

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended).

If you have sold or otherwise transferred all your Ordinary Shares, please forward this document, together with the accompanying documents at once to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, such documents should not be forwarded or transmitted in or into any jurisdiction in which such act would constitute a violation of the relevant laws in such jurisdiction. If you have sold or transferred only part of your holding of Ordinary Shares, you should retain these documents and consult the bank, stockbroker or other agent through whom the sale or transfer was effected.

RECOMMENDED CASH OFFER

for



asset management

THESIS ASSET MANAGEMENT PLC

(registered in England and Wales with company number 01802101)

by

REGIT BIDCO LIMITED

Your attention is drawn to the letter from the Chairman of Thesis set out in Part 1 of this document, which explains why the Independent Directors of Thesis are unanimously recommending Shareholders to (i) accept the Offer in respect of the Ordinary Shares and grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles and (ii) vote in favour of the Resolution in relation to the Management Arrangements to be proposed at the General Meeting.

This document should be read in conjunction with the accompanying Form of Acceptance and Form of Proxy.

To accept the Offer and grant the Drag Authority to Bidco

The procedure for acceptance of the Offer is set out in paragraph 14 of Part 2 of this document and in the accompanying Form of Acceptance, which should be read in conjunction with this document.

To accept the Offer, the accompanying Form of Acceptance should be completed and returned (together with the relevant share certificate(s) and/or other documents of title) by the Shareholders as soon as possible and in any event so as to be received by post or (during normal business hours only) by hand to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA no later than 1.00 p.m. on 21 July 2017.

To grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles, Shareholders should mark a cross in Box 5 in the accompanying Form of Acceptance and otherwise complete and return the Form of Acceptance as stated above.

To vote in favour of the Management Arrangements

Notice of the General Meeting of Thesis to be held at the offices of Irwin Mitchell LLP, Thomas Eggar House, Friary Lane, Chichester PO19 1UF at 11.00 a.m. on 21 July 2017 is set out in Appendix V of this document. A reply paid Form of Proxy is enclosed for use by Independent Shareholders in connection with the General Meeting. Independent Shareholders are requested to complete the Form of Proxy in

accordance with the instructions printed thereon and to return it to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA as soon as possible and, in any event, so that it is received no later than 11.00 a.m. on 19 July 2017.

Only Independent Shareholders are permitted to vote on the Resolution. The completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person should you wish to.

Certain words and expressions used in this document are defined in Appendix IV (*Definitions*) of this document. All times referred to are London times unless otherwise stated.

Evercore Partners International LLP ("**Evercore**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Thesis and no-one else in connection with the Acquisition and will not be responsible to anyone other than Thesis for providing the protections afforded to clients of Evercore, nor for providing advice in relation to the Acquisition, the contents of this document or any other matter referred to herein. Neither Evercore nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evercore in connection with the matters referred to in this document, or otherwise.

PricewaterhouseCoopers LLP ("**PwC**"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for Regit Bidco Limited ("**Bidco**"), J. Leon & Company Limited ("**J. Leon**") and Ventiga Capital Partners LLP ("**Ventiga**") and no-one else in connection with the Acquisition and will not be responsible to anyone other than Bidco, J. Leon and Ventiga for providing the protections afforded to clients of PwC, nor for providing advice in relation to the Acquisition, the contents of this document or any other matter referred to herein. Neither PwC nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of PwC in connection with the matters referred to in this document, or otherwise.

IMPORTANT NOTICES

This document does not constitute an offer or an invitation to purchase or subscribe for any securities or a solicitation of an offer to buy any securities pursuant to this document or otherwise in any jurisdiction in which such offer or solicitation is unlawful. This document and the accompanying documents have been prepared in connection with the Acquisition pursuant to and for the purpose of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this document and the accompanying documents had been prepared in accordance with the laws and regulations of any jurisdiction outside the United Kingdom. Nothing in this document or the accompanying documents should be relied on for any other purpose.

