completion of the Ocean Transaction. The lock-up ceases to apply in the event that a participant ceases to be employed by a Group Company.

In all other respects, the Ordinary Shares acquired under the Company Awards have the same rights as any other Ordinary Shares.

#### *Jersey Awards*

Under the Jersey Awards, the Locked-Up Management Sellers acquired a total of 6,660,000 Jersey Shares on 28 March 2018. In each case, the price paid was nominal value, being £0.00001 per share. The Management Hurdle Shares acquired by each participant were comprised of an equal number of A shares and B shares in Jersey (respectively “**Management Hurdle A Shares**” and “**Management Hurdle B Shares**”). Except for the time at which participants can realise value in relation to their Management Hurdle Shares (as described below), the Management Hurdle A Shares and Management Hurdle B Shares have the same rights.

The Management Hurdle Shares will only accrue value when the price of Ordinary Shares has increased by at least 10 per cent. on a compound basis over a base price of \$10.00 per share, for each financial year since the date that the participants acquired the shares (including the financial year in which the Ocean Transaction was completed). The minimum share price which allows participants to participate in value is known as the “**Hurdle Target Price**”.

If the Hurdle Target Price is achieved, each Management Hurdle Share will have a value calculated by reference to the amount by which the actual price of an Ordinary Share exceeds the Hurdle Target Price. The value of a Management Hurdle Share will be 80% of the excess of the actual price of an Ordinary Share over the Hurdle Target Price between \$0.01 and \$5.00; plus 32% of the excess (if any) between \$5.01 and \$20.00; plus 20% of the excess (if any) between \$20.01 and \$30.00. No further value will accrue to a Management Hurdle Share to the extent that the actual price of an Ordinary Share exceeds the Hurdle Target Price by more than \$30.00.

If the Company acquires one or more companies or businesses before 31 March 2020, with an aggregate enterprise value (on a cash free / debt free basis) of at least £200 million, the percentages set out above are increased. The increased amounts are 92% of the excess of the actual price of an Ordinary Share over the Hurdle Target Price between \$0.01 and \$5.00; 36.8% of the excess between \$5.01 and \$20.00; and 23% of the excess between \$20.01 and \$30.00. No further value will accrue to a Management Hurdle Share to the extent that the actual price of an Ordinary Share exceeds the Hurdle Target Price by more than \$30.00.

Provided that the actual price of an Ordinary Share is higher than the Hurdle Target Price, the participants are able to realise value in relation to their Management Hurdle A Shares following the announcement of the Company’s financial results for its 2021 financial year, and in relation to their Management Hurdle B Shares following the announcement of the Company’s financial results for its 2022 financial year.

The participants realise value by selling their Management Hurdle Shares to the Company under a put option which is exercisable during a period following the relevant announcement of results (or earlier in certain specified circumstances such as a change of control of the Company). The purchase price is the value of the Management Hurdle Shares determined as set out above.

The purchase price payable by the Company for the participants’ Management Hurdle Shares will be paid in the form of such number of Ordinary Shares as have the same value as the Management Hurdle Shares sold by the participants. For this purpose, the value of an Ordinary Share is determined by reference to the volume weighted average price over a period of 10 Business Days following the relevant announcement of results, adjusted to take account of any announced dividend, and the number of Ordinary Shares will be rounded down to the nearest whole number. There is discretion for a participant to agree with the Company for the Company to purchase Management Hurdle Shares for cash.

If a participant ceases to be employed by a Group Company, the Company has the right, but not the obligation, to purchase that participant’s Management Hurdle Shares within three months of the cessation of the participant’s employment. If the participant is a ‘bad leaver’, the price payable for the participant’s shares will be the lower of the market value of the Management Hurdle Shares and the price the participant paid to acquire those shares. A

‘bad leaver’ for these purposes is an employee of a Group Company who ceases to be employed by a Group Company within 12 months of acquiring the relevant Management Hurdle Shares, or who is dismissed by reason of gross misconduct, or who leaves in order to join a competitor of the Company, or who otherwise breaches any restrictive covenant to which he is subject. All other leavers would receive fair market value for their Management Hurdle Shares.

The Management Hurdle Shares do not have a right to receive dividend payments, except in the event of a winding-up of Jersey, or other unusual circumstances. The Management Hurdle Shares do not carry voting rights.

#### **11. Working capital**

The Company is of the opinion that the working capital available to the Group is sufficient for the Group’s present requirements, that is for at least the 12 months from the date of this Document.

#### **12. Significant change**

There has been no significant change in the financial or trading position of the Group since 30 June 2018, being the latest date to which the unaudited financial information in respect of the Group was prepared.

#### **13. Litigation**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) which may have, or have had during the 12 months prior to the date of this Document, significant effects on the financial position or profitability of the Company or the Group.

#### **14. City Code**

The City Code does not apply to the Company and there are no rules or provisions relating to mandatory takeover bids in relation to the Ordinary Shares. There are no rules or provisions relating to the Ordinary Shares and squeeze-out and/or sell-out rules, save as provided by section 176 of BVI Companies Act (ability of the shareholders holding 90 per cent. of the votes of the outstanding shares or class of outstanding shares to require the Company to redeem such shares or class of shares), which has been disapplied by the Company.

#### **15. Material contracts**

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Company or any other member of the Group, (i) since the Company’s incorporation in respect of the Company and within the two years immediately preceding the date of this Document for other members of the Group which are, or may be, material to the Company or any member of the Group; or (ii) at any time and contain obligations or entitlements which are, or may be, material to the Company or any member of the Group as at the date of this document.

##### ***15.1 Ocean Acquisition Agreement***

On 1 March 2018, the Company entered into the Ocean Acquisition Agreement with the Ocean Sellers as guarantor in relation to the obligations of its wholly owned subsidiary, Jersey Topco, as the purchaser of the entire share capital of SCP Acquisition Topco Limited for a total consideration of an enterprise value of approximately £200 million. On 28 May 2018, Jersey Topco completed the Ocean Transaction. The Ocean Acquisition Agreement contained representations and warranties customary for transactions of this type. The Ocean Acquisition Agreement is governed by English law.

##### ***15.2 Forrest Acquisition Agreement***

On 2 June 2018, the Company through its wholly owned subsidiary, Ocean Bidco, entered into the Forrest Acquisition Agreement with Christopher Trainer, Marc Kennan (the “**Forrest Sellers**”) and Forrest Securities Limited, pursuant to which Ocean Bidco acquired all of the issued and outstanding share capital in the capital of Forrest Media (Holdings) Limited and all of the issued and outstanding shares in Forrest Media Limited, for an enterprise value of approximately £32 million. The Forrest Acquisition Agreement contained representations and warranties customary for transactions of this type. The Forrest Acquisition Agreement is governed by English law.

