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FOR IMMEDIATE RELEASE

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

7 December 2020

CASH OFFER

for

COUNTRYWIDE PLC

by

CONNELLS LIMITED

Summary

- The board of Connells Limited ("**Connells**") is pleased to announce a firm cash offer for the entire issued and to be issued share capital of Countrywide plc ("**Countrywide**") at a price of 325 pence per Countrywide Share (the "**Offer**").
- Following discussions with Countrywide's major shareholders, Connells has increased its proposed offer price by 30 per cent. and is announcing the terms of a firm offer under Rule 2.7 of the Takeover Code.
- Under the Offer, Countrywide Shareholders will receive immediate, certain and significant value, at a 124 per cent. premium to Countrywide's unaffected share price.
- Under the stewardship of Connells' experienced and successful management team, the combination will stabilise and enhance Countrywide's business for the benefit of its customers, employees and other stakeholders.
- Under the Offer, all of Countrywide's lenders will be repaid in full and additional investment will be provided, giving the business the financial strength to recover from the under-investment of recent years.
- The Connells Board believes that its Offer is significantly more attractive to Countrywide Shareholders than any potential alternative proposal under which Countrywide remains a listed company with all the risks and uncertainties that this would involve.
- In particular, the Connells Board believes the Offer is significantly superior to the possible revised transaction involving Alchemy Partners ("**Alchemy**") (the "**Possible Revised Alchemy Proposal**") announced by Countrywide on 2 December 2020, which would leave Countrywide with high levels of debt and significantly less capital than even the discredited first proposal from Alchemy. The Possible Revised Alchemy

Proposal is complex, highly conditional and unclear in many important respects. It has not been agreed to by Countrywide's lenders or by the Countrywide Board and would offer significantly less value to Countrywide's shareholders than Connells' cash offer. In addition, there is absolutely no certainty that the Possible Revised Alchemy Proposal would ever be delivered either in its current form or at all, or that any potential turnaround plan would be successfully implemented under Alchemy's control.

- Connells' Offer is the only tangible and actionable proposition that addresses Countrywide's real and imminent challenges. The Countrywide Board has confirmed that Countrywide is in urgent need of recapitalisation to reduce its net debt and lessen its exposure to its lenders. The Countrywide Board has said that, in the absence of a recapitalisation there is a risk that Countrywide could end up in administration, with Countrywide Shareholders losing all or a substantial portion of their investment. Connells' Offer addresses that need and provides Countrywide with a platform for growth free from external debt.
- Connells' primary motivation for the Offer is to invest in and grow the Countrywide business. Connells believes that significant and sustained investment is required in Countrywide's technology, network and people to put the business back on a solid footing. Connells intends to maintain and enhance Countrywide's current service offering and does not anticipate making any material changes to the locations of Countrywide's branch network.
- The Offer is not conditional on clearance from the UK Competition and Markets Authority. Connells believes that its proposed acquisition of Countrywide will not give rise to any competition concerns on any markets in which Connells and Countrywide operate.
- Connells urges Countrywide Shareholders to accept the Offer once the Offer becomes open to acceptances following the publication of the Offer Document. Connells has approached the Countrywide Board to request that it recommends the Offer to Countrywide Shareholders.

Commenting on the Offer, David Livesey, Group Chief Executive Officer of Connells, said:

"Countrywide desperately needs a deliverable solution to its current financial problems and lack of strategic direction. Putting Countrywide back on track requires sustained investment and gritty operational improvement over many years. Connells is offering a clear vision for the future, not yet another turnaround attempt based on wishful thinking and flaky financing. Connells' cash offer of 325 pence per Countrywide Share is the only tangible deal on the table and gives Countrywide Shareholders a huge premium over the value of their Countrywide Shares before we announced our interest.

"Although we have approached the Countrywide Board to seek its recommendation of our Offer, we think it is in the interests of everyone for us to announce our offer today so that all of Countrywide's shareholders are aware of the compelling nature of our proposal."

Offer terms

- Under the terms of the Offer, each Countrywide Shareholder will be entitled to receive:

For each Countrywide Share

325 pence in cash

(the "Cash Consideration")

- The Cash Consideration values the entire issued and to be issued share capital of Countrywide at approximately £112.1 million and implies an enterprise value of approximately £200.2 million. The Cash Consideration represents:
 - a premium of approximately 124 per cent. to the Closing Price of 145.0 pence per Countrywide Share on 6 November 2020 (being the last Business Day prior to the commencement of the Offer Period);
 - a premium of approximately 181 per cent. to the six month volume weighted average price of 115.7 pence per Countrywide Share to 6 November 2020 (being the last Business Day prior to the commencement of the Offer Period); and
 - a premium of 30 per cent. to 250.0 pence per Countrywide Share, the price which Alchemy has suggested that it may offer to some Countrywide Shareholders under the Possible Revised Alchemy Proposal, if it is ever made.
- If, on or after the date of this Announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital is declared, made or paid or becomes payable in respect of the Countrywide Shares, Connells reserves the right to reduce the Cash Consideration payable under the terms of the Offer for the Countrywide Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this Announcement to the Cash Consideration payable under the terms of the Offer will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, Countrywide Shareholders would be entitled to retain any such dividend and/or other distribution and/or return of capital.
- The Cash Consideration payable by Connells to Countrywide Shareholders under the terms of the Offer will be funded from an intra-group credit facility to be provided by Skipton Building Society ("**Skipton**") to Connells.

Background to and reasons for the Offer

- The Connells Board believes that the Offer provides compelling value for Countrywide Shareholders in the context of a challenging housing market and broader macro-economic uncertainty as a result of the Covid-19 pandemic and Brexit uncertainty. Under the terms of the Offer, Countrywide Shareholders benefit from a clean, simple and straightforward transaction at a 124 per cent. premium to the unaffected share price.
- The combination of Countrywide and Connells will create a stronger player in the UK real estate services sector. Both businesses have a wealth of experience and expertise in the UK market and Connells intends to harness this, together with its experienced

management, entrepreneurial culture, strong liquidity and long-term perspective to provide a platform for improved growth over time.

- Connells intends to maintain and enhance Countrywide's current service offering and invest in its branches, technology and people to put the Countrywide business back on a solid footing. Connells does not anticipate making any material changes to the locations or functions of Countrywide's branch network. Connells believes that a well-invested high street branch network, coupled with a diversified brand portfolio, will allow the combined business to provide an attractive offering to its customers. Connells believes that the enlarged Connells Group will provide exciting career opportunities to both Connells and Countrywide employees, and will have the potential to attract the best talent in the industry across all areas of expertise.
- Following the completion of the Offer, Connells intends to immediately repay all of Countrywide's existing lenders in full.

Timetable and Conditions

- It is intended that the Offer will be implemented by way of a takeover offer under the Takeover Code and within the meaning of Part 28 of the Companies Act, further details of which are contained in the full text of this Announcement (and will be included in the Offer Document). However, and in particular in the event the Countrywide Board recommends the Offer, Connells reserves the right, with the consent of the Panel, to implement the Offer by way of a Scheme.
- The Offer will be subject to the Conditions which include, among other things, receipt of regulatory approvals, and the further terms set out in Appendix 1 to this Announcement, and to be set out in full in the Offer Document.
- The Offer Document and Form of Acceptance will include further details of the Offer and will specify the actions to be taken by Countrywide Shareholders. It is expected that the Offer Document and Form of Acceptance will be posted to Countrywide Shareholders (save with the consent of the Panel) within 28 days of this Announcement (subject to certain restrictions relating to persons in Restricted Jurisdictions). It is expected that the Offer will become wholly unconditional in the first quarter of 2021. An expected timetable of key events relating to the Offer will be provided in the Offer Document.

This summary should be read in conjunction with the following Announcement and the Appendices. The Conditions to, and certain further terms of, the Offer are set out in Appendix 1. The sources and bases for certain financial information contained in this Announcement are set out in Appendix 2. Certain definitions and terms used in this Announcement are set out in Appendix 3.

Enquiries:

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Clifford Chance LLP is acting as legal adviser to Connells and Skipton.

Further information

Evercore Partners International LLP ("Evercore"), which is authorised and regulated by the FCA in the UK, is acting exclusively as financial adviser to Connells and Skipton and no one else in connection with the Offer and will not be responsible to anyone other than Connells for providing the protections afforded to clients of Evercore nor for providing advice in connection with the matters referred to herein. Neither Evercore nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evercore in connection with this Announcement, any statement contained herein, the Offer or otherwise. Apart from the responsibilities and liabilities, if any, which may be imposed on Evercore by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Evercore nor any of its affiliates accepts any responsibility or liability whatsoever for the contents of this Announcement, and no representation, express or implied, is made by it, or purported to be made on its behalf, in relation to the contents of this Announcement, including its accuracy, completeness or verification of any other statement made or purported to be made by it, or on its behalf, in connection with Connells or the matters described in this Announcement. To the fullest extent permitted by applicable law, Evercore and its affiliates accordingly disclaim all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this Announcement or any statement contained therein.

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 purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be implemented solely pursuant to the terms of the Offer Document and the accompanying Form of Acceptance (or, if the Offer is implemented by way of a scheme of arrangement, the Scheme Document), which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. Any acceptance or other response to the Offer should be made only on the basis of the information in the Offer Document (or, if the Offer is implemented by way of a scheme of arrangement, the

Scheme Document). Countrywide Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been dispatched.

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

Overseas Shareholders

This Announcement has been prepared in accordance with English law, the Takeover Code the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The release, publication or distribution of this Announcement in, and the availability of the Offer to, Countrywide Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to participate in the Offer, or to accept or to procure the acceptance of, the Offer (when made), may be affected by the laws of the relevant jurisdictions in which they are located. Countrywide Shareholders who are in any doubt regarding such matters should consult an appropriate independent financial adviser in their relevant jurisdiction without delay. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

Accordingly, unless otherwise determined by Connells or required by the Takeover Code and permitted by applicable law and regulation, the Offer will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction or where to do so would violate the laws in that jurisdiction. No person may accept or procure the acceptance of the Offer by any use, means, instrumentality of, or from within, any Restricted Jurisdiction or where to do so would violate the laws of that jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities from or within a Restricted Jurisdiction or any other jurisdiction, if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and formal documents relating to the Offer will not be, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction and persons receiving this Announcement (including, without limitation, agents, custodians, nominees and trustees) must not, directly or indirectly, mail or otherwise forward, distribute or send it in, into or from such jurisdiction. Any person (including, without limitation, any agent, custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Announcement and/or the Offer Document and/or any other related document (including the Scheme Document if the offer is implemented by way of a scheme of arrangement) to any jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. If the Offer is implemented by way of a Scheme (unless otherwise permitted by applicable law and regulation), no person may vote in favour of the Scheme by any use, means, instrumentality or form.

Further details in relation to Countrywide Shareholders who are resident in, or ordinarily resident in, or citizens of, jurisdictions outside of England and Wales will be contained in the Offer Document.

American Depositary Shares and American Depositary Receipts

Connells is aware that there is an "unsponsored" American Depositary Receipt Program concerning Countrywide Shares. The Offer is not being made for American Depositary Shares representing Countrywide Shares ("ADSs"), nor for American Depositary Receipts evidencing such ADSs ("ADRs"). However, the Offer is being made for the Countrywide Shares that are represented by the ADSs. Holders of ADSs and ADRs are encouraged to consult with the appropriate depositary regarding the tender of Countrywide Shares that are represented by ADSs. Connells is unaware of whether any respective depositary will make arrangements to tender the underlying Countrywide Shares into the Offer on behalf of holders of ADSs or ADRs.

