

28 July 2021

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*The information contained within this announcement is deemed by the Company to constitute inside information stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.*

#### **Likewise Group plc**

("Likewise", the "Group" or the "Company")

#### **CONFIRMATION OF SUCCESSFUL PLACING**

Likewise Group plc, the fast growing UK floor coverings distributor, is pleased to announce that further to the Company's announcement released at approximately 5.51 p.m. on 26 July 2021 ("Launch Announcement"), the bookbuild has closed and the Group has conditionally raised gross proceeds of £10.0 million, through the successful placing of 40,000,000 New Shares, representing approximately 26.3 per cent. of the Company's existing issued share capital. The Placing Shares were placed at a price of 25 pence per Placing Share, representing a discount of c. 4 per cent. to the last closing price of the Shares.

The majority of the Directors and certain members of senior management have, in aggregate, agreed to subscribe for 4,000,000 Shares at the Placing Price.

Unless expressly defined in this Announcement, all capitalised terms used in this Announcement have the meanings stated in the Launch Announcement.

The Placing is subject to, inter alia, the passing of the resolutions to be proposed at a General Meeting of the Company to be convened for 17 August 2021 (the "**Resolutions**").

The Placing Shares have been conditionally placed with certain existing and new institutional and other professional investors. The Placing was conducted by way of an accelerated bookbuild. Zeus Capital and Ravenscroft acted as Joint Bookrunners on the Placing.

As outlined in the Launch Announcement, the Company also intends to de-list from TISE at 7.00 a.m. on 18 August 2021 and to admit its enlarged share capital to trading on AIM at 8.00 a.m. on 18 August 2021.

## Use of Proceeds

The gross proceeds of the Placing receivable by the Company will be used to fund:

- capital investments into additional distribution and logistics centres to facilitate organic growth;
- additional working capital for the Group;
- deferred consideration of £1.48 million due in relation to the acquisition of Heatseam in 2019;
- fees, commissions and expenses associated with the Placing and Admission; and
- part fund potential earnings enhancing acquisitions.

In addition, the Directors believe that Admission will, *inter alia*, further enhance the Group's public profile, increase the liquidity of its Shares and improve the attractiveness of share-based employee incentivisation programmes and equity consideration on transactions.

## General Meeting

Shareholder approval will be sought in respect of the authorities required to allot the Placing Shares pursuant to the Placing at the General Meeting which will be convened for 10.00 a.m. on 17 August 2021 at Unit 4 Radial Park, Solihull Parkway, Birmingham Business Park, Solihull, B37 7YN.

Following the Government's announcement on 12 July 2021, the Board notes that as of 19 July 2021, the remaining restrictions on social contact arising from the COVID-19 pandemic have been lifted. However, the public is being urged to exercise caution and the Board notes that an increase in infections is anticipated over the summer months. Although the Company is not expecting to be legally restricted in terms of attendance at the General Meeting, the Board remains committed to protecting the health and well-being of its shareholders and of the general public. Therefore, it is regrettably the opinion of the Board that due to the increase in the number of COVID-19 cases reported in the UK, shareholders should not physically attend the General Meeting. Accordingly, the Board strongly urges shareholders to consider whether travelling to and attending the General Meeting would be necessary under the current circumstances. In any event, attendees will be required to wear face coverings and keep a distance between themselves and other attendees.

The Company therefore strongly encourages all shareholders to appoint the Chair of the General Meeting as their proxy and to submit their voting instructions electronically in advance of the General Meeting, in accordance with the instructions contained in the Notice of General Meeting.

The Company has received irrevocable undertakings from Shareholders to vote in favour of the Resolutions in respect of a total of 95,268,991 Shares, representing 62.5 per cent. of the Existing Shares.

The Resolutions are inter-conditional and consequently if any of the Resolutions are not passed, neither the Placing, nor Admission will occur, and the Existing Shares will continue to trade on TISE.

## Further details of the Placing

40,000,000 Placing Shares will be allotted and issued through the Placing to raise gross proceeds of £10.0 million at a price of 25 pence per Placing Share.

The allotment and issue of the Placing Shares is conditional on the Resolutions being passed, which shall include resolutions to authorise the Directors to allot the Placing Shares and for statutory pre-emption rights to be disapplied in respect of such allotment. The Resolutions comprise the relevant approvals required for the Placing.

### *Principal terms of the Placing*

In accordance with the terms of the Placing Agreement, Zeus Capital and Ravenscroft have, as agents for the Company, conditionally placed, with institutional and other investors, 40,000,000 Placing Shares at the Placing Price of 25 pence per Share to raise gross proceeds of £10.0 million. The Placing Price of 25 pence per Placing Share represents a discount of approximately 4 per cent. to the closing middle market price of 26 pence per Share on 26 July 2021 (being the last business day before the Placing was first announced).

#### *Effect of the Placing*

The Placing Shares will, following Admission, rank pari passu in all respects with the Existing Shares in the capital of the Company in issue at the date of this Announcement and will carry the right to receive all dividends and distributions declared, made or paid on or in respect of the Shares after Admission.

Upon completion of the Placing, the Placing Shares will represent approximately 20.8 per cent. of the Company's enlarged share capital.

#### *Application for Admission*

Application will be made to the London Stock Exchange for admission of the Placing Shares and Existing Shares to trading on AIM. Admission of the Placing Shares and Existing Shares is expected to take place, and dealings on AIM are expected to commence, at 8.00 a.m. on 18 August 2021. The cancellation of the Company's listing on TISE is expected to take effect at 7.00 a.m. on 18 August 2021.

#### **Director and senior management participation and lock-in arrangements**

The Directors and certain members of senior management have agreed conditionally to subscribe for an aggregate of 4,000,000 Placing Shares as set out below.