### **15.3 Placing Agreement**

The Company entered into the Placing Agreement on 8 March 2017 between the Company, the Directors, the Founders, the Founder Entities and the Joint Brokers and Financial Advisers, pursuant to which, subject to certain conditions, the Joint Brokers and Financial Advisers agreed to use reasonable endeavours to procure subscribers for and failing which, to themselves subscribe for, Ordinary Shares (with Matching Warrants), other than Ordinary Shares (with Matching Warrants) to be subscribed for by the Founder Entities and Mr. Barron.

The Placing Agreement contains, among other things, the following provisions:

- (a) The Company appointed the Joint Brokers and Financial Advisers as placing agents to the Placing.
- (b) The Company, the Founders and the Founder Entities gave certain customary representations, warranties and undertakings to the Joint Brokers and Financial Advisers including, among others, warranties in relation to the information contained in this Document and other documents prepared by the Company in connection with the Placing and the Company, the Founders (and respective Founder Entities, as applicable) gave warranties in relation to the business of the Company, and their compliance with applicable laws and regulations. In addition, the Company agreed to indemnify the Joint Brokers and Financial Advisers against certain liabilities, including in respect of the accuracy of information contained in this prospectus issued by the Company on 8 March 2017, losses arising from a breach of the Placing Agreement and certain other losses suffered or incurred in connection with the 2017 Placing. The liability of the Company under the Placing Agreement is unlimited as to time and amount. The liability of the Directors, the Founders and the Founder Entities under the Placing Agreement is limited as to time and amount, save that such limitations will not apply: (i) in relation to any claim arising from fraud or wilful default of the relevant Director, Founder or Founder Entity, (ii) in respect of the limit as to time, if any claim arises as a result of a breach of the warranties that relate to the offer documents or (iii) in respect of the limit as to amount, in relation to any claim arising from a breach or default of the relevant Founder or Founder Entity of its obligation to subscribe for Founder Preferred Shares (with Matching Warrants) and Ordinary Shares (with Matching Warrants) pursuant to the Placing Agreement.
- (c) The Company agreed to pay the Joint Brokers and Financial Advisers a commission of 2.5 per cent. of an amount equal to the 2017 Placing Price multiplied by the aggregate number of new Ordinary Shares subscribed for by investors in the 2017 Placing, other than the Founders, or the Founder Entities.
- (d) The Placing Agreement is governed by English law.

### **15.4 Lock up arrangements**

The Founders, the Founder Entities and each of the Directors entered into lock up arrangements pursuant to the terms of the Placing Agreement whereby they agreed that they shall not, without the prior written consent of the Joint Brokers and Financial Advisers, offer, sell, contract to sell, pledge or otherwise dispose of any Ordinary Shares or Warrants which they hold directly or indirectly in the Company (or acquire pursuant to the terms of the Founder Preferred Shares, Non-Founder Director Options or Warrants) or any Founder Preferred Shares they hold, for a period commencing on the date of the Placing Agreement and ending 365 days after the Company has completed the Acquisition.

The restrictions on the ability of the Directors, the Founders and the Founder Entities to transfer their Ordinary Shares or Founder Preferred Shares, as the case may be, are subject to certain usual and customary exceptions and exceptions for: gifts; transfers for estate planning purposes; transfers to trusts (including any direct or indirect wholly owned subsidiary of such trusts) for the benefit of the Directors or their families; transfers to the Company's Directors; transfers to affiliates or direct or indirect equity holders, holders of partnership interests or members of the Founder Entities, in each case, subject to certain conditions; transfers among the Founders or the Founder Entities (including any affiliates thereof or direct or indirect equity holders, holders of partnership interests or members of a Founder Entity); transfers to any direct or indirect subsidiary of the Company, a target company or shareholders of a target company in connection with an Acquisition, provided that in each of the foregoing cases, the transferees enter into a lock up agreement for the remainder of the period referred to above which is subject to similar exceptions to those set out in this paragraph; transfers of any Ordinary Shares acquired after the date of Admission in an open market transaction, or the acceptance of, or provision of, an irrevocable undertaking to accept, a general offer made to all Shareholders on equal terms; after the Acquisition, transfers to satisfy certain tax liabilities in connection with, or as a result of transactions related to, completion of the Acquisition, the exercise of Warrants or the receipt of stock dividends; and, after the Acquisition, transfers by a Director, Founder or a Founder Entity (or certain connected or permitted transferees thereof) of up to 10 per cent. of such person's shares for purposes of charitable gifts.

Subject to the expiration or waiver of any lock up arrangement entered into between the Founder Entities, Mr. Barron and the Joint Brokers and Financial Advisers, the Company has agreed to provide, at its own cost, such information and assistance as any of the Founder Entities or Mr. Barron may reasonably request to enable them to effect a disposal of all or part of their Ordinary Shares at any time upon or after the completion of the Acquisition, including, without limitation, the preparation, qualification and approval of a prospectus in respect of such Ordinary Shares.

In connection with the Ocean Transaction, each of the Locked-Up Management Sellers agreed that they, and any person acting on their behalf, shall not for the period ending on the fifth anniversary of completion of the Ocean Transaction (the “**Management Lock-up Period**”), without the prior written consent of the Board, (i) offer, hypothecate, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, lend, or otherwise transfer or dispose of (or publicly announce such action), directly or indirectly, any of the Ordinary Shares held by them; (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Ordinary Shares, whether any such transaction described in (i) or (ii) above is to be settled by delivery of Ordinary Shares or such other securities, in cash or otherwise provided that the Management Lock-Up Period shall cease to apply to (a) 25 per cent. of the Ordinary Shares held by each individual on the third anniversary of the completion of the Ocean Transaction; (b) an additional 25 per cent. of such Ordinary Shares on the fourth anniversary of the completion of the Ocean Transaction; (c) the remaining 50 per cent. of the Ordinary Shares on the fifth anniversary of the completion of the Ocean Transaction; and (d) 100 per cent of their Ordinary Shares on the leaving date of the relevant individual. The restrictions on the ability of the Locked-Up Management Sellers to transfer their Ordinary Shares are subject to certain usual and customary exceptions.