Generally, holders of ADSs may be able to present their ADSs to the appropriate depositary for cancellation and (upon compliance with the terms of the deposit agreement relating to the "unsponsored" American Depositary Receipt Program concerning Countrywide Shares, including payment of the depositary's fees and any applicable transfer fees, taxes and governmental charges) delivery of Countrywide Shares to them, in order to become Countrywide Shareholders. The Countrywide Shares delivered to holders of ADSs upon such cancellation may then be tendered into the Offer. Holders of ADSs should consult with the relevant depositary regarding their ability to obtain the underlying Countrywide Shares and the applicable procedures. Holders of ADSs should be aware, however, that in order to tender in this manner, they may need to have an account in the United Kingdom into which the Countrywide Shares can be delivered.

Notice to US investors in Countrywide

*The Offer relates to the shares of an English company and is being made by means of a contractual takeover offer under the Takeover Code and under the laws of England and Wales. The Offer will be made in the United States pursuant to all applicable laws and regulations, including, to the extent applicable, Section 14(e) and Regulation 14E under the US Exchange Act of 1934 (the "**US Exchange Act**") and otherwise in accordance with the requirements of the Takeover Code. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law. The Offer is being made in the United States by Connells and no one else.*

In accordance with, and to the extent permitted by, the Takeover Code and normal UK market practice, Evercore and their respective affiliates may continue to act as exempt principal traders or exempt market makers in Countrywide Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, as permitted by Rule 14e-5(b)(9) under the US Exchange Act. In addition, Connells, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Countrywide outside the Offer, such as in open market purchases or privately negotiated purchases, during the period in which the Offer remains open for acceptance (or if the Offer is implemented by way of a Scheme, until the date on which the Scheme becomes Effective, lapses or is otherwise withdrawn). If such purchases or arrangements to purchase were to be made, they would be

made outside the US and would comply with applicable law, including United Kingdom laws and the US Exchange Act. Any such purchases by Connells or its affiliates will not be made at prices higher than the price of the Offer provided in this Announcement unless the price of the Offer is increased accordingly. Any information about such purchases will be disclosed as required under the laws of England and Wales and will be available to all investors (including US investors) via the Regulatory News Service on www.londonstockexchange.com. To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

It may be difficult for US holders of Countrywide Shares and Countrywide ADRs to enforce their rights and any claim arising out of the US federal securities laws in connection with the Offer, since Connells and Countrywide are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Countrywide Shares and Countrywide ADRs may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

The financial information included in this Announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US ("US GAAP"). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom. None of the financial information in this document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

Neither the Offer nor this Announcement have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this Announcement or the merits of this Offer. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Offer by a US holder as consideration for the transfer of its Countrywide Shares pursuant to the Offer will likely be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Countrywide Shareholder and Countrywide ADR holder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Offer applicable to him or her.

Forward looking statements

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Offer, and other information published by Connells and Countrywide contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of management about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Offer on Connells and Countrywide (including their future prospects, developments and strategies), the expected timing and scope of the Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Connells believes that the expectations reflected in such forward-looking statements are reasonable, Connells can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Offer; the ability to obtain requisite regulatory approvals and the satisfaction of other Conditions on the proposed terms and schedule; the behaviour of other market participants; the anticipated benefits from the Offer not being realised as a result of changes in general economic and market conditions in the countries in which Connells and Countrywide operate; weak, volatile or illiquid capital and/or credit markets; changes in tax rates; interest rate and currency value fluctuations; the degree of competition in the geographic and business areas in which Connells and Countrywide operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Connells nor any of its respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with its legal or regulatory obligations, Connells is under no obligation, and Connells expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities

exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

This Announcement and the documents required to be published pursuant to Rule 26.1 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Connells' website at <https://www.connellsgroup.co.uk/microsite> promptly and in any event by no later than 12 noon (London time) on the Business Day following the publication of this Announcement. The content of the website referred to in this Announcement is not incorporated into and does not form part of this Announcement.

No profit forecasts, estimates or quantified benefits statements

Nothing in this Announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Countrywide for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Countrywide.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Countrywide Shareholders, persons with information rights and participants in the Countrywide Share Plans may request a hard copy

of this Announcement by contacting Countrywide's registrars, Link Group, during business hours on 0371 664 0321 (or +44(0) 371 664 0391 from abroad) or at Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Countrywide Shareholders, persons with information rights and other relevant persons for the receipt of communications from Countrywide may be provided to Connells during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c).

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

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CONNELLS LIMITED

The board of Connells Limited ("**Connells**") is pleased to announce a firm cash offer for the entire issued and to be issued share capital of Countrywide plc ("**Countrywide**") at a price of 325 pence per Countrywide Share (the "**Offer**").

On 9 November 2020, Connells announced it had made an indicative approach to the Countrywide Board on 26 October 2020 in relation to a possible all-cash offer for Countrywide at a price of 250 pence per Countrywide Share (the "**Possible Cash Offer**").

On 24 November 2020, Countrywide announced that it was continuing to engage with major Countrywide Shareholders on potential options to deliver a sustainable structure for Countrywide and to maximise Countrywide Shareholder value, including (but not limited to): (i) a capital raise to be underwritten by Alchemy Partners ("**Alchemy**") (on amended terms, the original proposed investment by Alchemy announced on 22 October 2020 (the "**Alchemy Proposal**") having been discredited), (ii) the Possible Cash Offer and (iii) a capital raise from existing Countrywide Shareholders.

On 2 December 2020, Countrywide made an announcement of a possible and still highly conditional revised transaction involving Alchemy (the "**Possible Revised Alchemy Proposal**").

Following discussions with Countrywide's major shareholders, the Connells Board is now pleased to announce that it has increased its original proposal by 30 per cent. and is announcing the terms of a firm offer under Rule 2.7 of the Takeover Code for the entire issued and to be issued share capital of Countrywide at a price of 325 pence per Countrywide Share.

Under the Offer, Countrywide Shareholders will receive immediate, certain and significant value, at a 124 per cent. premium to Countrywide's unaffected share price. Under the stewardship of Connells' experienced and successful management team, the combination will stabilise and enhance Countrywide's business for the benefit of its customers, employees and other stakeholders. Following the completion of the Offer, Connells intends to immediately

repay all of Countrywide's existing lenders in full and provide additional investment, giving the business the financial strength to recover from the under-investment of recent years.

The Offer is not conditional on clearance from the UK Competition and Markets Authority (the "CMA"). Connells believes that its proposed acquisition of Countrywide will not give rise to any competition concerns on any markets in which Connells and Countrywide operate and is confident that the CMA will concur with this view. Connells is also strongly of the view that the acquisition of Countrywide would not warrant any divestments and that there is no reasonable basis for the Offer to be blocked. Moreover, Connells believes that its acquisition of Countrywide will enhance the value proposition for customers and will benefit consumers.

The Connells Board believes that its Offer is significantly more attractive to Countrywide Shareholders than any potential alternative proposal under which Countrywide remains a listed company with all the risks and uncertainties that this would involve.

In particular, the Connells Board believes the Offer is significantly superior to the Possible Revised Alchemy Proposal, which would leave Countrywide with high levels of debt and significantly less capital than even the discredited first proposal from Alchemy. The Possible Revised Alchemy Proposal is complex, highly conditional and unclear in many important respects. It has not been agreed to by Countrywide's lenders or by the Countrywide Board and would offer significantly less value to Countrywide's shareholders than Connells' cash offer. In addition, there is absolutely no certainty that the Possible Revised Alchemy Proposal would ever be delivered either in its current form or at all, or that any potential turnaround plan would be successfully implemented under Alchemy's control.

Connells' Offer is the only tangible and actionable proposition that addresses Countrywide's real and imminent challenges. The Countrywide Board has confirmed that Countrywide is in urgent need of recapitalisation to reduce its net debt and lessen its exposure to its lenders. The Countrywide Board has said that, in the absence of a recapitalisation, Countrywide is unlikely to be able to execute its business strategy over the short and medium term and there is a risk that it could end up in administration, with Countrywide Shareholders losing all or a substantial portion of their investment. Connells' Offer addresses that need and provides Countrywide with a platform for growth free from external debt.

Connells urges Countrywide Shareholders to accept the Offer once the Offer becomes open to acceptances following the publication of the Offer Document. Connells has approached the Countrywide Board to request that it recommends the Offer to Countrywide Shareholders.

- a clean, simple and straightforward transaction;
- a premium cash price for their Countrywide Shares that is far in excess of the price at which control of Countrywide might pass to Alchemy under the Possible Revised Alchemy Proposal if it is ever delivered;
- a de-risked proposal where value is not dependent on future market conditions at a time of significant uncertainty, including changing lockdown measures in the UK and Brexit;
- no ongoing exposure to the financing risk faced by Countrywide, which has been highlighted by the Countrywide Board; and
- no exposure to high and irreversible transaction costs payable by Countrywide under the Possible Revised Alchemy Proposal (which were already expected to be £8 million under the discredited first Alchemy Proposal).

Risks associated with Countrywide remaining a standalone business

Connells believes that Countrywide's future as a standalone business is significantly compromised and that Countrywide Shareholders face substantial risks, including losing the value of their investment.

- *Potential to enter administration without a significant capital injection:* The Countrywide Board has indicated that Countrywide is in urgent need of recapitalisation to reduce its net debt and lessen its exposure to its lenders. The Countrywide Board has stated its belief that, in the absence of a recapitalisation, Countrywide is unlikely to be able to execute its business strategy over the short and medium term and comply with its current financial covenants, with the risk that it could end up in administration, leaving Countrywide Shareholders exposed to losing all or a substantial portion of their investment.
- *Requirement for substantial and sustained investment over the long term:* The Connells Board believes that, over recent years, Countrywide has under-invested in its technology, branch network and people, and this, coupled with aggressive cost cutting, has contributed to its decreased market share. Based on its extensive due diligence on Countrywide, the Connells Board believes that the investment needed to put the business back on a solid footing is likely to be far larger than the levels referred to in the now discredited Alchemy Proposal. The Possible Revised Alchemy Proposal leaves Countrywide with even less capital than the first Alchemy Proposal. This is exactly the opposite of what Countrywide needs. Set in the context of a challenging market, the substantial investment required will reduce Countrywide's standalone profitability and cash flow for at least the next few years.
- *Unknown management team to lead a major turnaround:* There is no clarity over who would lead Countrywide as a standalone business over the longer term. The current Countrywide management team have mostly indicated that they would have stepped down under the Alchemy Proposal. Connells notes Countrywide's announcement of 24 November 2020 setting out a number of changes to the Countrywide Board, including the appointment of an interim

CEO who does not have any track record in this sector. This lack of industry knowledge at board level has been a large contributor to Countrywide's woes over the recent years. The Connells Board believes that turning around Countrywide requires a strong management team with deep experience in the UK estate agency sector. It needs leadership with a track record in running large businesses in the sector who can bring real market expertise and insight, not individuals from outside the industry. The enormous scale of the challenge facing Countrywide can be seen in the need to reverse the performance of a business that has lost over £500 million pre-tax over the last three calendar years. Countrywide has tried bringing in an outsider before with the dismal results that Countrywide Shareholders will be familiar with.