The distribution of this document in jurisdictions outside the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. All Shareholders or other persons (including nominees, trustees and custodians) who would otherwise intend to, or may have a contractual or legal obligation to, forward this document and the accompanying Form of Acceptance and Form of Proxy to a jurisdiction outside the United Kingdom should refrain from doing so and seek appropriate professional advice before taking any action.

No person has been authorised to make any representations on behalf of any member of the Bidco Group, the Consortium or any member of the Thesis Group concerning the Acquisition which are inconsistent with the statements contained in this document and any such representations, if made, may not be relied upon as having been so authorised.

Shareholders should not construe the contents of this document as legal, taxation or financial advice, and should consult with their own advisers as to the matters described in this document.

The statements contained in this document are made as at the date of this document, unless some other time is specified in relation to them, and publication of this document shall not give rise to any implication that there has been no change in the facts set forth in this document since such date. Nothing contained in this document shall be deemed to be a forecast, projection or estimate of the future financial performance of the Thesis Group, Bidco or the enlarged Bidco Group except where otherwise stated.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This document contains certain forward-looking statements with respect to the financial condition, results of operations and business of the Thesis Group and the Bidco Group and certain plans and objectives of the boards of Thesis and Bidco with respect thereto. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts. Forward-looking statements often use words such as "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "will", "may", "should", "would", "could", or other words of similar meaning. These statements are based on assumptions and assessments made by the boards of directors of Thesis and Bidco and members of the Consortium (as the case may be) in light of their experience and their perception of historical trends, current conditions, expected future developments, financial performance and other factors they believe appropriate. By their nature, forward-looking statements involve risk and uncertainty, because they relate to events and depend on circumstances that will occur in the future and the factors described in the context of such forward-looking statements in this document could cause actual results and developments to differ materially from those expressed in or implied by such forward-looking statements. Although it is believed that the expectations reflected in such forward-looking statements are reasonable, none of Thesis, Bidco or any member of the Consortium can give any assurance that such expectations will prove to have been correct and you are therefore cautioned to not place undue reliance on these forward-looking statements which speak only as at the date of this document. No member of the Thesis Group, Bidco Group or any member of the Consortium assumes any obligation to update or correct the information contained in this document except as required by applicable law.

DISCLOSURE REQUIREMENTS OF THE TAKEOVER CODE

Under Rule 8.3(a) of the Takeover Code, any person (including any Beneficial Owner) who is interested in 1 per cent. 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 p.m. on the 10th Business Day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. 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 per cent. 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 p.m. 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 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.

ROUNDING

Certain figures included in this document 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 the figures that precede them.

ELECTRONIC COMMUNICATIONS

Please be aware that addresses, electronic addresses and certain other information provided by Shareholders and other relevant persons for the receipt of communications from Thesis may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

PUBLICATION ON WEBSITES

A copy of this document (together with any document incorporated by reference) is and will be available, free of charge, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Thesis' website at <http://www.thesis-plc.com/> during the course of the Offer Period. For the avoidance of doubt, save as expressly referred to in this document, the contents of Thesis' website are not incorporated into, and do not form part of, this document.

RIGHT TO RECEIVE COPIES IN HARD COPY FORM

Shareholders may request a hard copy of this document and/or any document or information incorporated into this document by reference, free of charge, by contacting the Receiving Agent, Neville Registrars Limited, during normal business hours on +44 (0)121 585 1131, Monday to Friday, excluding public holidays in England and Wales or by submitting a request in writing to Neville Registrars Limited, at Neville House, 18 Laurel Lane, Halesowen, B63 3DA. Shareholders may also request that all future documents, announcements and information to be sent to them in relation to the Offer should be in hard copy form by submitting a request to the Company secretary of Thesis at the registered office address of Thesis.

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EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The dates and times set out below in connection with the Offer may change in accordance with the terms and conditions of the Offer, as described in this document.