## **16. Related party transactions**

### ***16.1 Advisory Services Agreement***

On 28 March 2018 (as amended on 21 June 2018), the Company entered into an Advisory Services Agreement with LionTree Advisors UK LLP (“LionTree Advisors”), an affiliate of Aryeh B. Bourkoff. Pursuant to the terms of the advisory services agreement, LionTree Advisors will provide advisory services, including providing strategic and financial advice and analysis in connection with potential acquisitions of specified companies as may be agreed between the Company and LionTree Advisors from time to time. LionTree Advisors, in connection with the Forrest Transaction, was paid £1 million in fees by the Company. LionTree Advisors is currently assisting the Company with a small number of potential transactions which, if all such transactions were closed, LionTree Advisors would be entitled to further fees in aggregate of up to £5.5 million. Any fees payable by the Company to LionTree Advisors in connection with a transaction would only be payable on closing of a relevant transaction, including in certain circumstances where the Company enters into a transaction at any time prior to the expiration of 12 months following the termination of the agreement. The Advisory Services Agreement may be terminated by either party on ten business days’ notice.

## **17. Accounts and annual general meetings**

The Company’s first annual report and accounts was made up to 31 December 2017. The Company will prepare its annual report and accounts for the period to 31 December thereafter. It is expected that the Company will make public its annual report and accounts within four months of each financial year end (or earlier if possible) and that copies of the annual report and accounts will be sent to Shareholders within six months of each financial year end (or earlier if possible). The Company will prepare its unaudited interim report for each six month period ending 30 June. It is expected that the Company will make public its unaudited interim reports within two months of the end of each interim period.

The Company shall hold the first annual general meeting within a period of 18 months following the date of completion of the Ocean Transaction. Further information on annual general meetings is contained in paragraph 4.2(e) above.

## **18. Issues of new shares**

The Directors are authorised to issue an unlimited number of Ordinary Shares and Founder Preferred Shares. The pre-emption rights in the Articles have been disapplied, and therefore pre-emption rights do not apply, to issues of relevant securities in the circumstances described in paragraph 3.3 above. Otherwise, subject to certain other exceptions, the Directors are obliged to offer Ordinary Shares to Shareholders on a basis pro rata to their existing

holdings before offering them to any other person for cash. The Directors will only issue Ordinary Shares if they deem it to be in the interests of the Company and (save pursuant to the powers or exceptions referred to above) will not issue Ordinary Shares for cash on a non-pre-emptive basis without first obtaining Shareholder approval. See paragraph 3.3 above for further details.

## **19. General**

- 19.1 The auditors of the Company are PricewaterhouseCoopers LLP, whose address is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.
- 19.2 KPMG LLP has given and has not withdrawn its consent to the inclusion in this document of its accountant's reports in section A of "Part VII—B: Historical Financial Information of the Ocean Group" and Part A of "Part VIII—Pro Forma Financial Information on the Group" in the form and context in which it is included and has authorised the contents of its reports for the purposes of Rule 5.5.3R(2)(f) of the Prospectus Rules.
- 19.3 A written consent under the Prospectus Rules is different to a consent filed with the SEC under Section 7 of the Securities Act. As the Ordinary Shares have not been and in connection with Readmission will not be registered under the Securities Act, KPMG LLP has not filed a consent under Section 7 of the Securities Act, which is applicable only to transactions involving securities registered under the Securities Act.
- 19.4 The terms of the Founder Preferred Shares, MIP and Management Hurdle Shares mean that there could be a material disparity between the 2017 Placing Price and the effective cash cost to the Founders, or the Founder Entities of any Ordinary Shares issued to the Founders, or the Founder Entities pursuant to the terms of the Founder Preferred Shares. Those terms also mean that it is not possible at the date of this Document to confirm what that effective cash cost would be (and therefore not possible to provide a comparison of that effective cash cost to the 2017 Placing Price).

## **20. BVI Law**

The Company is registered in the BVI as a BVI business company and is subject to BVI law. English law and BVI law differ in a number of areas, and certain key aspects of BVI law as they relate to the Company are summarised below, although this is not intended to provide a comprehensive review of the applicable law. The Company has incorporated equivalent provisions in its Memorandum and Articles to address the material elements of these differences (further details are provided in paragraph 4 above).

### **20.1 Shares**

Subject to the BVI Companies Act and to a BVI business company's memorandum and articles of association, directors have the power to offer, allot, issue, grant options over or otherwise dispose of such shares.

### **20.2 Dividends and distribution**

Subject to the provisions of a BVI business company's memorandum and articles of association, directors may declare dividends in money, shares or other property provided they determine the company will pass the solvency test (i.e. be able to meet its debts as they fall due and that the value of the company's assets will exceed its liabilities).

### **20.3 Protection of minorities**

BVI law permits personal, derivative and class actions by shareholders.

### **20.4 Management**

Subject to the provisions of its memorandum and articles of association, a BVI business company is managed by its board of directors, each of whom has authority to bind the company. Directors are required under BVI law to act honestly and in good faith with a view to the best interests of the company, and to exercise the care, diligence and skill that a reasonable director would exercise, taking into account but without limitation, (i) the nature of the company, (ii) the nature of the business and (iii) the position of the directors and the nature of the responsibilities taken.



## **20.5 Accounting and audit**

A BVI business company is obliged to keep financial records that (i) are sufficient to show and explain the company's transactions and (ii) will, at any time, enable the financial position of the company to be determined with reasonable accuracy. There is no statutory requirement to audit or file annual accounts unless the company is engaged in certain business, which require a licence under BVI law. It is not anticipated that the Company's activities would require such a licence.

## **20.6 Exchange control**

BVI business companies are not subject to any exchange control regulations in the BVI.

## **20.7 Inspection of corporate records**

Shareholders of a BVI business company may inspect the BVI business company's books and records upon giving notice to the company. However, the directors may refuse such request on the grounds that inspection would be contrary to the interests of the BVI business company. The only corporate records generally available for inspection by members of the public are those required to be maintained at the Registry of Corporate Affairs in the British Virgin Islands, namely the certificate of incorporation and memorandum and articles together with any amendments thereto. A BVI business company may elect to maintain a copy of its share register, register of directors and to file a register of charges at the BVI Registry of Corporate Affairs, but this is not required under BVI law. A register of charges must be maintained in the office of the company's registered agent whilst either the original or a copy of the register of directors and members will suffice. These may be inspected with the BVI business company's consent, or in limited circumstances pursuant to a court order.

## **20.8 Insolvency**

The BVI business company and any creditor may petition the court, pursuant to the Insolvency Act 2003 of the British Virgin Islands, for the winding-up of the BVI business company upon various grounds, inter alia, that the BVI business company is unable to pay its debts or that it is just and equitable that it be wound up.