- *Ongoing financing risks and costs even after a recapitalisation:* Under the Possible Revised Alchemy Proposal, Countrywide would be left with an estimated £125 million of debt and would remain exposed to material financing costs and risks. The interest rate on Countrywide's new loan facility under the first Alchemy Proposal would have cost up to as much as LIBOR plus 9.50 per cent. The Possible Revised Alchemy Proposal is yet to be agreed to by Countrywide's lenders and envisages an even smaller debt repayment compared to the now discredited first Alchemy Proposal. The Possible Revised Alchemy Proposal would be Countrywide's third capital raise in a little over three years. Countrywide has already raised nearly £180 million in new equity since March 2017 but, immediately prior to our Possible Cash Offer, it had a market capitalisation of only £47.6 million, only about a quarter of the amount raised. Investors in the previous two capital raises have suffered material losses.
- *Highly competitive environment, with ongoing structural shift to online and hybrid estate agents:* The UK real estate services market is highly competitive with strong online and hybrid estate agents, as well as an array of strong local independent estate agents. This structural shift has reduced margins across the sector, especially at full-service high street estate agents. Over recent years, Countrywide has struggled to compete effectively in this environment. Its "back to basics" strategy announced on 8 March 2018 has failed to deliver revenue or EBITDA growth while its balance sheet has continued to weaken.
- *Difficult and uncertain market conditions:* Even if an effective vaccine against Covid-19 is rolled-out, the long term impact of the pandemic on the UK economy is expected to be severe, particularly in property markets which are bound to face significant headwinds due to Brexit uncertainty, the end of the furlough scheme, the end of the stamp duty holiday and the upcoming restrictions on the Help To Buy scheme. As investors in a standalone business, Countrywide Shareholders will be exposed to all of these risks and Countrywide may not overcome them without significant long term investment, a strong balance sheet and experienced management.
- *Potential for value-destructive disposals:* There has been press speculation that Countrywide could embark on a strategy of disposals with a view to reducing its bank debt. The Connells Board believes that a strategy of piecemeal disposals aimed at delivering an estate-agency-only business would damage value and be fraught with risk. Conveyancing, financial services and surveying are essential

to Countrywide's estate agency operation and enable it to offer customers a complete proposition. Disposing of profitable non estate-agency divisions would deprive Countrywide of complementary defensive units which are important to supporting the entire business, especially during challenging market conditions. We do not believe an asset stripping strategy would create value for Countrywide Shareholders or be good for Countrywide's employees, customers or other stakeholders. Nor is it straightforward to achieve, as demonstrated by Countrywide's failure to sell Lambert Smith Hampton. Furthermore, Countrywide's current lenders have indicated that they would not be supportive of a disposal strategy as a means by which to de-leverage Countrywide's balance sheet.

Benefits of the Offer for customers, employees and other stakeholders

Connells operates one of the leading estate agency networks in the UK. Connells' diversified business model spans residential property sales and lettings and a comprehensive range of related business to consumer and business to business services including new homes, sales, mortgage and protection services, conveyancing, surveying, corporate lettings, asset management, land and planning and auctions.

Connells' focus on customer service, investment in talent and product innovation underpin its track record of delivering strong operational and financial performance, including against online players.

As part of an enlarged estate agency group, Countrywide would benefit from long-term investment and strategic decision-making, enhanced by the stability and resilience provided by the broader Skipton organisation.

Connells believes that a well-invested high street branch network, coupled with a diversified brand portfolio, will allow the combined business to provide an attractive offering to its customers. Connells believes that the branch network of Countrywide is a key asset and intends to maintain and enhance Countrywide's current service offering, while leveraging its own track record of positive investment in people and technology.

Connells believes that the enlarged Connells Group will provide exciting career opportunities to both Connells and Countrywide employees, and will have the potential to attract the best talent in the industry across all areas of expertise.

Connells' focus on customer service, innovation and business development should provide further opportunities for the Countrywide business. Connells has been at the forefront of key developments in the UK real estate services sector, including being one of the founding firms of Rightmove and Zoopla, which have revolutionised customers' property search experience.

Connells continues to be a driver of innovation in the UK real estate services sector, having made successful early investments in a number of technology-enabled firms such as Fixflo, Vibrant Energy, Zero Deposit Scheme and MIO. Its investments have allowed Connells to offer an increasingly attractive proposition to customers, while generating long term resources to further invest in its core businesses.

Connells has a successful track record of integrating acquisitions and helping to develop the businesses that it has acquired. Notable acquisitions include Sequence, Sharman Quinney, Peter Alan, Burchell Edwards, Gascoigne Halman, Rook Matthews Sayer, The Asset Management Group and The New Homes Group, each of which has continued to thrive under Connells' ownership. Connells believes that it is well-positioned to be a long-term custodian of Countrywide, just as it has been for the numerous firms it has successfully acquired and grown over the last 18 years.

Conclusion

Having indicated that Countrywide is in urgent need of recapitalisation in order to be able to reduce exposure to its lenders and evade administration proceedings, the Countrywide Board announced and then abandoned the first Alchemy Proposal, before announcing a second, indicative, complex and highly conditional revised proposal from Alchemy. Today, Connells' Offer is the only tangible and actionable proposition that addresses Countrywide's real and imminent challenges. All other alternatives are highly conditional at best, or remain confined to rumour and speculation.

Accordingly, the Connells Board believes that the Offer, which provides an immediate cash return at a significant premium to the current Countrywide share price is superior to any other potential alternative proposal under which Countrywide remains as a listed company (such as other capital raises or piecemeal disposals). Connells believes that significant and sustained investment is required in Countrywide's technology, network and people to put the business back on a solid footing in a challenging market. As a result of the Offer, Countrywide Shareholders will be able to avoid the significant costs and risks associated with remaining invested in an independent company which faces multiple challenges, and would instead receive an immediate cash payment at a premium of 124 per cent. to the unaffected Countrywide share price.

The Offer Document containing further details of the terms and conditions of the Offer and the accompanying Form of Acceptance will be sent to Countrywide Shareholders in due course.

2. Directors, management, employees, pensions, research and development and locations

Connells' strategic plans for Countrywide

Connells and Countrywide have highly complementary businesses. The Connells Board believes that the Offer will allow the enlarged Connells Group to provide a more integrated suite of services and enhance its value proposition to customers, especially in the business to consumer segment, while building a stronger and more efficient branch network.

As a result of its due diligence review, sector knowledge and management expertise, Connells envisages that the business of Countrywide would continue to operate materially in the same way without significant disruption to either the Connells or Countrywide businesses once Countrywide has been fully integrated with Connells.

Connells' primary motivation for the Offer is to invest in and grow the Countrywide business. Based on Connells' knowledge of Countrywide and existing presence in the

UK estate agency sector, Connells believes that there will inevitably be some duplication of operational infrastructure between the two businesses where efficiencies may be achievable. In this context, Connells has identified some areas of potential recurring cost synergies, including:

- certain duplicated costs across some head office and/or centralised administration functions, which could result in some headcount reductions and relocations;
- leveraging IT expertise and best practices across both Connells and Countrywide; and
- operational cost savings from the removal of listing, administrative and other related operational expenses.

Other than the above-referenced head office and centralised administration functions, there are no specific identified potential cost savings which would involve a material reduction of employee headcount.

Connells intends to maintain and enhance Countrywide's current service offering and invest in its branches, technology and people to put the Countrywide business back on a solid footing. Connells does not anticipate making any material changes to the locations or functions of Countrywide's branch network.

The unknown duration and extent of the macro and micro economic consequences of the Covid-19 pandemic and the steps taken by the UK and other governments to address health risks remain a material risk. It should be noted that the current pandemic may impact Connells and/or Countrywide's views on near-term operational execution and decision-making, and therefore Connells and/or Countrywide may need to be agile to adapt their operational and strategic intentions to the impact of the pandemic.

Employees and management

Connells attaches great importance to the skills, experience and continued commitment of Countrywide management and employees, and believes that they will benefit from greater opportunities as a result of the Offer. In addition to sharing a customer-oriented focus on quality of service and successful outcomes, Connells believes that the employees of Countrywide will benefit from being part of a larger, more resilient estate agency organisation.

There are no agreements or arrangements between Connells and the management or employees of Countrywide in relation to their ongoing involvement in the business and the Offer will not be conditional on reaching agreement with such persons.

Connells has not entered into, and is not in discussions on proposals to enter into, any form of incentive arrangements with any member of the Countrywide Board or senior management who are interested in Countrywide Shares.

The implementation of any employee reductions by the enlarged Connells Group will be subject to comprehensive planning and engagement with employees and consultation with employee representatives as required by applicable law. Any affected

employees will be treated in a fair and equitable manner consistent with Connells' culture of respect.

The non-executive directors of Countrywide will each be expected to resign from his or her office as a Countrywide Director upon completion of the Offer.

Existing rights and pension schemes

Connells confirms that, following the completion of the Offer, the existing contractual and statutory employment rights, including in relation to pensions, of all Countrywide employees will be fully safeguarded in accordance with applicable laws. Connells confirms that it does not intend to make any material changes to the balance of skills and functions of employees across Countrywide.

Subject to the usual scheme valuation processes, Connells does not intend to make any changes to the current employer pension contribution arrangements (including with regard to current arrangements for the funding of any scheme deficit), or the accrual of benefits for existing members, or the admission of new members, in relation to Countrywide's defined benefit pension plan.

Locations and headquarters

At this stage, no decision has been made by Connells in relation to Countrywide's headquarters in Milton Keynes. However, as part of the integration process, Connells will review head office functions at Countrywide and Connells and consider opportunities to consolidate certain functions and premises. Certain head office functions could be co-located either at Connells' head office or Countrywide's head office which are only nine miles apart.

There are no plans to redeploy the fixed assets of Countrywide. Countrywide does not currently have a research and development function and Connells has no plans in this regard.

Trading Facilities

Countrywide is currently listed on the Official List and admitted to trading on the London Stock Exchange. Following the Effective Date, a request will be made to the FCA to cancel trading in Countrywide Shares and to de-list Countrywide from the Official List, following which Countrywide would be re-registered as a private limited company.

3. Information relating to Connells and Skipton

Connells

Founded in 1936 and comprising 583 branches nationwide, the Connells Group is an industry-leading UK estate agency network and property services provider. In addition to operating under the Connells brand, the Connells Group trades under other well-known local names including Allen & Harris, Ashley Adams, Atkinson Stilgoe, Bagshaws Residential, Barnard Marcus, Barnfields, Brown & Merry, Burchell Edwards, Fox & Sons, Gascoigne Halman, Hurfords, Jones & Chapman, Knight Partnership, Manners & Harrison, Pattison Lane, Paul Dubberley, Peter Alan, Roger

Platt, Rook Matthews Sayer, Sequence, Sharman Quinney, Shipways, Swetenhams and William H Brown. As well as residential property sales and lettings, the Connells Group has a comprehensive range of business to consumer and business to business services including new homes, mortgage services, conveyancing, surveying, corporate lettings, asset management, land and planning and auctions.

