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5 June 2020

Stobart Group Limited
("Stobart Group", the "Company" or the "Group")

Completion of bookbuilding process

Following the announcement on 4 June 2020 of the Capital Raise, the Company announces the successful completion of the bookbuilding process for the Firm Placing and conditional Placing of Open Offer Shares, which has now closed, and subject to the conditions set out below, will raise gross proceeds of £100 million at a price of 40 pence per New Share (the "Offer Price").

David Shearer, Chairman of Stobart Group, said today:

"We are delighted to have received support from both our existing shareholders and new investors for our equity issue, which will place the Group on a sound financial footing going forwards. On behalf of the Board, I would like to express my gratitude to those who have provided their support. We look forward to repaying their trust in us by delivering on our strategic objectives in the coming years."

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This announcement contains inside information for the purposes of article 7 of EU Regulation 596/2014. The person who arranged the release of this announcement on behalf of Stobart Group was Louise Brace, Company Secretary.

Capitalised terms not otherwise defined in this announcement have the meanings given to them in the announcement made by the Company of the Proposed Placing and Open Offer.

Firm Placing

Pursuant to the Firm Placing, the Firm Placees have agreed to subscribe for 200,046,312 Firm Placed Shares at the Offer Price.

The Firm Placed Shares will represent approximately 32.03 per cent. of the Company's issued ordinary share capital immediately following Admission.

Placing and Open Offer

In addition, pursuant to the Placing and Open Offer, the Joint Bookrunners have placed 49,953,688 Open Offer Shares at the Offer Price with the Conditional Placees, subject to clawback to satisfy valid applications by Qualifying Shareholders under the Open Offer.

The Open Offer Shares will represent approximately 8.0 per cent. of the Company's issued ordinary share capital immediately following Admission.

Pursuant to the Open Offer, Qualifying Shareholders will be given the opportunity to apply for the Open Offer Shares at the Offer Price, on and subject to the terms and conditions of the Open Offer, pro rata to their holdings of Existing Shares on the Record Date on the following basis:

2 Open Offer Shares for every 15 Existing Shares

Open Offer Shares will also be made available to Qualifying Shareholders under the Excess Application Facility.

The Offer Price represents a discount of approximately 42.2 per cent. to the closing price on 4 June 2020 (being the last closing price prior to launch of the Capital Raise).

In setting the Offer Price, the Directors have considered the process by which the New Shares need to be offered to investors to ensure the success of the Placing and Open Offer and Firm Placing and raise a significant level of equity compared to the market capitalisation of the Company. The Directors believe that both the Offer Price and the discount are appropriate.

The Company expects to publish a Prospectus, setting out full details of the Open Offer and incorporating a Notice of General Meeting, later today. Shareholders should read the Prospectus in full before making any application for Open Offer Shares and/or Excess Open Offer Shares.

The Firm Placing and the Placing and Open Offer are conditional, inter alia, upon:

- (i) the Resolutions being passed by Shareholders at the General Meeting;
- (ii) the Placing Agreement having become unconditional in all respects and not having been terminated by the Joint Bookrunners in accordance with its terms prior to Admission; and
- (iii) Admission becoming effective by not later than 8.00 a.m. on 29 June 2020 (or such later time or date as the Company and the Joint Bookrunners may agree being not later than 8.00 a.m. on 6 July 2020).

Applications will be made to the FCA for admission of the New Shares to listing on the premium listing segment of the Official List of the FCA and to the London Stock Exchange for admission of the New Shares to trading on its main market for listed securities. Subject to the conditions above being satisfied, it is expected that Admission will occur and that dealings for normal settlement in the New Shares will commence at 8.00 a.m. on 29 June 2020.

The New Shares will be issued credited as fully paid and will rank *pari passu in* all respects with the Existing Shares, including the right to receive all dividends and other distributions declared, made or paid on the Existing Shares by reference to a record date on or after Admission.

Director Participation

In addition to taking up their Open Offer Entitlements in full, the Directors have subscribed for an aggregate of 796,958 New Shares the Capital Raise.

	Ordinary Shares		New Shares subscribed for	Open Offer Entitlement	Shares in issue following Admission	
	Number	% of issued ordinary share capital at the date of this announcement			Number	Number
David Shearer	100,000	0.027	299,167	13,333	412,500	0.066
Warwick Brady	279,705	0.075	87,706	37,294	404,705	0.065
Lewis Girdwood	125,000	0.033	108,334	16,666	250,000	0.040
Nick Dilworth	63,594	0.017	91,521	8,479	163,594	0.026
David Blackwood	44,534	0.012	119,063	5,937	169,534	0.027
John Coombs	80,006	0.021	79,333	10,667	170,006	0.027
Ginny Pulbrook	5,000	0.001	11,834	666	17,500	0.003
Total	697,839	0.186	796,958	93,042	1,587,839	0.254

Related Party Transactions

The Company's largest Shareholder, Toscafund Asset Management LLP, which holds 89,640,562 Existing Shares (representing 23.93 per cent. of the Company's issued ordinary share capital as at 29 May 2020 (being the latest practicable date prior to the publication of this announcement)), has agreed to acquire up to 82,500,000 New Shares in the Firm Placing and the Placing (subject to clawback to satisfy valid applications under the Open Offer), resulting in Toscafund Asset Management LLP being interested in not more than 27.56 per cent. of the enlarged issued share capital of the Company immediately following Admission.