## **20.9 Takeovers**

There are no provisions governing takeover offers analogous to the City Code applicable in the BVI.

## **20.10 Mergers**

Generally, the merger or consolidation of a BVI business company requires shareholder approval. However, a BVI business company parent company may merge with one or more BVI subsidiaries without member approval, provided that the surviving company is also a BVI business company. Members dissenting from a merger are entitled to payment of the fair value of their shares unless the BVI business company is the surviving company and the shareholders continue to hold a similar interest in the surviving company. BVI law permits BVI business companies to merge with companies incorporated outside the BVI, providing the merger is lawful under the laws of the jurisdiction in which the non-BVI company is incorporated. Under BVI law, following a domestic statutory merger or consolidation, one of the companies is subsumed into the other or both are subsumed into a third company. In either case, with effect from the effective date of the merger, the surviving company or the new consolidated company assumes all of the assets and liabilities of the other entity(ies) by operation of law and other entities cease to exist.

## **21. Availability of this Document**

- 21.1 Following Readmission, copies of this Document are available for viewing free of charge at <http://www.morningstar.co.uk/uk/NSM>.
- 21.2 Copies of this Document may be collected, free of charge during normal business hours, from the office of the Company's Administrator. In addition, this Document will be published in electronic form and be available on the Company's website at [www.investors.oceanoutdoor.com](http://www.investors.oceanoutdoor.com), subject to certain access restrictions.



## **22. Documents for inspection**

Copies of the following documents may be inspected at the registered office of the Company, Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands, the office of the Company's Administrator, and at Greenberg Traurig, LLP, The Shard, Level 8, 32 London Bridge Street, London SE1 9SG during usual business hours on any day (except Saturdays, Sundays and public holidays) for a period of 12 months from the date of this Document:

- (a) the Memorandum and Articles of Association of the Company;
- (b) the accountant's report by KPMG LLP on the historical financial information of Ocean for the three years ended 31 December 2015, 2016 and 2017 set out in "Part VII—Financial Information on the Ocean Group";
- (c) the report by KPMG LLP on the unaudited pro forma financial information of the Group set out in Part A of "Part VII—Unaudited Pro Forma Financial Information on the Group"
- (d) the consent letter of KPMG LLP referred to in paragraph 19.2 of this Part X; and
- (e) the documents referred to in "Part XII—Documents Incorporated by Reference"; and
- (f) this Document.

## **PART XI**

### **DEPOSITARY INTERESTS**

The Company has entered into depositary arrangements to enable investors to settle and pay for interests in the Ordinary Shares through the CREST System. Pursuant to arrangements put in place by the Company, a depositary will hold the Ordinary Shares on trust for the Shareholders and issue dematerialised Depositary Interests to individual Shareholders' CREST accounts representing the underlying Ordinary Shares.

The Depositary will issue the dematerialised Depositary Interests. The Depositary Interests will be independent securities constituted under English law which may be held and transferred through the CREST System.

The Depositary Interests were created pursuant to and issued on the terms of the Deed Poll. Prospective holders of Depositary Interests should note that they will have no rights against CRESTCo or its subsidiaries in respect of the underlying Ordinary Shares or the Depositary Interests representing them.

The Ordinary Shares will be transferred to the Custodian and the Depositary will issue Depositary Interests to participating members and provide the necessary custodial services.

In relation to those Ordinary Shares held by Shareholders in uncertificated form, although the Company's register shows the Custodian as the legal holder of the Ordinary Shares, the beneficial interest in the Ordinary Shares remains with the holder of Depositary Interests, who has the benefit of all the rights attaching to the Ordinary Shares as if the holder of Depositary Interests were named on the certificated Ordinary Share register itself.

Each Depositary Interest will be represented as one Ordinary Share, for the purposes of determining, for example, in the case of Ordinary Shares, eligibility for any dividends. The Depositary Interests will have the same ISIN number as the underlying Ordinary Shares and will not require a separate listing on the Official List. The Depositary Interests can then be traded and settlement will be within the CREST System in the same way as any other CREST securities.

Application has been made for the Depositary Interests to be admitted to CREST with effect from Readmission.

#### **Deed Poll**

In summary, the Deed Poll contains provisions to the following effect, which are binding on holders of Depositary Interests:

Holders of Depositary Interests warrant, inter alia, that Ordinary Shares held by the Depositary or the Custodian (on behalf of the Depositary) are free and clear of all liens, charges, encumbrances or third party interests and that such transfers or issues are not in contravention of the Company's constitutional documents or any contractual obligation, law or regulation. Each holder of Depositary Interests indemnifies the Depositary for any losses the Depositary incurs as a result of a breach of this warranty.

The Depositary and any Custodian must pass on to holders of Depositary Interests and, so far as they are reasonably able, exercise on behalf of holders of Depositary Interests all rights and entitlements received or to which they are entitled in respect of the underlying Ordinary Shares which are capable of being passed on or exercised. Rights and entitlements to cash distributions, to information, to make choices and elections and to call for, attend and vote at meetings shall, subject to the Deed Poll, be passed on in the form in which they are received together with amendments and additional documentation necessary to effect such passing-on, or, as the case may be, exercised in accordance with the Deed Poll.

The Depositary will be entitled to cancel Depositary Interests and withdraw the underlying Ordinary Shares in certain circumstances including where a holder of Depositary Interests has failed to perform any obligation under the Deed Poll or any other agreement or instrument with respect to the Depositary Interests.

The Deed Poll contains provisions excluding and limiting the Depositary's liability. For example, the Depositary shall not be liable to any holder of Depositary Interests or any other person for liabilities in connection with the performance or non-performance of obligations under the Deed Poll or otherwise except as may result from its negligence or wilful default or fraud. Furthermore, except in the case of personal injury or death, the Depositary's liability to a holder of Depositary Interests will be limited to the lesser of:

- (d) the value of the Ordinary Shares and other deposited property properly attributable to the Depositary Interests to which the liability relates; and
- (e) that proportion of £5 million which corresponds to the proportion which the amount the Depositary would otherwise be liable to pay to the holder of Depositary Interests bears to the aggregate of the amounts the

Depository would otherwise be liable to pay to all such holders in respect of the same act, omission or event which gave rise to such liability or, if there are no such amounts, £5 million.

The Depository is not liable for any losses attributable to or resulting from the Company's negligence or wilful default or fraud or that of the CREST operator.

The Depository is entitled to charge holders of Depository Interests fees and expenses for the provision of its services under the Deed Poll.