For the financial year ended 31 December 2019, Connells announced resilient full year results, with reported EBITDA of £76.3 million (2018: £87.7 million adjusted for IFRS 16), pre-tax profits of £50.1 million (2018: £56.9 million) and total revenue of £426.4 million (2018: £429.2 million). The Connells Group continues to have a strong balance sheet, with no debt and year end cash reserves of £75.7 million (2018: £51.9 million). Visit www.connellsgroup.co.uk.

Skipton

Skipton is the UK's fourth largest building society, with over one million members, £25 billion of assets and a national presence represented by its network of 88 branches. Skipton offers mortgages, savings and restricted financial advice. It heads the Skipton Building Society Group, whose subsidiary companies include Skipton International Limited and significant interests in estate agency and related businesses through the Connells group.

4. Financing of the Offer

The Cash Consideration payable by Connells pursuant to the Offer will be funded from an intra-group credit facility to be provided by Skipton to Connells.

Evercore, as financial adviser to Connells and Skipton, is satisfied that sufficient resources are available to Connells to satisfy in full the Cash Consideration payable to Countrywide Shareholders under the terms of the Offer.

5. Countrywide Share Plans

The Offer will extend to any Countrywide Shares unconditionally allotted or issued fully paid (or credited as fully paid) to satisfy the exercise of existing options and awards granted under the Countrywide Share Plans whilst the Offer remains open for acceptances. Appropriate proposals will be made in due course to participants in the Countrywide Share Plans. The proposals will explain the effect of the Offer on the participants' options and awards and the actions they may take in respect of their options and awards.

6. Offer-related arrangements

Confidentiality Agreement

On 3 March 2020, Countrywide and Connells entered into a confidentiality agreement (the "**Confidentiality Agreement**") in relation to a proposed acquisition by Connells of the Countrywide Shares, pursuant to which each party has undertaken, amongst other things: (i) to keep confidential any information disclosed by one party to the other and not to disclose it to third parties (other than certain permitted parties) other than as required by law or regulation; and (ii) to use the confidential information for the purpose of the acquisition of the Countrywide Shares. These confidentiality obligations

will remain in force until the second anniversary of the date of the Confidentiality Agreement. The Confidentiality Agreement also contains a provision pursuant to which each party has acknowledged that some or all of the confidential information may be inside information (as defined by the Market Abuse Regulation), and to the extent that it is, the party in receipt of such information would be prohibited or restricted from using it to deal in the securities of Countrywide under the Market Abuse Regulation or other applicable insider dealing, market abuse or similar law.

Clean team Agreement

Connells, Countrywide and their respective legal advisers have also entered into a clean team agreement dated 12 March 2020 (the "**Clean Team Agreement**"), the purpose of which is to ensure that the exchange and/or disclosure of certain materials relating to the parties for the purposes of assessing antitrust or other regulatory issues and seeking relevant clearances, are undertaken on a confidential basis and that certain commercially and competitively sensitive information is ring-fenced and only exchanged or disclosed between Connells' and Countrywide's respective legal counsels.

7. Structure of and Conditions to the Offer

It is intended that the Offer will be implemented by way of a takeover offer under Part 28 of the Companies Act and the Takeover Code. Connells reserves the right, with the consent of the Panel (where necessary), to elect to implement the Offer by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act. In such event, the Scheme will be implemented substantially on the same terms, subject to appropriate amendments, as those which would apply to the Offer.

The Offer Document and Form of Acceptance will include full details of the Offer and the expected timetable, and will specify the actions to be taken by Countrywide Shareholders in connection with the Offer. It is expected that the Offer Document will be despatched to Countrywide Shareholders as soon as practicable following the date of this Announcement and, in any event, no later than 28 days after the date of this Announcement (or such later date as may be agreed with the Panel). Countrywide Shareholders are urged to read the Offer Document and the Form of Acceptance when they are sent to them because they will both contain important information.

If the Offer becomes unconditional as to acceptances, Countrywide Shareholders who have accepted the Offer will be unable to withdraw their acceptance unless and until the Offer subsequently lapses. Subject to the Offer becoming or being declared unconditional in all respects, the Cash Consideration payable under the Offer will be despatched to those Countrywide Shareholders who have validly accepted the Offer within 14 days of the Offer becoming or being declared unconditional in all respects or, in relation to valid acceptances received after that date, within 14 days of that acceptance.

8. Squeeze-out, de-listing, cancellation of trading and re-registration

If the Offer becomes, or is declared, unconditional in all respects and Connells receives acceptances under the Offer in respect of, and/or otherwise acquires, 90 per cent. or more of the Countrywide Shares by nominal value and voting rights attaching to such shares to which the Offer relates, Connells intends to exercise its rights pursuant to the

provisions of Chapter 3 of Part 28 of the Companies Act to squeeze out the remaining Countrywide Shareholders.

After the Offer becomes or is declared unconditional in all respects and if Connells has by virtue of its shareholdings and acceptances of its Offer acquired, or agreed to acquire, issued share capital carrying at least 75 per cent. of the voting rights of Countrywide, Connells intends to procure the making of an application by Countrywide for cancellation, respectively, of the listing of Countrywide Shares on the Official List and of the trading in Countrywide Shares on the London Stock Exchange's market for listed securities. A notice period of not less than 20 Business Days prior to the cancellation will commence on the date on which the Offer becomes or is declared unconditional in all respects provided that Connells has obtained 75 per cent. or more of the voting rights as described above or otherwise as soon as Connells obtains 75 per cent. or more of the voting rights as described above. Connells will notify Countrywide Shareholders when the required 75 per cent. has been attained and confirm that the notice period has commenced.

It is also proposed that, following the Offer becoming unconditional in all respects and after the Countrywide Shares are de-listed, Countrywide will be re-registered as a private company under the relevant provisions of the Companies Act.

Such cancellation and re-registration would significantly reduce the liquidity and marketability of any Countrywide Shares not assented to the Offer and their value may be affected as a consequence. Any remaining Countrywide Shareholders would become minority shareholders in a privately controlled limited company and may be unable to sell their Countrywide Shares and there can be no certainty that any dividends or other distributions would be made by Countrywide or that the Countrywide Shareholders would again be offered as much for the Countrywide Shares held by them as under the Offer.

9. Disclosure of interests in Countrywide securities

Connells made a public Opening Position Disclosure in respect of the interests in the relevant securities of Countrywide held by Connells and its concert parties on 13 November 2020 (the "**Connells Opening Position Disclosure**").

As set out in the Connells Opening Position Disclosure, the following Connells Directors (and their close relatives) hold interests in Countrywide Shares:

Name	Number of Countrywide Shares	Percentage of Countrywide's existing issued share capital
David Livesey	2,552	0.0078 per cent.
David Plumtree	2,135	0.0065 per cent.
Close relative of Connells director Stephen Shipperley	6,453	0.0197 per cent.

Save as disclosed in this Announcement and in the Connells Opening Position Disclosure, as at 4 December 2020 (being the last Business Day prior to the date of this Announcement), neither Connells, nor any of its directors, nor, so far as Connells is aware, any person acting in concert (within the meaning of the Takeover Code) with it for the purposes of the Offer:

(i) had any interest in, or right to subscribe for, or had borrowed or lent any Countrywide Shares or securities convertible or exchangeable into Countrywide Shares;

(ii) had any short positions in respect of relevant securities of Countrywide (whether conditional or absolute and whether in the money or otherwise), including any short position under a derivative, any agreement to sell or any delivery obligation or right to require another person to purchase or take delivery;

(iii) has borrowed or lent any relevant securities of Countrywide (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code) save for any borrowed shares which have been either on-lent or resold; or

(iv) is a party to any dealing arrangement of the kind referred to in Note 11 on the definition of acting in concert in the Takeover Code.

10. Documents

Copies of the following documents will be available promptly on Connells' website, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at <https://www.connellsgroup.co.uk/microsite> and in any event by no later than 12 noon (London time) on the Business Day following the publication of this Announcement:

- a) this Announcement;
- b) the Confidentiality Agreement;
- c) the Clean Team Agreement; and
- d) the documents relating to the financing of the Offer referred to in paragraph 4 above.

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

11. General

The Offer will extend to all Countrywide Shares unconditionally allotted or issued (including to satisfy the exercise of options and vesting of awards granted under the Countrywide Share Plans) after the date of this Announcement and before the Offer closes (or such earlier date as Connells may, in accordance with the Conditions and further terms of the Offer, decide).

The Countrywide Shares will be acquired by Connells fully paid and free from all liens, equitable interests, charges, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching to them as

at the date of this Announcement or subsequently attaching or accruing to them. If, on or after the date of this Announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital is declared, made or paid or becomes payable in respect of the Countrywide Shares, Connells reserves the right to reduce the Cash Consideration payable under the terms of the Offer for the Countrywide Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this Announcement to the Cash Consideration payable under the terms of the Offer will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, Countrywide Shareholders would be entitled to retain any such dividend and/or other distribution and/or return of capital. The Offer will be made subject to the Conditions and further terms set out in Appendix 1 to this Announcement and to the full terms and conditions which will be set out in the Offer Document and the Form of Acceptance.

In deciding whether or not to accept the Offer in respect of their Countrywide Shares, Countrywide Shareholders should rely on the information contained, and follow the procedures described, in the Offer Document and the Form of Acceptance.

The Offer Document will not be reviewed by any federal state securities commission or regulatory authority in the US, nor will any commission or authority pass upon the accuracy or adequacy of the Offer Document. Any representation to the contrary is unlawful and may be a criminal offence.

This Announcement does not constitute an offer or an invitation to purchase or subscribe for any securities.

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Clifford Chance LLP is acting as legal adviser to Connells and Skipton.

Further information

*Evercore Partners International LLP ("**Evercore**"), which is authorised and regulated by the FCA in the UK, is acting exclusively as financial adviser to Connells and Skipton and no one else in connection with the Offer and will not be responsible to anyone other than Connells for providing the protections afforded to clients of Evercore nor for providing advice in connection with the matters referred to herein. Neither Evercore nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or*

indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evercore in connection with this Announcement, any statement contained herein, the Offer or otherwise. Apart from the responsibilities and liabilities, if any, which may be imposed on Evercore by FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Evercore nor any of its affiliates accepts any responsibility or liability whatsoever for the contents of this Announcement, and no representation, express or implied, is made by it, or purported to be made on its behalf, in relation to the contents of this Announcement, including its accuracy, completeness or verification of any other statement made or purported to be made by it, or on its behalf, in connection with Connells or the matters described in this Announcement. To the fullest extent permitted by applicable law, Evercore and its affiliates accordingly disclaim all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this Announcement or any statement contained therein.

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 purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to the Offer or otherwise. The Offer will be implemented solely pursuant to the terms of the Offer Document and the accompanying Form of Acceptance (or, if the Offer is implemented by way of a scheme of arrangement, the Scheme Document), which will contain the full terms and conditions of the Offer, including details of how to accept the Offer. Any acceptance or other response to the Offer should be made only on the basis of the information in the Offer Document (or, if the Offer is implemented by way of a scheme of arrangement, the Scheme Document). Countrywide Shareholders are advised to read the formal documentation in relation to the Offer carefully once it has been dispatched.