As a consequence of the current interest of Toscafund Asset Management LLP in the Company, its proposed participation in the Placing and Open Offer and Firm Placing is a related party transaction for the purposes of Chapter 11 of the Listing Rules and such transactions require the prior approval of independent Shareholders. Toscafund Asset Management LLP is not entitled to vote, and has undertaken to take all reasonable steps to ensure that it and its associates will abstain from voting or will appoint the Chair who will abstain from voting, on the resolution to approve its own related party transaction at the General Meeting.

Expected Timetable of Principal Events

Record Date for entitlements under the Open Offer	close of business on 3 June 2020
Announcement of the Capital Raise	6.07 p.m. on 4 June 2020
Ex-entitlement date for the Open Offer	5 June 2020
Publication and posting of the Prospectus and Application Form	5 June 2020

Open Offer Entitlements and Excess Open Offer Entitlements enabled in CREST and credited to stock accounts of Qualifying CREST Shareholders in CREST	8 June 2020
Recommended latest time for requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST	4.30 p.m. on 18 June 2020
Latest time and date for depositing Open Offer Entitlements and Excess Open Offer Entitlements into CREST	3.00 p.m. on 19 June 2020
Latest time and date for splitting of Application Forms (to satisfy <i>bona fide</i> market claims only)	3.00 p.m. on 22 June 2020
Latest time and date for electronic proxy appointments or receipt of form of proxy	10.00 a.m. on 23 June 2020
Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instructions (as appropriate)	11.00 a.m. on 24 June 2020
Announcement of the results of the Placing and Open Offer through a Regulatory Information Service	7.00 a.m. on 25 June 2020
General Meeting	10.00 a.m. on 25 June 2020
Results of General Meeting announced through a Regulatory Information Service	25 June 2020
Admission of, and dealings commence in, the Firm Placed Shares and the Open Offer Shares	8.00 a.m. on 29 June 2020
CREST members' accounts credited in respect of New Shares in uncertificated form	From 8.00 a.m. on 29 June 2020
Expected dispatch of definitive share certificates for New Shares in certificated form	Within 14 days of Admission

Notes:

- (1) References to times in this announcement are to London time unless otherwise indicated.
(2) The ability to participate in the Placing and Open Offer is subject to certain restrictions relating to Shareholders with registered addresses outside the United Kingdom, details of which are set out in the prospectus expected to be published by the Company later today.

Important notices

This announcement has been issued by and is the sole responsibility of the Company. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its accuracy or completeness. The information in this announcement is subject to change.

This announcement is not a prospectus but an advertisement. Neither this announcement nor anything contained in it shall form the basis of, or be relied upon in conjunction with, any offer or commitment whatsoever in any jurisdiction. Investors should not acquire any Shares referred to in this announcement except on the basis of the information contained in the Prospectus to be published by the Company in connection with the Capital Raise.

Copies of the Prospectus when published will be available on the Company's website at www.stobartgroup.co.uk/investors. Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement. The Prospectus will provide further details of the New Shares being offered pursuant to the Capital Raise.

This announcement does not contain or constitute an offer for sale or the solicitation of an offer to purchase securities in the United States. The New Shares, Open Offer Entitlements and Excess Open Offer Entitlements have not been and will not be registered under the US Securities Act of 1933 (the "**Securities Act**") or under any securities laws of any state or other jurisdiction of the United States and may not be offered, sold, taken up, exercised, resold, renounced, transferred or delivered, directly or indirectly, within the United States except pursuant to an applicable exemption from or in a transaction not subject to the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. There will be no public offer of the New Shares in the United States. None of the New Shares, Open Offer Entitlements, Excess Open Offer Entitlements, this announcement or any other document connected with the Capital Raise has been or will be approved or disapproved by the United States Securities and Exchange Commission or by the securities commissions of any state or other jurisdiction of the United States or any US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the New Shares, Open Offer Entitlements, or Excess Open Offer Entitlements or the accuracy or adequacy of this announcement or any other document connected with the Capital Raise. Any representation to the contrary is a criminal offence in the United States.

This announcement is for information purposes only and is not intended to and does not constitute or form part of any offer or invitation to sell, allot or issue, or any offer or invitation to purchase or subscribe for, New Shares, or to take up any entitlements to New Shares, in any jurisdiction or any solicitation to purchase or subscribe for, any securities in the United States or Australia, Canada, Hong Kong, Japan, the People's Republic of China, the Republic of South Africa (the "**Excluded Territories**") or in any jurisdiction to whom or in which such offer or invitation is unlawful, nor does the fact of its distribution form the basis of, or be relied upon in connection with, or act as any inducement to enter into, any contract or commitment whatsoever with respect to such securities, the Company or otherwise.