Each holder of Depository Interests is liable to indemnify the Depository and any Custodian (and their agents, officers and employees) against all liabilities arising from or incurred in connection with, or arising from any act related to, the Deed Poll so far as they relate to the property held for the account of Depository Interests held by that holder, other than those resulting from the wilful default, negligence or fraud of the Depository, or the Custodian or any agent, if such Custodian or agent is a member of the Depository's group, or, if not being a member of the same group, the Depository shall have failed to exercise reasonable care in the appointment and continued use and supervision of such Custodian or agent.

The Depository may terminate the Deed Poll by giving not less than 30 days' prior notice. During such notice period, holders may cancel their Depository Interests and withdraw their deposited property and, if any Depository Interests remain outstanding after termination, the Depository must as soon as reasonably practicable, among other things, deliver the deposited property in respect of the Depository Interests to the relevant holder of Depository Interests or, at its discretion sell all or part of such deposited property. It shall, as soon as reasonably practicable deliver the net proceeds of any such sale, after deducting any sums due to the Depository, together with any other cash held by it under the Deed Poll pro rata to holders of Depository Interests in respect of their Depository Interests.

The Depository or the Custodian may require from any holder, or former or prospective holder, information as to the capacity in which Depository Interests are owned or held and the identity of any other person with any interest of any kind in such Depository Interests or the underlying Ordinary Shares and holders are bound to provide such information requested. Furthermore, to the extent that the Company's constitutional documents require disclosure to the Company of, or limitations in relation to, beneficial or other ownership of, or interests of any kind whatsoever, in the Ordinary Shares, the holders of Depository Interests are to comply with such provisions and with the Company's instructions with respect thereto.

It should also be noted that holders of Depository Interests may not have the opportunity to exercise all of the rights and entitlements available to holders of Ordinary Shares in the Company, including, for example, in the case of Shareholders, the ability to vote on a show of hands. In relation to voting, it will be important for holders of Depository Interests to give prompt instructions to the Depository or its nominated Custodian, in accordance with any voting arrangements made available to them, to vote the underlying Ordinary Shares on their behalf or, to the extent possible, to take advantage of any arrangements enabling holders of Depository Interests to vote such Ordinary Shares as a proxy of the Depository or its nominated Custodian.

A copy of the Deed Poll can be obtained on request in writing to the Depository.

### **Depository Agreement**

The terms of the depository agreement dated 8 March 2017 between the Company and the Depository under which the Company appoints the Depository to constitute and issue from time to time, upon the terms of the Deed Poll (as outlined above), a series of Depository Interests representing securities issued by the Company and to provide certain other services in connection with such Depository Interests are summarised below (the **"Depository Agreement"**).

The Depository agrees that it will comply, and will procure certain other persons comply, with the terms of the Deed Poll and that it and they will perform their obligations in good faith and with all reasonable skill and care. The Depository assumes certain specific obligations, including the obligation to arrange for the Depository Interests to be admitted to CREST as participating securities and to provide copies of and access to the register of Depository Interests. The Depository will either itself or through its appointed Custodian hold the deposited property on trust (which includes the securities represented by the Depository Interests) for the benefit of the holders of the Depository Interests as tenants in common, subject to the terms of the Deed Poll. The Company agrees to provide such assistance, information and documentation to the Depository as is reasonably required by the Depository for the purposes of performing its duties, responsibilities and obligations under the Deed Poll and the Depository Agreement. In particular, the Company is to supply the Depository with all documents it sends to its Shareholders so that the Depository can distribute the same to all holders of Depository Interests. The

agreement sets out the procedures to be followed where the Company is to pay or make a dividend or other distribution.

The Company is to indemnify the Depositary for any loss it may suffer as a result of the performance of the Depositary Agreement except to the extent that any losses result from the Depositary's own negligence, fraud or wilful default. The Depositary is to indemnify the Company for any loss the Company may suffer as a result of or in connection with the Depositary's fraud, negligence or wilful default save that the aggregate liability of the Depositary to the Company over any 12 month period shall in no circumstances whatsoever exceed twice the amount of the fees payable to the Depositary in any 12 month period in respect of a single claim or in the aggregate.

Subject to earlier termination, the Depositary is appointed for a fixed term of one year and thereafter until terminated by either party giving not less than six months' notice.

In the event of termination, the parties agree to phase out the Depositary's operations in an efficient manner without adverse effect on the Shareholders and the Depositary shall deliver to the Company (or as it may direct) all documents, papers and other records relating to the Depositary Interests which are in its possession and which is the property of the Company.

The Company is to pay certain fees and charges, including a set-up fee, an annual fee, a fee based on the number of Depositary Interests per year and certain CREST related fees. The Depositary is also entitled to recover reasonable out of pocket fees and expenses.

## PART XII

### DOCUMENTS INCORPORATED BY REFERENCE

The Company's annual report and accounts for the period from incorporation on 20 January 2017 to 31 December 2017, prepared in accordance with IFRS, together with the audit report in respect of such period and the Company's unaudited financial statements for the six months ended 30 June 2018, contain information which is relevant to Readmission. These documents are available on the Company's website at [www.investors.oceanoutdoor.com](http://www.investors.oceanoutdoor.com).

The table below sets out the various sections of the documents which are incorporated by reference into this Document so as to provide the information required under the Prospectus Rules and to ensure that Shareholders and others are aware of all information which, according to the particular nature of Company and of the Ordinary Shares, is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company.

Any non-incorporated parts of the documents are either not relevant for the purposes of Readmission or the relevant information is included elsewhere in this Document. Any documents themselves incorporated by reference or referred or cross-referred to in the documents referred to below shall not form part of this document.

<u>Document</u>	<u>Section</u>	<u>Page numbers</u>	<u>Section in this Document</u>
Annual report and accounts for the period ended 31 December 2017	Chairman's Statement	3-4	Part VII—A
	Report of the Directors	5-10	
	Independent Auditors' Report	13-16	
	Statement of comprehensive loss	17	
	Statement of financial position	18	
	Statement of changes in equity	19	
	Statement of cash flows	20	
	Notes to financial statements	21-33	
Unaudited interim financial statements for the six months to 30 June 2018	Unaudited condensed statement relating to the Ocean Group of profit and loss	27	Part VII—B
Unaudited interim financial statements for the six months to 30 June 2018	Unaudited condensed statement of profit and loss	8	Part VII—C
	Unaudited condensed statement of financial position	9	
	Unaudited condensed statement of changes in equity	10	
	Notes to the interim condensed financial statements and appendix	12-30	
	Unaudited condensed statement relating to the Ocean Group of profit and loss	27	