<i>Event</i>	<i>Expected time and/or date</i>
Announcement of the Offer	20 June 2017
Publication of this document.....	30 June 2017
Latest time for receipt of valid Forms of Proxy	11.00 a.m. on 19 July 2017
Voting Record Time	6.00 p.m. on 19 July 2017
General Meeting	11.00 a.m. on 21 July 2017
First Closing Date	1.00 p.m. on 21 July 2017

Payment of consideration to the Shareholders for the Ordinary Shares in respect of which they validly accept the Offer **on or prior to it having been declared unconditional in all respects** will be made within 14 days of the Offer having been declared unconditional in all respects.

Payment of consideration to Shareholders for the Ordinary Shares in respect of which they validly accept the Offer **after it has been declared unconditional in all respects** will be made within 14 days of receipt of their valid acceptance.

Future dates are indicative only and are subject to change, in which event details of the new times and dates will be announced via Thesis' website at <http://www.thesis-plc.com/>.

All references to times in this document are to London times.

ACTION TO BE TAKEN BY SHAREHOLDERS

To accept the Offer and grant the Drag Authority to Bidco

To accept the Offer, Shareholders must complete the enclosed Form of Acceptance in accordance with the instructions printed thereon. Return the completed Form of Acceptance (together with the relevant share certificate(s) and/or other documents of title) by post or by hand (during normal business hours only) to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA as soon as possible and, in any event, **so as to be received by no later than 1.00 p.m. on 21 July 2017.**

Shareholders are not entitled, in respect of any Non-Voting Shares, to accept the Offer, which is being made in respect of the Ordinary Shares only.

To grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles, Shareholders should mark a cross in Box 5 in the accompanying Form of Acceptance and otherwise complete and return the Form of Acceptance as stated above.

THE FIRST CLOSING DATE OF THE OFFER IS AT 1.00 P.M. ON 21 JULY 2017

To vote in favour of the Management Arrangements

Notice of the General Meeting of Thesis to be held at the offices of Irwin Mitchell LLP, Thomas Eggar House, Friary Lane, Chichester PO19 1UF at 11.00 a.m. on 21 July 2017 is set out in Appendix V of this document. A reply paid Form of Proxy is enclosed for use by Independent Shareholders in connection with the General Meeting. Independent Shareholders are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return it to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA as soon as possible and, in any event, so that it is received no later than 11.00 a.m. on 19 July 2017.

Only Independent Shareholders are permitted to vote on the Resolution. The completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person should you wish to.

Note to Beneficial Owners

All of the Ordinary Shares are registered in the name of the Trustee and are held on bare trust for the benefit of the Beneficial Owners. Whilst the Offer is being made to the registered holder of the Ordinary Shares, if any Beneficial Owners of such Ordinary Shares want (i) the Offer to be accepted and Bidco to be granted the Drag Authority in accordance with this document and the Articles and/or (ii) the Resolution in relation to the Management Arrangements to be passed at the General Meeting, in any such case in respect of the Ordinary Shares beneficially owned by them but registered in the name of the Trustee, then such persons should instruct the Trustee to do so in respect of such Ordinary Shares.

This section should be read in conjunction with the rest of this document.

PART 1
LETTER OF RECOMMENDATION FROM THE CHAIRMAN OF THESIS

THESIS ASSET MANAGEMENT PLC
(Incorporated and registered in England with registered number 01802101)



Board of Directors:

Anthony Edwards (*Non-Executive Chairman*)*
Anne Gilbert (*Non-Executive Director*)*
Michael Hughes (*Non-Executive Director*)*
Stephen Richards (*Non-Executive Director*)*
David Tyerman (*Chief Executive Officer*)
Stephen Mugford (*Finance Director*)
Gregory Dalton (*Executive Director*)
Antony Gammon (*Executive Director*)

Registered Office:

Exchange Building
St. John's Street
Chichester
West Sussex
PO19 1UP

30 June 2017

To: Shareholders and Thesis Option Holders (and, for information only, Non-Voting Shareholders)

Dear Sir or Madam

**RECOMMENDED OFFER FOR THESIS ASSET MANAGEMENT PLC
BY REGIT BIDCO LIMITED**

1. INTRODUCTION

It was announced on 20 June 2017 that the Independent Directors of Thesis and the board of directors of Regit Bidco Limited ("**Bidco**") had reached agreement on the terms of a recommended cash offer to be made by Bidco to acquire all of the issued and to be issued Ordinary Shares (the "**Offer**").