<i>Name</i>	<i>Title</i>	<b>Current Holding</b>		<b>Resultant Holding</b>		
		<i>Number of Shares</i>	<i>Percentage of Existing Issued Share Capital</i>	<i>Number of Placing Shares to be acquired on Admission</i>	<i>Resulting number of Shares</i>	<i>Percentage of enlarged share capital</i>
Tony Brewer <sup>1</sup>	Chief executive	28,932,500	18.99%	400,000	29,332,500	15.25%
Andrew Simpson	Non-executive director	19,000,000	12.47%	400,000	19,400,000	10.08%
Paul Bassi	Chairman	2,800,000	1.84%	2,200,000	5,000,000	2.60%
Adrian Laffey	Senior management	6,442,500	4.23%	200,000	6,642,500	3.45%
James Kellett	Senior management	4,750,000	3.12%	400,000	5,150,000	2.68%
Tony Judge	Senior management	1,215,000	0.80%	400,000	1,615,000	0.84%

1. Tony Brewer is the Trustee of the Brewer Settlement Trust who holds the beneficial interest of part of the Shares.

Each of the Directors and the members of senior management disclosed above will be subject to lock-in agreements whereby they will undertake that for a period of 12 months from Admission they will not dispose of any of the Shares in which they are interested at Admission, except with the permission of

the Company and Zeus Capital and that for a further 12 months they will comply with certain requirements designed to maintain an orderly market in the Shares.

### **Expected timetable of principle events**

Announcement of the Placing and intention to cancel the Company's listing on TISE	26 July 2021
Closing of the Placing	28 July 2021
Publication and posting of the Admission Document and the Notice of General Meeting	29 July 2021
Latest time and date for receipt of Forms of Proxy	10.00 a.m. on 13 August 2021
General Meeting	10.00 a.m. on 17 August 2021
Cancellation of the Company's listing on TISE	7.00 a.m. on 18 August 2021
Admission of the Enlarged Share Capital on AIM	8.00 a.m. on 18 August 2021

### **For further information, please contact:**

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Roy Povey, Chief Financial Officer

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Jordan Warburton / David Foreman / James Edis (Corporate Finance)  
John Goold (Corporate Broking)

**Ravenscroft Consultancy & Listing Services Limited** (TISE Listing Sponsor & Joint Broker) Tel: 01481 732746  
Semelia Hamon (Corporate Finance)

**Novella Communications** (Financial PR) Tel: 0203 151 7008  
Tim Robertson / Fergus Young

### ***Important information***

This Announcement is for information purposes only and does not itself constitute an offer or invitation to underwrite, subscribe for or otherwise acquire or dispose of any securities in the Company and does not constitute investment advice.

Neither this Announcement nor any copy of it may be taken or transmitted, published or distributed, directly or indirectly, in or into the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa or to any persons in any of those jurisdictions or any other jurisdiction where to do so would constitute a violation of the relevant securities laws of such jurisdiction. Any failure to comply with this restriction may constitute a violation of the securities laws of any state or territory of the United States, Australia, New Zealand, Canada, Japan or the Republic of South Africa. The distribution of this Announcement in other jurisdictions may be restricted by law and persons into whose possession this Announcement comes should inform themselves about, and observe any such restrictions.

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In particular, the Placing Shares have not been and will not be registered under the US Securities Act, or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States, and accordingly the Placing Shares may not be offered, sold, pledged or transferred, directly or indirectly, in, into or within the United States except pursuant to an exemption from the registration requirements of the US Securities Act and the securities laws of any relevant state or other jurisdiction of the United States. There is no intention to register any portion of the Placing in the United States or to conduct a public offering of securities in the United States or elsewhere.

Zeus Capital is authorised and regulated in the United Kingdom by the FCA and is acting as nominated adviser and joint bookrunner to the Company in respect of the Placing. Ravenscroft is licensed and regulated by the Guernsey Financial Services Commission and is acting as joint bookrunner to the Company in respect of the Placing. Each of Zeus Capital and Ravenscroft is acting for the Company and for no-one else in connection with the Placing, and will not be treating any other person as its client in relation thereto, and will not be responsible for providing the regulatory protections afforded to its customers nor for providing advice in connection with the Placing or any other matters referred to herein and apart from the responsibilities and liabilities (if any) imposed on Zeus Capital or Ravenscroft, as the case may be, by FSMA, any liability therefor is expressly disclaimed. Any other person in receipt of this Announcement should seek their own independent legal, investment and tax advice as they see fit.

### ***Forward-looking statements***

This announcement contains statements about Likewise that are or may be deemed to be "forward-looking statements".

All statements, other than statements of historical facts, included in this announcement may be forward-looking statements. Without limitation, any statements preceded or followed by, or that include, the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "should", "anticipates", "estimates", "projects", "would", "could", "continue" or words or terms of similar substance or the negative thereof, are forward-looking statements. Forward-looking statements include, without limitation, statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects and (ii) business and management strategies and the expansion and growth of the operations of Likewise.

These forward-looking statements are not guarantees of future performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of any such person, or industry results, to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on numerous assumptions regarding the

present and future business strategies of such persons and the environment in which each will operate in the future. Investors should not place undue reliance on such forward-looking statements and, save as is required by law or regulation (including to meet the requirements of the AIM Rules for Companies, the Prospectus Rules, the FSMA and/or MAR), does not undertake any obligation to update publicly or revise any forward-looking statements (including to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based). All subsequent oral or written forward-looking statements attributed to Likewise or the Group or any persons acting on their behalf are expressly qualified in their entirety by the cautionary statement above. All forward-looking statements contained in this Announcement are based on information available to the Directors at the date of this Announcement, unless some other time is specified in relation to them, and the posting or receipt of this Announcement shall not give rise to any implication that there has been no change in the facts set forth herein since such date.