## PART XIII

### DEFINITIONS

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

<b>2017 Placing</b> .....	means the placing of 41,765,000 Ordinary Shares of no par value (with Warrants being issued to subscribers on the basis of one Warrant per Ordinary Share) at a placing price of \$10.00 per Ordinary Share on behalf of the Company on 13 March 2017
<b>2017 Placing Price</b> .....	means \$10.00 per new Ordinary Share (with one Matching Warrant) issued in connection with the 2017 Placing;
<b>Accredited Investor</b> .....	has the meaning given by Rule 501(a) of Regulation D;
<b>Acquisition</b> .....	means the initial acquisition by the Company or by any subsidiary thereof (which may be in the form of a merger, capital stock exchange, asset acquisition, stock purchase, scheme of arrangement, reorganisation or similar business combination) of an interest in an operating company or business (and, in the context of the Acquisition, references to a company without reference to a business and references to a business without reference to a company shall in both cases be construed to mean both a company or a business) being the Ocean Transaction;
<b>Additional Annual Enhancement</b> ....	means the Additional Annual Enhancement as defined on page 46;
<b>Additional Annual Enhancement Amount</b> .....	means the Additional Annual Enhancement Amount as defined on page 46;
<b>Additional Annual Enhancement Price</b> .....	means the Average Price per Ordinary Share for the last 30 consecutive Trading Days in the relevant Enhancement Year;
<b>Administrator</b> .....	means International Administration Group (Guernsey) Limited or such other administrator as may be appointed by the Company from time to time;
<b>Admission</b> .....	means the initial admission of the Ordinary Shares to the standard segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange on 13 March 2017;
<b>Advisory Services Agreement</b> .....	Means the advisory services agreement dated 24 April 2018, further details of which are set out in paragraph 16.1 of “Part X—Additional Information”;
<b>Articles of Association or Articles</b> ....	means the articles of association of the Company in force from time to time;
<b>Average Price</b> .....	means for any security, as of any date or relevant period (as applicable): (i) in respect of Ordinary Shares or any other security, the volume weighted average price for such security on the London Stock Exchange as reported by Bloomberg through its “Volume at Price” functions; (ii) if the London Stock Exchange is not the principal securities exchange or trading market for that security, the volume weighted average price of that security on the principal securities exchange or trading market on which that security is listed or traded as reported by Bloomberg through its “Volume at Price” functions;



(iii) if the foregoing do not apply, the last closing trade price of that security in the over-the-counter market on the electronic bulletin board for that security as reported by Bloomberg; or (iv) if no last closing trade price is reported for that security by Bloomberg, the last closing ask price of that security as reported by Bloomberg. If the Average Price cannot be calculated for that security on that date on any of the foregoing bases, the Average Price of that security on such date shall be the fair market value as mutually determined by the Company and the holders of the majority of the Founder Preferred Shares (acting reasonably);

<b>Bloomberg</b> .....	means Bloomberg Financial Markets;
<b>Business Day</b> .....	means a day (other than a Saturday or a Sunday) on which banks are open for business in London and the British Virgin Islands;
<b>BVI</b> .....	means the territory of the British Virgin Islands;
<b>BVI Companies Act</b> .....	means the BVI Business Companies Act, 2004 (as amended);
<b>certificated or in certificated form</b> ....	means in relation to a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form (that is, not in CREST);
<b>Chairman</b> .....	means Tom Goddard, or the Chairman of the Board from time to time, as the context requires, provided that such person was independent on appointment for the purposes of the U.K. Corporate Governance Code;
<b>City Code</b> .....	means the City Code on Takeovers and Mergers;
<b>Company</b> .....	means Ocean Outdoor Limited, a company incorporated with limited liability in the British Virgin Islands under the BVI Companies Act on 20 January 2017, with number 1935255;
<b>CREST or CREST System</b> .....	means the paperless settlement system operated by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
<b>CRESTCo</b> .....	means CRESTCo Limited, the operator (as defined in the Uncertificated Regulations) of CREST;
<b>Custodian</b> .....	means the custodian nominated by the Depositary;
<b>Deed Poll</b> .....	means the deed poll dated 2 March 2017 and executed by the Depositary in favour of the holders of the Depositary Interests from time to time;
<b>Depositary</b> .....	means Computershare Investor Services PLC;
<b>Depositary Agreement</b> .....	means the Depositary Agreement as defined on page 141;
<b>Depositary Interests</b> .....	means the dematerialised depositary interests in respect of the Ordinary Shares issued or to be issued by the Depositary;
<b>Directors or Board or Board of</b>	
<b>Directors</b> .....	means the directors of the Company, whose names appear in “Part III—Directors, Management and Corporate Governance”, or the board of directors from time to time of the Company, as the context requires, and “Director” is to be construed accordingly;

<b>Directors' Letters of Appointment</b> . . .	means the letters of appointment for each of the Directors, details of which are set out in "Part X—Additional Information";
<b>Disclosure Guidance and Transparency Rules</b> . . . . .	means the disclosure guidance and transparency rules of the FCA made pursuant to section 73A of FSMA as amended from time to time;
<b>DOOH</b> . . . . .	means digital out-of-home;
<b>Dormant Company</b> . . . . .	means a company which does not engage in trade or otherwise carry on ordinary business;
<b>EEA</b> . . . . .	means the European Economic Area;
<b>EEA States</b> . . . . .	means the member states of the European Union and the European Economic Area, each an "EEA State";
<b>Enhanced Tranche</b> . . . . .	means the Enhanced Tranche as defined on page 46;
<b>Enhancement Calculation Date</b> . . . . .	means the last Trading Day of each Enhancement Year;
<b>Enhancement Date</b> . . . . .	means a day no later than ten Trading Days after the Enhancement Calculation Date, except in respect of any Annual Enhancement Amount becoming due on the Trading Day immediately prior to the date of commencement of the Company's winding-up, in which case the Enhancement Date shall be such Trading Day;
<b>Enhancement Determination Period</b> . . . . .	means the Enhancement Determination Period as defined on page 47;
<b>Enhancement Period</b> . . . . .	means the period between beginning on the date of the consummation of the Acquisition and ending on the last Trading Day of the seventh full financial year after the date of the consummation of the Acquisition;
<b>Enhancement Year</b> . . . . .	means any financial year in the Enhancement Period, commencing on the consummation of the Acquisition, except that in the event of the Company's entry into liquidation, the then current Enhancement Year shall end on the Trading Day immediately prior to the date of commencement of liquidation;
<b>ERISA</b> . . . . .	means the U.S. Employee Retirement Income Security Act of 1974, as amended;
<b>EU</b> . . . . .	means the Member States of the European Union;
<b>Euroclear</b> . . . . .	means Euroclear U.K. & Ireland Limited;
<b>Exchange Act</b> . . . . .	means the U.S. Securities Exchange Act of 1934, as amended;
<b>FCA</b> . . . . .	means the U.K. Financial Conduct Authority;
<b>Forrest Group</b> . . . . .	means Forrest Media and each of its subsidiaries;
<b>Forrest Media</b> . . . . .	means Forrest Media (Holdings) Limited (formerly known as Forrest Group Limited)
<b>Forrest Sellers</b> . . . . .	means Christopher Trainer and Marc Keenan;