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

Overseas Shareholders

This Announcement has been prepared in accordance with English law, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

The release, publication or distribution of this Announcement in, and the availability of the Offer to, Countrywide Shareholders who are not resident in and citizens of the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to participate in the Offer, or to accept or to procure the acceptance of, the Offer (when made), may be affected by the laws of the relevant jurisdictions in which they are located. Countrywide Shareholders who are in any doubt regarding such matters should consult an appropriate independent financial adviser in their relevant jurisdiction without delay. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions

by any person. Further details in relation to Overseas Shareholders will be contained in the Offer Document.

Accordingly, unless otherwise determined by Connells or required by the Takeover Code and permitted by applicable law and regulation, the Offer will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction or where to do so would violate the laws in that jurisdiction. No person may accept or procure the acceptance of the Offer by any use, means, instrumentality of, or from within, any Restricted Jurisdiction or where to do so would violate the laws of that jurisdiction, and the Offer will not be capable of acceptance by any such use, means, instrumentality or facilities from or within a Restricted Jurisdiction or any other jurisdiction, if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this Announcement and formal documents relating to the Offer will not be, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction and persons receiving this Announcement (including, without limitation, agents, custodians, nominees and trustees) must not, directly or indirectly, mail or otherwise forward, distribute or send it in, into or from such jurisdiction. Any person (including, without limitation, any agent, custodian, nominee and trustee) who would, or otherwise intends to, or who may have a contractual or legal obligation to, forward this Announcement and/or the Offer Document and/or any other related document (including the Scheme Document if the offer is implemented by way of a scheme of arrangement) to any jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction. If the Offer is implemented by way of a Scheme (unless otherwise permitted by applicable law and regulation), no person may vote in favour of the Scheme by any use, means, instrumentality or form.

Further details in relation to Countrywide Shareholders who are resident in, or ordinarily resident in, or citizens of, jurisdictions outside of England and Wales will be contained in the Offer Document.

American Depositary Shares and American Depositary Receipts

Connells is aware that there is an "unsponsored" American Depositary Receipt Program concerning Countrywide Shares. The Offer is not being made for American Depositary Shares representing Countrywide Shares ("ADSs"), nor for American Depositary Receipts evidencing such ADSs ("ADRs"). However, the Offer is being made for the Countrywide Shares that are represented by the ADSs. Holders of ADSs and ADRs are encouraged to consult with the appropriate depositary regarding the tender of Countrywide Shares that are represented by ADSs. Connells is unaware of whether any respective depositary will make arrangements to tender the underlying Countrywide Shares into the Offer on behalf of holders of ADSs or ADRs.

Generally, holders of ADSs may be able to present their ADSs to the appropriate depositary for cancellation and (upon compliance with the terms of the deposit agreement relating to the "unsponsored" American Depositary Receipt Program concerning Countrywide Shares, including payment of the depositary's fees and any applicable transfer fees, taxes and governmental charges) delivery of Countrywide Shares to them, in order to become Countrywide Shareholders. The Countrywide Shares delivered to holders of ADSs upon such cancellation may then be tendered into the Offer. Holders of ADSs should consult with the relevant depositary regarding their ability to obtain the underlying Countrywide Shares and the applicable procedures. Holders of ADSs should be aware, however, that in order to tender

in this manner, they may need to have an account in the United Kingdom into which the Countrywide Shares can be delivered.

Notice to US investors in Countrywide

The Offer relates to the shares of an English company and is being made by means of a contractual takeover offer under the Takeover Code and under the laws of England and Wales. The Offer will be made in the United States pursuant to all applicable laws and regulations, including, to the extent applicable, Section 14(e) and Regulation 14E under the US Exchange Act of 1934 (the "US Exchange Act") and otherwise in accordance with the requirements of the Takeover Code. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law. The Offer is being made in the United States by Connells and no one else.

In accordance with, and to the extent permitted by, the Takeover Code and normal UK market practice, Evercore and their respective affiliates may continue to act as exempt principal traders or exempt market makers in Countrywide Shares on the London Stock Exchange and will engage in certain other purchasing activities consistent with their respective normal and usual practice and applicable law, as permitted by Rule 14e-5(b)(9) under the US Exchange Act. In addition, Connells, certain affiliated companies and the nominees or brokers (acting as agents) may make certain purchases of, or arrangements to purchase, shares in Countrywide outside the Offer, such as in open market purchases or privately negotiated purchases, during the period in which the Offer remains open for acceptance (or if the Offer is implemented by way of a Scheme, until the date on which the Scheme becomes Effective, lapses or is otherwise withdrawn). If such purchases or arrangements to purchase were to be made, they would be made outside the US and would comply with applicable law, including United Kingdom laws and the US Exchange Act. Any such purchases by Connells or its affiliates will not be made at prices higher than the price of the Offer provided in this Announcement unless the price of the Offer is increased accordingly. Any information about such purchases will be disclosed as required under the laws of England and Wales and will be available to all investors (including US investors) via the Regulatory News Service on www.londonstockexchange.com. To the extent that such information is required to be publicly disclosed in the United Kingdom in accordance with applicable regulatory requirements, this information will, as applicable, also be publicly disclosed in the United States.

It may be difficult for US holders of Countrywide Shares and Countrywide ADRs to enforce their rights and any claim arising out of the US federal securities laws in connection with the Offer, since Connells and Countrywide are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US holders of Countrywide Shares and Countrywide ADRs may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

The financial information included in this Announcement has been prepared in accordance with accounting standards applicable in the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US ("US

GAAP). US GAAP differs in certain significant respects from accounting standards applicable in the United Kingdom. None of the financial information in this document has been audited in accordance with auditing standards generally accepted in the United States or the auditing standards of the Public Company Accounting Oversight Board (United States).

Neither the Offer nor this Announcement have been approved or disapproved by the US Securities and Exchange Commission, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this Announcement or the merits of this Offer. Any representation to the contrary is a criminal offence in the United States.

The receipt of cash pursuant to the Offer by a US holder as consideration for the transfer of its Countrywide Shares pursuant to the Offer will likely be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Countrywide Shareholder and Countrywide ADR holder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of the Offer applicable to him or her.

Forward looking statements

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Offer, and other information published by Connells and Countrywide contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of management about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this Announcement include statements relating to the expected effects of the Offer on Connells and Countrywide (including their future prospects, developments and strategies), the expected timing and scope of the Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Connells believes that the expectations reflected in such forward-looking statements are reasonable, Connells can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Offer; the ability to obtain requisite regulatory approvals and the satisfaction of other Conditions on the proposed terms and schedule; the behaviour of other market participants; the anticipated benefits from the Offer not being realised as a result of changes in general economic and market conditions in the countries in which Connells and Countrywide operate; weak, volatile or illiquid capital

and/or credit markets; changes in tax rates; interest rate and currency value fluctuations; the degree of competition in the geographic and business areas in which Connells and Countrywide operate and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors. Connells nor any of its respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this Announcement will actually occur. You are cautioned not to place any reliance on these forward-looking statements. Other than in accordance with its legal or regulatory obligations, Connells is under no obligation, and Connells expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

This Announcement and the documents required to be published pursuant to Rule 26.1 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Connells' website at <https://www.connellsgroup.co.uk/microsite> promptly and in any event by no later than 12 noon (London time) on the Business Day following the publication of this Announcement. The content of the website referred to in this Announcement is not incorporated into and does not form part of this Announcement.

No profit forecasts, estimates or quantified benefits statements

Nothing in this Announcement is intended, or is to be construed, as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this Announcement should be interpreted to mean that earnings or earnings per share for Countrywide for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Countrywide.

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Countrywide Shareholders, persons with information rights and participants in the Countrywide Share Plans may request a hard copy of this Announcement by contacting Countrywide's registrars, Link Group, during business hours on 0371 664 0321 (or +44(0) 371 664 0391 from abroad) or at Link Group, Corporate Actions, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU. For persons who receive a copy of this Announcement in electronic form or via a website notification, a hard copy of this Announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to you in relation to the Offer should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Countrywide Shareholders, persons with information rights and other relevant persons for the receipt of communications from Countrywide may be provided to Connells during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c).

Rounding

Certain figures included in this Announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

APPENDIX 1
CONDITIONS AND FURTHER TERMS OF THE OFFER

Part A: Conditions to the Offer

The Offer will comply with the Takeover Code, will be governed by English law and will be subject to the exclusive jurisdiction of the English courts. In addition it will be subject to the terms and conditions set out in the Offer Document and related Form of Acceptance.

The Offer will be subject to the following conditions:

Acceptance condition

1. Valid acceptances of the Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. on the first closing date of the Offer (or such later time(s) and/or date(s) as Connells may, in accordance with the Takeover Code or with the consent of the Panel, decide) in respect of not less than 90 per cent. (or such lesser percentage as Connells may decide) of the Countrywide Shares to which the Offer relates and of the voting rights attached to those shares, provided that this condition will not be satisfied unless Connells and/or any member of the Connells Group shall have acquired or agreed to acquire (whether pursuant to the Offer or otherwise), directly or indirectly, Countrywide Shares carrying in aggregate more than 50 per cent. of the voting rights then normally exercisable at a general meeting of Countrywide, including for this purpose (except to the extent otherwise agreed by the Panel) any such voting rights attaching to Countrywide Shares that are unconditionally allotted or issued before the Offer becomes or is declared unconditional as to acceptances whether pursuant to the exercise of any outstanding subscription or conversion rights or otherwise.

For the purposes of this condition:

- (i) Countrywide Shares which have been unconditionally allotted but not issued shall be deemed to carry the voting rights they will carry upon being entered into the register of members of Countrywide;
- (ii) the expression "Countrywide Shares to which the Offer relates" shall be construed in accordance with Chapter 3 of Part 28 of the Companies Act; and
- (iii) Countrywide Shares that cease to be held in treasury are Countrywide Shares to which the Offer relates.