The distribution of this announcement into jurisdictions other than the United Kingdom may be restricted by law, and, therefore, persons into whose possession this announcement comes should inform themselves about and observe any such restrictions. Any failure to comply with any such restrictions may constitute a violation of the securities laws of such jurisdiction. In particular, subject to certain exceptions, this announcement, the Prospectus (once published) and the Application Forms (once printed) should not be distributed, forwarded to or transmitted in or into the United States or any Excluded Territory.

Recipients of this announcement and/or the Prospectus should conduct their own investigation, evaluation and analysis of the business, data and property described in this announcement and/or if and when published the Prospectus. This announcement does not constitute a recommendation concerning any investor's options with respect to the Capital Raise. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice.

Each Shareholder or prospective investor should consult his, her or its own legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Notice to all investors

Canaccord Genuity Limited ("**Canaccord**") is authorised and regulated by the Financial Conduct Authority ("**FCA**") in the United Kingdom. UBS AG London Branch ("**UBS**" and together with Canaccord, the "**Joint Bookrunners**") is authorised and regulated by the Financial Market Supervisory Authority in Switzerland, and it is authorised by the Prudential Regulation Authority ("**PRA**") and subject to regulation by the FCA and limited regulation by the PRA in the United Kingdom.

Canaccord and UBS are each acting exclusively for the Company and no one else in connection with the Capital Raise or any other matter referred to in this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients or for providing advice in connection with the Capital Raise and/or any other matter referred to in this announcement.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability is or will be accepted by the Joint Bookrunners or by any of their respective affiliates or agents (or any of their respective directors, officers, employees or advisers) for the contents of the information contained in this announcement, or any other written or oral information made available to or publicly available to any interested party or its advisers, or any other statement made or purported to be made by or on behalf of either Joint Bookrunner or any of their respective affiliates in connection with the Company, the New Shares or the Capital Raise and any responsibility therefor is expressly disclaimed. The Joint Bookrunners and each of their respective affiliates accordingly disclaim all and any liability, whether arising in tort, contract or in respect of any statements or other information contained in this announcement and no representation or warranty, express or implied, is made by either Joint Bookrunner or any of their respective affiliates as to the accuracy, completeness or sufficiency of the information contained in this announcement.

No person has been authorised to give any information or to make any representations other than those contained in this announcement, the Prospectus and the Application Forms, and, if given or made, such information or representations must not be relied on as having been authorised by the Company or Canaccord and UBS.

In connection with the Capital Raise, each of their Joint Bookrunners and any of their respective affiliates, acting as investors for their own accounts, may take up a portion of the shares in the Capital Raise as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Company or related investments in connection with the Capital Raise or otherwise. Accordingly, references in the Prospectus to the Shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Joint Bookrunners and any of their respective affiliates acting as investors for their own accounts. Except as required by applicable law or regulation, the Joint Bookrunners do not propose to make any public disclosure in relation to such transactions.

Cautionary statement regarding forward-looking statements

This announcement contains forward-looking statements, including with respect to financial information, that are based on current expectations or beliefs, as well as assumptions about future events. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could", "is confident", or other words of similar meaning. Undue reliance should not be placed on any such statements because they speak only as at the date of this announcement and, by their very nature, they are subject to known and unknown risks and uncertainties and can be affected by other factors that could cause actual results, and the Company's plans and objectives, to differ materially from those expressed or implied in the forward-looking statements. No representation or warranty is made that any forward-looking statement will come to pass.

You are advised to read the Prospectus when published and the information incorporated by reference therein in their entirety, and, in particular, the section of the Prospectus headed "Risk Factors", for a further discussion of the factors that could affect the Group's future performance and the industry in which it operates. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements, including statements regarding prospective financial information, in this announcement may not occur. These statements are not fact and should not be relied upon as being necessarily indicative of future results, and readers of this announcement are cautioned not to place undue reliance on the forward-looking statements, including those regarding prospective financial information.

No statement in this announcement is intended as a profit forecast, and no statement in this announcement should be interpreted to mean that underlying operating profit for the current or future financial years would necessarily be above a minimum level, or match or exceed the historical published operating profit or set a minimum level of operating profit.

Neither the Company nor any of Canaccord or UBS are under any obligation to update or revise publicly any forward-looking statement contained within this announcement, whether as a result of new information, future events or otherwise, other than in accordance with their legal or regulatory obligations (including, for the avoidance of doubt, the Prospectus Regulation Rules, the Listing Rules and Disclosure Guidance and Transparency Rules). Subject to the Prospectus Regulation Rules, the Listing Rules and the Disclosure Guidance and Transparency Rules, the issue of this announcement shall not, in any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this announcement or that the information in it is correct as at any subsequent date.

Information to Distributors

Solely for the purposes of the product governance requirements contained within (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the MiFID II Product Governance Requirements), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the New Shares have been subject to a product approval process, which has determined that the New Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the New Shares may decline and investors could lose all or part of their investment; the New Shares offer no guaranteed income and no capital protection; and an investment in the New Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Capital Raise. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the New Shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the New Shares and determining appropriate distribution channels.

ENDS

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