<b>Forrest Transaction</b> .....	means the acquisition by the Company’s wholly owned subsidiary, Ocean Bidco, of the entire issued share capital of Forest Media (Holdings) Limited and Forest Media Limited, in accordance with the terms of the Forrest Acquisition Agreement, further details of which are set out in “Part I—Information on the Company”;
<b>Founder Entities</b> .....	means LionTree Ocelot LLC and Mariposa Acquisition III, LLC (each a “Founder Entity”);
<b>Founder Preferred Shares</b> .....	means the class of shares in the capital of the Company, details of which are set out in “Part II—The Founders” and paragraph 4.3 of “Part X—Additional Information”;
<b>Founders</b> .....	means collectively, LionTree, Andrew Barron and Martin E. Franklin (each, a “Founder”);
<b>FSMA</b> .....	means the Financial Services and Markets Act 2000 of the U.K., as amended;
<b>FTSE</b> .....	means FTSE International Limited;
<b>general meeting</b> .....	means a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires);
<b>Group</b> .....	means the Company and its subsidiaries;
<b>IFRS</b> .....	means International Financial Reporting Standards as adopted by the European Union;
<b>Independent Directors</b> .....	means those Directors of the Board from time to time considered by the Board to be independent for the purposes of the U.K. Corporate Governance Code (or any other appropriate corporate governance regime complied with by the Company from time to time) together with the chairman of the Board provided that such person was independent on appointment for the purposes of the U.K. Corporate Governance Code (or any other appropriate corporate governance regime complied with by the Company from time to time);
<b>Independent Non-Executive Directors</b> .....	means Robert Marcus, Martin HP Söderström, Sangeeta Desai, Thomas Ebeling and Andrew Miller or the non-executive directors of the Board from time to time considered by the Board to be independent for the purposes of the U.K. Corporate Governance Code, as the context requires;
<b>Initial Option</b> .....	means the options granted to each of Mr. Marcus, Mr. Söderström and Ms. Desai pursuant to the terms of the Initial Option Deeds, details of which are set out in paragraph 10 of “Part X—Additional Information”;
<b>Initial Option Deeds</b> .....	means the option deeds (as amended) entered into between the Company and each of Mr. Marcus, Mr. Söderström and Ms. Desai in connection with the Initial Options;
<b>Institutional Seller</b> .....	means SCP OCN Acquisition Lux S.à.r.l.;
<b>IRS</b> .....	means the U.S. Internal Revenue Service;
<b>Jersey Topco</b> .....	means Ocean Jersey Topco Limited (formerly known as Ocelot Partners Bidco Limited);

**Joint Brokers and Financial**

<b>Advisers</b> .....	means the financial advisers to the Company;
<b>Landsec</b> .....	means Land Securities Group plc;
<b>LionTree</b> .....	means LionTree Partners LLC;
<b>Listing Rules</b> .....	means the listing rules of the FCA made pursuant to section 73A of FSMA as amended from time to time;
<b>Locked-Up Management Sellers</b> .....	means Tom Goddard, Tim Bleakley, Stephen Joseph, Richard Malton, Gerard Bew, Stephen George, Nick Shaw, James Harrison and Joseph Arshed;
<b>London Stock Exchange</b> .....	means London Stock Exchange plc;
<b>Management Sellers</b> .....	means Tom Goddard, Tim Bleakley, Stephen Joseph, Mark Bracey, Iain Chapman, Richard Malton, Gerard Bew, Stephen George, Nick Shaw, James Harrison and Joseph Arshed;
<b>Market Abuse Regulation</b> .....	the Market Abuse Regulation 596/2014 of the European Parliament and of the Council, which came into force in the United Kingdom on 3 July 2016;
<b>Matching Warrants</b> .....	means the Warrants being issued to subscribers of Ordinary Shares in the 2017 Placing on the basis of one Warrant per Ordinary Share;
<b>Memorandum of Association or Memorandum</b> .....	means the memorandum of association of the Company in force from time to time;
<b>Ocean Acquisition Agreement</b> .....	means the share purchase agreement entered into on 1 March 2018 between the Company and the Ocean Sellers in relation to the Ocean Transaction, further details of which are set out in paragraph 15.1 of “Part X—Additional Information”;
<b>Ocean</b> .....	means SCP Acquisition Topco Limited;
<b>Ocean Bidco</b> .....	means Ocean Bidco Limited;
<b>Ocean Group</b> .....	means Ocean and its subsidiaries;
<b>Ocean Sellers</b> .....	means the Institutional Seller and the Management Sellers;
<b>Ocean Transaction</b> .....	means the acquisition by the Company’s wholly owned subsidiary, Jersey Topco, of the entire issued share capital of SCP Acquisition Topco Limited in accordance with the terms of the Acquisition Agreement, further details of which are set out in “Part I—Information on the Company”;
<b>Official List</b> .....	means the official list maintained by the U.K. Listing Authority;
<b>Ordinary Share Dividend Enhancement</b> .....	means the Ordinary Share Dividend Enhancement as defined on page 46;
<b>Ordinary Share Dividend Enhancement Amount</b> .....	means an amount equal to 20 per cent. of any dividend or other distribution made to that number of Ordinary Shares which is equal to the Preferred Share Enhancement Equivalent;