Other conditions

2. Subject to the requirements of the Panel, the Offer will also be conditional upon the satisfaction of the following conditions unless where capable of waiver they are waived:

FCA

- (a) the Financial Conduct Authority having given notice in writing in accordance with section 189(4) or, if applicable, 189(7) of the Financial Services and Markets Act 2000 ("FSMA") that it has determined to approve the Offer unconditionally, or subject to conditions satisfactory to Skipton or, absent such

notice, the FCA being treated as having approved the acquisition of control by Skipton, Connells (and any other relevant parent undertaking of Connells) by virtue of section 189(6) FSMA over any FCA-Regulated Entity and any other approvals of financial services regulators reasonably considered necessary by Skipton for fulfilment of the Offer. For the purposes of this condition an "FCA Regulated Entity" means any authorised person (for the purposes of FSMA) a) which is an entity within the Countrywide Group; or b) of which an entity within the Countrywide Group is itself a controller for the purposes of FSMA;

Other Third Party clearances

- (b) other than in respect of Conditions 2(a) and (b), no central bank, ministry, government or governmental, national, quasi-governmental, supranational (including the European Union), statutory, regulatory, environmental, administrative, supervisory, fiscal or investigative body, court, tribunal, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction (each a "**Third Party**") having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and in each case, not having withdrawn the same), or having required any action to be taken or otherwise having done anything or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (i) make the Offer, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Countrywide Group by any member of the Wider Connells Group void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prevent, prohibit, or materially restrain, restrict, impede, challenge, delay or otherwise materially interfere with the approval or implementation of, or impose additional material conditions or obligations with respect to, the Offer or any matter arising from the Offer or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Countrywide Group by any member of the Wider Connells Group or require a material amendment of the Offer;
 - (ii) require, prevent or delay the divestiture or alter the terms envisaged for such divestiture by any member of the Wider Connells Group or by any member of the Wider Countrywide Group of all or any part of their respective businesses, assets or properties or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their respective assets or properties (or any part thereof) in each such case to an extent which is material in the context of the Wider Countrywide Group taken as a whole or the Wider Connells Group taken as a whole;

- (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Connells Group directly or indirectly to acquire or hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Countrywide (or any member of the Wider Countrywide Group) or on the ability of any member of the Wider Countrywide Group or any member of the Wider Connells Group directly or indirectly to hold or exercise effectively any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise management control over, any member of the Wider Countrywide Group to an extent which is material in the context of the Wider Countrywide Group taken as a whole or the Wider Connells Group taken as a whole;
- (iv) other than pursuant to the implementation of the Offer, require any member of the Wider Connells Group or the Wider Countrywide Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Countrywide Group or any asset owned by any third party which is material in the context of the Wider Countrywide Group or the Wider Connells Group, in either case taken as a whole;
- (v) require, prevent or materially delay a divestiture by any member of the Wider Connells Group of any shares or other securities (or the equivalent) in any member of the Wider Countrywide Group;
- (vi) result in any member of the Wider Countrywide Group ceasing to be able to carry on business under any name under which it presently carries on business to an extent which is material in the context of the Wider Countrywide Group taken as a whole;
- (vii) impose any limitation on the ability of any member of the Wider Connells Group or any member of the Wider Countrywide Group to conduct, integrate or co-ordinate all or any part of their respective businesses with all or any part of the business of any other member of the Wider Connells Group and/or the Wider Countrywide Group in a manner which is adverse to the Wider Connells Group and/or the Wider Countrywide Group, in either case, taken as a whole, or in the context of the Offer; or
- (viii) except as Disclosed, otherwise affect the business, assets, value, profits, prospects or operational performance of any member of the Wider Countrywide Group or any member of the Wider Connells Group in each case in a manner which is materially adverse to and material in the context of the Wider Countrywide Group taken as a whole or of the obligations of any members of the Wider Connells Group taken as a whole;

and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect

of the Offer or proposed acquisition of any Countrywide Shares or otherwise intervene having expired, lapsed, or been terminated;

- (c) no undertakings or assurances being sought from Connells, any member of the Wider Connells Group or any member of the Wider Countrywide Group by the Secretary of State or any other Third Party, except on terms satisfactory to Connells;
- (d) all notifications, filings or applications which are deemed by Connells to be necessary or appropriate having been made in connection with the Offer and all necessary waiting and other time periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Offer and all Authorisations which are deemed by Connells to be necessary or appropriate in any jurisdiction for or in respect of the Offer or the proposed acquisition of any shares or other securities in, or control of, Countrywide by any member of the Wider Connells Group having been obtained in terms and in a form reasonably satisfactory to Connells from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Countrywide Group or the Wider Connells Group has entered into contractual arrangements and all such Authorisations which are deemed by Connells to be necessary or appropriate to carry on the business of any member of the Wider Countrywide Group in any jurisdiction having been obtained in each case where the direct consequence of a failure to make such notification or filing or to wait for the expiry, lapse or termination of any such waiting or other time period or to comply with such obligation or obtain such Authorisation would be unlawful in any relevant jurisdiction or have a material adverse effect on the Wider Countrywide Group, any member of the Wider Connells Group or the ability of Connells to implement the Offer and all such Authorisations remaining in full force and effect at the time at which the Offer becomes otherwise unconditional in all respects and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;
- (e) no temporary restraining order, preliminary or permanent injunction, preliminary or permanent injunction, or other order issued and being in effect by a court or other Third Party which has the effect of making the Offer or any acquisition or proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Countrywide Group by any member of the Wider Connells Group, or the implementation of either of them, void, voidable, illegal and/or unenforceable under the laws of any relevant jurisdiction, or otherwise directly or indirectly prohibiting, preventing, restraining, restricting, delaying or otherwise interfering with the completion or the approval of the Offer or any matter arising from the proposed acquisition of any shares or other securities in, or control or management of, any member of the Wider Countrywide Group by any member of the Wider Connells Group;

Confirmation of absence of adverse circumstances

- (f) except as Disclosed, there being no provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Countrywide Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Offer or the proposed acquisition by any member of the Wider Connells Group of any shares or other securities in Countrywide or because of a change in the control or management of any member of the Wider Countrywide Group or otherwise, would or might reasonably be expected to result in, and in each case to an extent which is material in the context of the Wider Countrywide Group taken as a whole:
- (i) any monies borrowed by, or any other indebtedness, actual or contingent of, or any grant available to, any member of the Wider Countrywide Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
 - (ii) the rights, liabilities, obligations, interests or business of any member of the Wider Countrywide Group or any member of the Wider Connells Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Countrywide Group or any member of the Wider Connells Group in or with any other firm or company or body or person (or any agreement or arrangement relating to any such business or interests) being or becoming capable of being terminated or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
 - (iii) any member of the Wider Countrywide Group ceasing to be able to carry on business under any name under which it presently carries on business;
 - (iv) any assets or interests of, or any asset the use of which is enjoyed by, any member of the Wider Countrywide Group being or falling to be disposed of or charged or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any member of the Wider Countrywide Group otherwise than in the ordinary course of business;
 - (v) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Countrywide Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen), becoming enforceable;

- (vi) the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Countrywide Group being prejudiced or adversely affected;
- (vii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Countrywide Group other than trade creditors or other liabilities incurred in the ordinary course of business; or
- (viii) any liability of any member of the Wider Countrywide Group to make any severance, termination, bonus or other payment to any of its directors or other officers;

No material transactions, claims or changes in the conduct of the business of the Countrywide Group

- (g) except as Disclosed, no member of the Wider Countrywide Group having since 30 June 2020:
 - (i) save as between Countrywide and its wholly-owned subsidiaries or between such wholly-owned subsidiaries and save for the issue or transfer out of treasury of Countrywide Shares on the exercise of options or vesting of awards granted in the ordinary course under the Countrywide Share Plans, issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Countrywide Shares out of treasury;
 - (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, dividend or other distribution (whether payable in cash or otherwise) other than to Countrywide or one of its wholly-owned subsidiaries;
 - (iii) save as between Countrywide and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, merged with (by statutory merger or otherwise) or demerged from or acquired any body corporate, partnership or business or acquired or disposed of, or, other than in the ordinary course of business, transferred, mortgaged or charged or created any security interest over, any assets or any right, title or interest in any asset (including shares and trade investments) or authorised, proposed or announced any intention to do so;
 - (iv) save as between Countrywide and its wholly-owned subsidiaries or between such wholly-owned subsidiaries, made, authorised, proposed or announced an intention to propose any change in its loan capital;
 - (v) issued, authorised or proposed or announced an intention to authorise or propose the issue of, or made any change in or to the terms of, any debentures or (save in the ordinary course of business and save as

between Countrywide and its wholly-owned subsidiaries or between such wholly-owned subsidiaries) incurred or increased any indebtedness or become subject to any contingent liability to an extent which is material in the context of the Wider Countrywide Group taken as a whole;

- (vi) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary, any contract, transaction, arrangement or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, unusual or onerous nature, or which involves or could reasonably be expected to involve an obligation of a nature or magnitude which is, in any such case, material in the context of the Countrywide Group or in the context of the Offer, or which is or is reasonably likely to be restrictive on the business of any member of the Wider Countrywide Group to an extent which is or is likely to be material to the Wider Countrywide Group taken as a whole;
- (vii) entered into any licence or other disposal of intellectual property rights of any member of the Wider Countrywide Group which are material in the context of the Wider Countrywide Group taken as a whole and outside the normal course of business;
- (viii) entered into, varied, authorised or proposed entry into or variation of, or announced its intention to enter into or vary the terms of or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of, any contract, commitment, arrangement or any service agreement with any director or senior executive of the Wider Countrywide Group save for salary increases, bonuses or variations of terms in the ordinary course;
- (ix) proposed, agreed to provide or modified the terms of any share option scheme, incentive scheme, or other benefit relating to the employment or termination of employment of any employee of the Wider Countrywide Group which, taken as a whole, are material in the context of the Wider Countrywide Group taken as a whole;
- (x) (I) proposed, made or agreed to any significant change to: (a) the terms of the trust deeds, rules, policy or other governing documents constituting any pension scheme or other retirement or death benefit arrangement established for the directors, former directors, employees or former employees of any entity in the Wider Countrywide Group or their dependants (a "**Relevant Pension Plan**"); (b) the basis on which benefits accrue, pensions which are payable or the persons entitled to accrue or be paid benefits, under any Relevant Pension Plan; (c) the basis on which the liabilities of any Relevant Pension Plan are funded or valued; (d) the manner in which the assets of any Relevant Pension Plan are invested; (e) the basis or rate of employer contribution to a Relevant Pension Plan; or (II) enter into or propose to enter into one or more bulk annuity contracts in relation to any Relevant Pension Plan; or (III) carry out any act: (a) which would or could reasonably be expected to lead to the commencement of the winding up of any Relevant Pension

Plan; (b) which would or might create a material debt owed by an employer to any Relevant Pension Plan; (c) which would or might accelerate any obligation on any employer to fund or pay additional contributions to any Relevant Pension Plan; or (d) which would or might give rise directly or indirectly to a liability in respect of a Relevant Pension Plan arising out of the operation of sections 38 to 56 inclusive of the Pensions Act 2004 in relation to the scheme;

- (xi) changed the trustee or trustee directors or other fiduciary of any Relevant Pension Plan;
- (xii) entered into, implemented or effected, or authorised, proposed or announced its intention to implement or effect, any joint venture, asset or profit sharing arrangement, partnership, composition, assignment, reconstruction, amalgamation, commitment, scheme or other transaction or arrangement otherwise than in the ordinary course of business which is material in the context of the Wider Countrywide Group taken as a whole;
- (xiii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect of the matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital to an extent which (other than in the case of Countrywide) is material in the context of the Wider Countrywide Group taken as a whole;
- (xiv) other than with respect to claims between Countrywide and its wholly owned subsidiaries (or between such subsidiaries), waived, compromised or settled any claim otherwise than in the ordinary course of business which is material in the context of the Wider Countrywide Group taken as a whole;
- (xv) made any material alteration to its articles of association or other constitutional documents;
- (xvi) (other than in respect of a member of the Wider Countrywide Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of any administrator, receiver, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvii) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a

substantial part of its business which is material in the context of the Wider Countrywide Group taken as a whole;

- (xviii) entered into any contract, commitment, agreement or arrangement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this condition;
- (xix) terminated or varied the terms of any agreement or arrangement between any member of the Wider Countrywide Group and any other person in a manner which would or might be expected to have a material adverse effect on the financial position of the Wider Countrywide Group taken as a whole; or
- (xx) having taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Countrywide Shareholders in a general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;

No material adverse change

- (h) since 30 June 2020, and except as Disclosed, there having been:
 - (i) no adverse change and no circumstance having arisen which would be expected to result in any adverse change or deterioration in the business, assets, value, financial or trading position, profits, prospects or operational performance of any member of the Wider Countrywide Group to an extent which is material to the Wider Countrywide Group taken as a whole;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings including, without limitation, with regard to intellectual property rights used by the Wider Countrywide Group having been threatened, announced or instituted by or against or remaining outstanding against any member of the Wider Countrywide Group or to which any member of the Wider Countrywide Group is or may become a party (whether as claimant or defendant or otherwise) and no enquiry, review, investigation or enforcement proceedings by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Countrywide Group having been threatened, announced or instituted by or against, or remaining outstanding in respect of, any member of the Wider Countrywide Group which, in any such case, might reasonably be expected to have a material adverse effect on the Wider Countrywide Group taken as a whole;
 - (iii) no contingent or other liability having arisen, increased or become apparent other than in the ordinary course of business which is reasonably likely to adversely affect the business, assets, financial or trading position, profits, prospects or operational performance of any

member of the Wider Countrywide Group to an extent which is material to the Countrywide Group taken as a whole; and

- (iv) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Countrywide Group, which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which is material and likely to have an adverse effect on the Countrywide Group taken as a whole;
- (i) since 30 June 2020, and except as Disclosed, Connells not having discovered:
 - (i) that any financial, business or other information concerning the Wider Countrywide Group publicly announced prior to the date of this Announcement or disclosed to any member of the Wider Connells Group prior to the date of this Announcement by or on behalf of any member of the Wider Countrywide Group or to any of their advisers is misleading, contains a misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which is, in any case, material in the context of the Wider Countrywide Group taken as a whole;
 - (ii) that any member of the Wider Countrywide Group is subject to any liability, contingent or otherwise, which is material in the context of the Wider Countrywide Group taken as a whole; or
 - (iii) any information which affects the import of any information disclosed to Connells at any time by or on behalf of any member of the Wider Countrywide Group which is material in the context of the Wider Countrywide Group;

Environmental liabilities

- (j) except as Disclosed, Connells not having discovered that:
 - (i) any past or present member of the Wider Countrywide Group has not complied in any material respect with all applicable legislation or regulations, notices or other requirements of any jurisdiction or any Third Party or any Authorisations relating to the use, treatment, storage, carriage, disposal, discharge, spillage, release, leak or emission of any waste or hazardous substance or greenhouse gas, or any substance likely to impair the environment (including property) or harm the health of humans, animals or other living organisms or eco-systems or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Countrywide Group taken as a whole; or

- (ii) there has been a material disposal, discharge, spillage, accumulation, leak, emission, release or the migration, production, supply, treatment, storage, transport or use of any waste or hazardous substance or greenhouse gas or any substance likely to impair the environment (including any property) or harm human health which (whether or not giving rise to non-compliance with any law or regulation) would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Wider Countrywide Group taken as a whole; or
- (iii) there is or is likely to be any material obligation or liability (whether actual or contingent) or requirement to make good, remediate, repair, re-instate or clean up any property, asset currently or previously owned, occupied or made use of by any past or present member of the Wider Countrywide Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, or other elements of the environment (including any controlled waters) under any environmental legislation, common law, regulation, notice, circular, Authorisation, other legally binding requirement or order of any Third Party or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto in any such case to an extent which is material in the context of the Wider Countrywide Group taken as a whole; or
- (iv) circumstances exist (whether as a result of the Offer or otherwise):
 - (I) which would be likely to lead to any Third Party instituting; or
 - (II) whereby any member of the Wider Connells Group or any member of the Wider Countrywide Group would be likely to be required to institute,

an environmental audit or take any other steps which would in any such case be likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Countrywide Group (or on its behalf) or by any person for which a member of the Wider Countrywide Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Wider Countrywide Group taken as a whole; or

- (v) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider Countrywide Group which claim or claims would be likely to affect any member of the Wider Countrywide Group and which is

material in the context of the Wider Countrywide Group taken as a whole;

Intellectual Property

- (k) no circumstance having arisen or event having occurred in relation to any intellectual property owned or used by any member of the Wider Countrywide Group which would have a material adverse effect on the Wider Countrywide Group taken as a whole or is otherwise material in the context of the Offer, including:
 - (i) any member of the Wider Countrywide Group losing its title to any intellectual property material to its business, or any intellectual property owned by the Wider Countrywide Group and material to its business being revoked, cancelled or declared invalid;
 - (ii) any claim being asserted in writing or threatened in writing by any person challenging the ownership of any member of the Wider Countrywide Group to, or the validity or effectiveness of, any of its intellectual property; or
 - (iii) any agreement regarding the use of any intellectual property licensed to or by any member of the Wider Countrywide Group being terminated or varied;

Anti-corruption and sanctions

- (l) except as Disclosed, Connells not having discovered that:
 - (i) any past or present member of the Wider Countrywide Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption legislation;
 - (ii) any member of the Wider Countrywide Group is ineligible to be awarded any contract or business under regulation 57 of the Public Contracts Regulations 2015 or regulation 80 of the Utilities Contracts Regulations 2016 (each as amended);
 - (iii) any past or present member of the Wider Countrywide Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; or
 - (iv) a member of the Countrywide Group has engaged in a transaction which would cause the Connells Group to be in breach of any law or regulation on completion of the Offer, including the economic sanctions

administered by the United States Office of Foreign Assets Control or HM Treasury & Customs or any government, entity or individual targeted by any of the economic sanctions of the United Nations, United States or the European Union or any of its member states; and

No criminal property

- (m) except as Disclosed, Connells not having discovered that any asset of any member of the Wider Countrywide Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

Part B: Further terms of the Offer

1. Subject to the requirements of the Panel and in accordance with the Takeover Code, Connells reserves the right to waive, in whole or in part, all or any of the Conditions in Part A above, except Condition 1, which cannot be waived.
2. Conditions 2(a) to (m) inclusive must be satisfied as at, or (if capable of waiver) waived on or before, midnight on the 21st calendar day after the later of the first closing date of the Offer and the date on which the Offer becomes or is declared unconditional as to acceptances (or, in each case, such later date as the Panel may agree), failing which the Offer will lapse. Connells shall be under no obligation to waive (if capable of waiver) or determine to be, or treat as satisfied any of the Conditions that it is entitled (with the consent of the Panel) to invoke, by a date earlier than the latest date specified above for the fulfilment or waiver of that Condition, notwithstanding that the other Conditions may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment. In any event, all of the Conditions to the Offer must be satisfied as at, or (if capable of waiver) waived on or before, midnight on the 81st day following the date on which the Offer Document is published or such other date as may be agreed with the Panel.
3. If Connells is required by the Panel to make an offer for Countrywide Shares under the provisions of Rule 9 of the Takeover Code, Connells may make such alterations to any of the above Conditions as are necessary to comply with the provisions of that Rule.
4. Under Rule 13.5(a) of the Takeover Code, Connells may not invoke a Condition so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the Condition are of material significance to Connells in the context of the Offer. The Condition contained in paragraph 1 above are not subject to this provision of the Takeover Code.
5. Connells reserves the right to elect, with the consent of the Panel (where necessary), to implement the acquisition of the Countrywide Shares by way of a court-approved scheme of arrangement in accordance with Part 26 of the Companies Act. In such event, the Scheme will be implemented on substantially the same terms, subject to appropriate amendments, as those which would apply to the Offer.
6. The Offer will lapse if there is a Phase 2 CMA Reference before the later of: (i) 1.00 p.m. on the first closing date of the Offer; and (ii) the date on which the Offer becomes

or is declared unconditional as to acceptances. If the Offer lapses, the Offer will cease to be capable of further acceptance and persons accepting the Offer and Connells will cease to be bound by Forms of Acceptances submitted on or before the time when the Offer lapses.

7. The Offer will lapse if the European Commission initiates proceedings under Article 6(1)(c) of the Council Regulation before the later of: (i) 1.00 p.m. on the first closing date of the Offer; and (ii) the date on which the Offer becomes or is declared unconditional as to acceptances. If the Offer lapses, it will cease to be capable of further acceptance and persons accepting the Offer and Connells will cease to be bound by Forms of Acceptances submitted on or before the time when the Offer lapses.
8. This Announcement and any rights or liabilities arising hereunder, and the Offer will be governed by English law and be subject to the jurisdiction of the courts of England and Wales. The Offer will be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the Listing Rules, the FCA and the Registrar of Companies.
9. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
10. The Countrywide Shares will be acquired pursuant to the Offer with full title guarantee, fully paid and free from all liens, charges, equities, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights now or hereafter attaching thereto, including without limitation voting rights and the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid or any other return of value on or after the Effective Date, other than any dividend or distribution in respect of which Connells exercises its right under the terms of the Offer to reduce the consideration payable in respect of each Countrywide Share.
11. If, on or after the date of this Announcement and before the Effective Date, any dividend and/or other distribution and/or return of capital is declared, made or paid or becomes payable in respect of the Countrywide Shares, Connells reserves the right to reduce the Cash Consideration payable under the terms of the Offer for the Countrywide Shares by an amount up to the amount of such dividend and/or other distribution and/or return of capital, in which case any reference in this Announcement or in the Offer Document to the Cash Consideration payable under the terms of the Offer will be deemed to be a reference to the Cash Consideration as so reduced. In such circumstances, the relevant Countrywide Shareholder will be entitled to receive and retain such dividend and/or other distribution and/or return of capital. Any exercise by Connells of its rights referred to in this paragraph 11 of Part B of Appendix 1 to this Announcement shall be the subject of an announcement and, for the avoidance of doubt, shall not constitute a revision or variation of the terms of the Offer.
12. The Offer will be subject, inter alia, to the Conditions and certain further terms which are set out in this Appendix 1 and those terms which will be set out in the Offer Document and such further terms as may be required to comply with the Listing Rules and the provisions of the Takeover Code.

13. The availability of the Offer to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdiction. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders will be contained in the Offer Document.
14. The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any jurisdiction where to do so would violate the laws of that jurisdiction. This document does not constitute an offer in any Restricted Jurisdiction and the Offer should not be accepted by any such use, means, instrumentality or facilities or otherwise from or within any Restricted Jurisdiction. Accordingly, copies of this document are not being and must not be mailed, transmitted or otherwise distributed in whole or in part, in, into or from any Restricted Jurisdiction and persons receiving this Announcement (including, without limitation, custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it in, into or from any Restricted Jurisdiction. Doing so may render invalid any purported acceptance of the Offer.
15. Other than in relation to Condition 1, except with the Panel's consent, Connells will not invoke a condition so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the Panel determines that the circumstances giving rise to the right to invoke the relevant condition are of material significance to Connells in the context of the Offer.