## **Ordinary Share Dividend Payment**

<b>Price</b> .....	means the Average Price per Ordinary Share for the last ten consecutive Trading Days prior to the declaration of the relevant Ordinary Share dividend;
<b>Ordinary Shares</b> .....	means the ordinary shares of no par value in the capital of the Company including, if the context requires, the New Ordinary Shares;
<b>PD Regulation</b> .....	means the EU Prospectus Directive Regulation (2004/809/EC);
<b>PFIC</b> .....	means a passive foreign investment company, as defined in section 1297 of the U.S. Tax Code;
<b>Placing Agreement</b> .....	means the placing agreement dated 8 March 2017 between the Company, the Founders, the Founder Entities, the Directors, and the Joint Brokers and Financial Advisers, details of which are set out in “Part X—Additional Information”;
<b>Plan Asset Regulations</b> .....	means the regulations promulgated by the U.S. Department of Labor at 29 CFR 2510.3-101, as modified by section 3(42) of ERISA;
<b>Plan Investor</b> .....	means (i) any “employee benefit plan” that is subject to Part 4 of Subtitle B of Title I of ERISA, (ii) a plan, individual retirement account or other arrangement that is subject to section 4975 of the U.S. Tax Code, (iii) entities whose underlying assets are considered to include “plan assets” of any plan, account or arrangement described in preceding paragraph (i) or (ii), or (iv) any governmental plan, church plan, non-U.S. plan or other investor whose purchase or holding of Ordinary Shares would be subject to any Similar Laws;
<b>Preferred Share Enhancement</b>	
<b>Equivalent</b> .....	means such number of Ordinary Shares outstanding immediately following the Acquisition, including any Ordinary Shares issued pursuant to the exercise of Warrants, but excluding any Ordinary Shares issued to shareholders or other beneficial owners of a company or business acquired pursuant to or in connection with the Acquisition;
<b>Premium Listing</b> .....	means a listing on the Premium Listing Segment of the Official List under Chapter 6 of the Listing Rules;
<b>Prohibited Person</b> .....	means any person who by virtue of his holding or beneficial ownership of shares or warrants in the Company would or might in the opinion of the Directors: (i) give rise to an obligation on the Company to register as an “investment company” under the U.S. Investment Company Act; (ii) give rise to an obligation on the Company to register under the Exchange Act or result in the Company not being considered a “foreign private issuer” as such term is defined in Rule 3b-4(c) under the Exchange Act; (iii) result in a U.S. Plan Investor holding shares in the Company; or (iv) create a material legal or regulatory issue for the Company under the U.S. Bank Holding Company Act of 1956, as amended, or regulations or interpretations thereunder;
<b>Prospectus Rules</b> .....	means the prospectus rules of the FCA made pursuant to section 73A of FSMA, as amended from time to time;
<b>Readmission</b> .....	means admission of the Ordinary Shares to the standard segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange;

<b>QEF Election</b> .....	means an election to treat any PFIC as a qualified electing fund, as defined in section 1295 of the U.S. Tax Code;
<b>QIB</b> .....	has the meaning given by Rule 144A;
<b>Registrar</b> .....	means Computershare Investor Services (BVI) Limited or any other registrar appointed by the Company from time to time;
<b>Regulation D</b> .....	means Regulation D under the Securities Act;
<b>Regulation S</b> .....	means Regulation S under the Securities Act;
<b>Resolution of Directors</b> .....	has the meaning specified in the Articles;
<b>Resolution of Members</b> .....	has the meaning specified in the Articles;
<b>Rule 144A</b> .....	means Rule 144A under the Securities Act;
<b>SEC</b> .....	means the U.S. Securities and Exchange Commission;
<b>Securities Act</b> .....	means the U.S. Securities Act of 1933, as amended;
<b>Senior Managers</b> .....	means Stephen Joseph, Steve George and Richard Malton;
<b>Shareholders</b> .....	means the holders of the Ordinary Shares;
<b>Similar Laws</b> .....	means any state, local, non-U.S. or other laws or regulations similar to Part 4 of Subtitle B of Title I of ERISA or section 4975 of the U.S. Tax Code or that would have the effect of the Plan Asset Regulations;
<b>Special Resolution of Members</b> .....	has the meaning specified in the Articles;
<b>Standard Listing</b> .....	means a listing on the Standard Listing Segment of the Official List under Chapter 14 of the Listing Rules;
<b>Time Warner Cable</b> .....	means Time Warner Cable Inc.;
<b>TMT</b> .....	means technology, media and telecommunications;
<b>Trading Day</b> .....	means a day on which the main market of the London Stock Exchange (or such other applicable securities exchange or quotation system on which the Ordinary Shares are listed) is open for business (other than a day on which the main market of the London Stock Exchange (or such other applicable securities exchange or quotation system) is scheduled to or does close prior to its regular weekday closing time);
<b>Transactions</b> .....	means the Ocean Transaction and the Forrest Transaction;
<b>U.K. Corporate Governance Code</b> ....	means the U.K. Corporate Governance Code issued by the Financial Reporting Council in the U.K. in July 2018;
<b>U.K. Listing Authority or UKLA</b> .....	means the FCA in its capacity as the competent authority for listing in the U.K. pursuant to Part VI of FSMA;
<b>uncertificated or uncertificated form</b> .....	means, in relation to a share or other security, a share or other security, title to which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;



- United Kingdom or U.K.** . . . . . means the United Kingdom of Great Britain and Northern Ireland;
- United States or U.S.** . . . . . has the meaning given to the term “United States” in Regulation S;
- U.S. Holder** . . . . . has the meaning given to the term on page 109;
- U.S. Investment Company Act** . . . . . means the U.S. Investment Company Act of 1940, as amended, and related rules;
- U.S. Person** . . . . . has the meaning given to the term “U.S. Person” in Regulation S;
- U.S. Plan Investor** . . . . . means (i) an employee benefit plan as defined in section 3(3) of ERISA (whether or not subject to the provisions of Title I of ERISA, but excluding plans maintained outside of the U.S. that are described in Section 4(b)(4) of ERISA); (ii) a plan, individual retirement account or other arrangement that is described in Section 4975 of the U.S. Tax Code, whether or not such plan, account or arrangement is subject to Section 4975 of the U.S. Tax Code; (iii) an insurance company using general account assets, if such general account assets are deemed to include assets of any of the foregoing types of plans, accounts or arrangements for purposes of Title I of ERISA or Section 4975 of the U.S. Tax Code; or (iv) an entity which is deemed to hold the assets of any of the foregoing types of plans, accounts or arrangements that is subject to Title I of ERISA of Section 4975 of the U.S. Tax Code;
- U.S. Tax Code** . . . . . means the U.S. Internal Revenue Code of 1986, as amended;
- Warrant Instrument** . . . . . means the instrument constituting the Warrants executed by the Company on 20 January 2017;
- Warrantholders** . . . . . means the holders of Warrants; and
- Warrants** . . . . . means the warrants to subscribe for Ordinary Shares issued pursuant to the Warrant Instrument, as supplemented.

References to a “company” in this Document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

References to “share capital” and other similar terms in this Document shall be construed so as to include shares in a company which has no share capital as such, but is authorised to issue a maximum or unlimited number of shares.