APPENDIX 2 SOURCES AND BASES OF INFORMATION

Unless otherwise stated in this Announcement:

1. the value attributed to the fully diluted issued share capital of Countrywide is based on a value of 325 pence per Countrywide Share; and:
 - a) 32,826,068 Countrywide Shares in issue on 2 December 2020, as confirmed by Countrywide, in accordance with Rule 2.9 of the Takeover Code, in its announcement dated 2 December 2020; *plus*
 - b) 1,766,000 Countrywide Shares which may be issued on or after the date of this Announcement to satisfy the exercise of options and vesting of awards outstanding under the Countrywide Share Plans as at 31 December 2019; *less*
 - c) 103,000 Countrywide Shares which are unlikely to be issued on or after the date of this Announcement to satisfy the exercise of options and vesting of awards outstanding under the Countrywide Share Plans as at 31 December 2019, on the basis that the exercise price of such options or awards is higher than the Cash Consideration;
2. the enterprise value of £200.2 million is calculated by reference to a Countrywide equity value calculated as per paragraph 1 above, and:
 - a) net bank debt of £55.6 million as at 30 September 2020; *plus*
 - b) deferred VAT and PAYE/National Insurance contributions payable to HMRC of £34.6 million as at 30 September 2020; *less*
 - c) cash proceeds of £2.1 million resulting from the potential exercise of 709,000 in-the-money options outstanding under the Countrywide SAYE Plan as at 31 December 2019 at an exercise price of 295 pence;
3. unless otherwise stated, all prices for Countrywide Shares have been derived from the Daily Official List and represent Closing Prices on the relevant date(s);
4. unless otherwise stated, the financial information relating to Countrywide is extracted (without material adjustment) from the 2018 Countrywide Annual Report, the 2019 Countrywide Annual Report, the 2020 Countrywide Interim Results or the prospectus published in relation to the Alchemy Proposal and dated 30 October 2020;
 - a) Countrywide's cumulative pre-tax losses amount of £500 million over the last three calendar years is derived from the sum of Countrywide's losses before taxation of £37.9 million in 2019 (as reported in the 2019 Countrywide Annual Report), £259.5 million in 2018 (as reported in the 2019 Countrywide Annual Report) and £211.2 million in 2017 (as reported in the 2018 Countrywide Annual Report); and
 - b) the interest rate on Countrywide's new loan facility under the Alchemy Proposal of up to LIBOR plus 9.50 per cent. is derived from section 12.3 of Part XII

(Additional Information) of Countrywide's prospectus published in relation to the Alchemy Proposal and dated 30 October 2020;

5. Countrywide's estimated debt amount of £125 million under the Possible Revised Alchemy Proposal is derived from:
 - a) outstanding indebtedness of approximately £120 million under the Current Credit Facilities as at 28 October 2020, as disclosed in section 1.1 of Part I (*Risk Factors*) of Countrywide's prospectus published in relation to the Alchemy Proposal and dated 30 October 2020; *plus*
 - b) deferred VAT and PAYE/National Insurance contributions payable to HMRC of £34.6 million as at 30 September 2020; *less*
 - c) envisaged debt repayment amount of £30 million as a result of Alchemy potentially reaching a revised agreement with Countrywide's lenders, as disclosed in Alchemy's announcements dated 4 December 2020;
6. Countrywide's cumulative capital raised since March 2017 of nearly £180 million is derived from:
 - a) proceeds of £37.8 million from the placing announced by Countrywide on 9 March 2017; *plus*
 - b) proceeds of £140 million from the placing and open offer announced by Countrywide on 2 August 2018;
7. unless otherwise stated, the financial information relating to Connells is extracted (without material adjustment) from the 2019 Connells Results Announcement;
8. unless otherwise stated, the financial information relating to Skipton is extracted (without material adjustment) from 2020 Skipton Half Yearly Financial Report; and
9. volume weighted average prices trading volume data have been derived from Bloomberg and, in the case of volume weighted average prices, have been rounded to the nearest single decimal place.

APPENDIX 3 DEFINITIONS

The following definitions apply throughout this document unless the context otherwise requires:

"2018 Countrywide Annual Report"	the annual report and audited accounts of the Countrywide Group for the 12 months ended 31 December 2018
"2019 Connells Results Announcement"	the announcement by Connells dated 26 February 2020 and entitled "Connells Group announces resilient full year results"
"2019 Countrywide Annual Report"	the annual report and audited accounts of the Countrywide Group for the 12 months ended 31 December 2019
"2020 Countrywide Interim Results"	the interim results of the Countrywide Group for the six months ended 30 June 2020
"2020 Skipton Half Yearly Financial Report "	the interim results of Skipton for the six months ended 30 June 2020
"Alchemy"	Alchemy Partners
"Alchemy Proposal"	the proposed fully underwritten equity raising of approximately £90 million, as announced by Countrywide on 22 October 2020
"Announcement"	this announcement made pursuant to Rule 2.7 of the Takeover Code
"associated undertaking"	shall be construed in accordance with paragraph 19 of Schedule 6 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) but for this purpose ignoring paragraph 19(1)(b) of Schedule 6 to those regulations
"Authorisations"	regulatory authorisations, orders, grants, recognitions, confirmations, consents, licences, clearances, certificates, permissions or approvals
"Business Day"	a day, not being a public holiday, Saturday or Sunday, on which clearing banks in London are open for normal business
"Clean Team Agreement"	the clean team agreement entered into between Connells, Countrywide and their respective

	legal advisers, dated 12 March 2020
"Closing Price"	the closing middle market price of a Countrywide Share as derived from the Daily Official List on any particular date
"CMA"	the Competition and Markets Authority of the United Kingdom
"Companies Act"	the Companies Act 2006, as amended from time to time
"Conditions"	the conditions to the implementation of the Offer which are set out in Part A of Appendix 1 to this Announcement and to be set out in the Offer Document
"Confidentiality Agreement"	the confidentiality agreement entered into between Countrywide and Connells, dated 3 March 2020
"Connells"	Connells Limited
"Connells Board" or "Connells Directors"	the directors of Connells
"Connells Group"	Connells, its parent Skipton and its subsidiary undertakings and where the context permits, each of them
"Council Regulation"	Council Regulation (EC) 139/2004/EC
"Countrywide "	Countrywide plc
"Countrywide Board" or "Countrywide Directors"	the directors of Countrywide
"Countrywide Employee Benefit Trust"	the employee benefit trust established by Countrywide
"Countrywide Group"	Countrywide and its subsidiary undertakings and where the context permits, each of them
"Countrywide Share(s)"	the existing unconditionally allotted or issued and fully paid ordinary shares of 1 pence each in the capital of Countrywide and any further shares which are unconditionally allotted or issued before the Offer closes (or such earlier date or dates, not being earlier than the date on which the Offer becomes unconditional as to acceptances, or if later, the first closing date of

the Offer, as Connells may decide) but excluding in both cases any such shares held or which become held in treasury

"Countrywide Share Plans"

the Countrywide SAYE Plan, the Countrywide Deferred Share Bonus Plan and the Countrywide Long-Term Incentive Plan

"Countrywide Shareholder(s)"

holders of Countrywide Shares

"Current Credit Facilities"

means the £145 million revolving credit facilities available to Countrywide, comprising (i) a £125 million revolving credit facility which matures in September 2022 and (ii) the additional liquidity facility which (a) has a total principal amount of £20 million (£10 million of which would be available for drawdown only from 1 April 2021), (b) is available for drawdown by Countrywide only if, and to the extent that, the current credit facility forecasts show that that free cash will fall below £10 million and (c) matures in October 2022;

"Daily Official List"

the daily official list of the London Stock Exchange

"Dealing Disclosure"

has the same meaning as in Rule 8 of the Takeover Code

"Disclosed"

the information disclosed by or on behalf of Countrywide: (i) in the 2018 Countrywide Annual Report; (ii) in the 2019 Countrywide Annual Report; (iii) in this Announcement; (iv) in any other announcement to a Regulatory Information Service within the last two years prior to the date of this Announcement; (v) in filings made with, and made publicly available online by, the Registrar of Companies within the last two years prior to the date of this Announcement; or (vi) fairly disclosed in writing (including in the virtual data room operated on behalf of Countrywide) prior to the date of this Announcement to Skipton, Connells or their respective advisers (in their capacity as such)

"Effective"

in the context of the Offer: (i) if the Offer is implemented by way of a takeover offer, the takeover offer having been declared or having become unconditional in all respects in accordance with the requirements of the

	Takeover Code; or (ii) if the Offer is implemented by way of a Scheme, the Scheme having become effective pursuant to its terms
"Effective Date"	the date on which the Offer becomes Effective
"Evercore"	Evercore Partners International LLP
"FCA"	the Financial Conduct Authority of the United Kingdom or its successor from time to time
"Form of Acceptance"	the form of acceptance and authority for use by Countrywide Shareholders in connection with the Offer
"FSMA"	the UK Financial Services and Markets Act 2000 (as amended from time to time)
"Listing Rules"	the listing rules, made by the FCA under Part 6 FSMA, as amended from time to time
"London Stock Exchange"	the London Stock Exchange plc or its successor
"Offer"	the offer as described in this Announcement and to be made by Connells by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act to acquire the entire issued and to be issued ordinary share capital of Countrywide on the terms and subject to the Conditions set out in Appendix I to this Announcement and as set out in the Offer Document and the Form of Acceptance (and, where the context admits, any subsequent revision, variation, extension or renewal of such offer, including any revision, variation, extension or renewal of such offer)
"Offer Document"	the document being sent to (among others) Countrywide Shareholders containing and setting out, amongst other things, the full terms and Conditions of the Offer
"Offer Period"	the offer period (as defined in the Takeover Code) relating to Countrywide, which commenced on 9 November 2020
"Official List"	the Official List of the FCA
"Opening Position Disclosure"	has the same meaning as in Rule 8 of the Takeover Code

"Overseas Shareholders"	holders of Countrywide Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom
"Panel"	the Panel on Takeovers and Mergers of the United Kingdom
"Phase 2 CMA Reference"	a reference of the Offer to the chair of the CMA for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013
"PRA"	Prudential Regulation Authority or its successor from time to time
"Registrar of Companies"	the Registrar of Companies in England and Wales
"Regulatory Information Service"	a regulatory information service as defined in the FCA's Handbook of rules and guidance as amended from time to time
"relevant securities"	Countrywide Shares, other Countrywide share capital and any securities convertible into or exchangeable for, and rights to subscribe for, any of the foregoing
"Restricted Jurisdiction"	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Countrywide Shareholders in that jurisdiction
"Scheme"	a scheme of arrangement under Part 26 of the Companies Act between Countrywide and the Countrywide Shareholders to implement the Offer (should Connells elect to implement the Offer by way of a scheme of arrangement)
"Scheme Document"	should Connells elect to implement the Offer by way of a Scheme, the document to be sent to Countrywide Shareholders and persons with information rights in connection with the Scheme
"Skipton"	Skipton Building Society, a member of the Building Societies Association and authorised by the PRA and regulated by the FCA and the PRA under registration number 153706

"subsidiary", "subsidiary undertaking" and "undertaking"	shall be construed in accordance with the Companies Act
"Takeover Code"	the City Code on Takeovers and Mergers issued by the Panel, as amended from time to time
"UK" or "United Kingdom"	United Kingdom of Great Britain and Northern Ireland
"US Exchange Act"	the US Exchange Act of 1934, as amended and the rules and regulations promulgated thereunder
"US Person"	a US person as defined in Regulation S under the US Securities Act
"US Securities Act"	the US Securities Act of 1933, as amended and the rules and regulations promulgated thereunder
"Wider Connells Group"	Connells Group and associated undertakings and any other body corporate, partnership, joint venture or person in which Skipton and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent
"Wider Countrywide Group"	Countrywide and associated undertakings and any other body corporate, partnership, joint venture or person in which Countrywide and such undertakings (aggregating their interests) have an interest of more than 20 per cent. of the voting or equity capital or the equivalent

All times referred to are London time unless otherwise stated.