Bidco is a newly incorporated company formed by the Consortium (including David Tyerman and Stephen Mugford, who are existing Directors of the Company) for the purpose of making and implementing the Acquisition. Further information in relation to the Bidco Group and the Consortium is set out in paragraph 5 of Part 2 of this document.

An independent committee of the Thesis Directors has been established for the purposes of considering and, if thought appropriate, approving and recommending the terms of the Offer. The committee comprises the Non-Executive Directors of the Company, being all of the directors asterisked (*) above (the "**Independent Directors**"). Whilst Gregory Dalton and Antony Gammon are not part of the Consortium, due to their ongoing interests as directors of Thesis following completion of the Acquisition, they are not considered to be independent for the purposes of the Offer.

All of the Ordinary Shares are registered in the name of Thomas Eggar Trust Corporation Limited (the "**Trustee**") and are held on bare trust for the benefit of the Beneficial Owners.

This letter sets out the background to the Acquisition and the reasons why the Independent Directors of Thesis, who have been so advised by Evercore as to the financial terms of the Offer, consider the Acquisition to be fair and reasonable, and why we are unanimously recommending that:

- (a) Shareholders accept the Offer in respect of the Ordinary Shares and grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles; and
- (b) Independent Shareholders vote in favour of the Resolution relating to the Management Arrangements to be proposed at the General Meeting.

Stephen Richards and I, being the only two Independent Directors who beneficially own Ordinary Shares, and Stephen Richard's Interested Persons, have irrevocably and unconditionally committed to instruct the Trustee to, *inter alia*, (i) accept the Offer and exercise the Drag Right and (ii) vote in favour of the Resolution relating to the Management Arrangements at the General Meeting, in each case in respect of the Ordinary Shares beneficially owned by us (and Stephen's Interested Persons).

Accordingly, Stephen Richards (and his Interested Persons) and I have provided irrevocable commitments as described above in respect of a total of 53,752 Ordinary Shares which, in aggregate, represents approximately 6.72 per cent. of the issued Ordinary Shares at the Latest Practicable Date.

Additionally, irrevocable commitments have been received from other Beneficial Owners to instruct the Trustee to (i) accept the Offer and exercise the Drag Right and (ii) vote in favour of the Resolution relating to the Management Arrangements at the General Meeting. Your attention is drawn to paragraph 11 of Part 2 of this document which sets out further details regarding the irrevocable commitments received by J. Leon and Ventiga from those other Beneficial Owners in relation to the Acquisition.

Irrevocable commitments have therefore been received by Bidco in respect of a total of 232,302 Ordinary Shares which, in aggregate, represents approximately 29.04 per cent. of the issued Ordinary Shares as at the Latest Practicable Date.

The formal Offer, together with details of the procedure for acceptance, is contained in the letter from the Bidco Directors which is set out in Part 2 of this document.

This document also contains notice of the General Meeting at which the Resolution to approve the Management Arrangements will be put to Independent Shareholders.

2. THE ACQUISITION

The Acquisition comprises the Offer, the Non-Voting Shares Acquisition and the Tutman LLP Acquisition.

The Offer

Under the terms of the Offer, which is subject to the Conditions and certain further terms referred to in Appendix I to this document and the Form of Acceptance, Shareholders will be entitled to receive:

for each Ordinary Share £51.4677 in cash

An additional amount will be paid to Shareholders so as to ensure that they receive an additional daily amount of £0.01125 for each Ordinary Share for the period from 16 June 2017 to (and including) the First Payment Date (the "**Additional Amount**").

Under the terms of the Offer, the estimated aggregate consideration to be paid for each Ordinary Share is approximately £52.0527.¹

The estimated aggregate consideration to be paid for all issued and to be issued Ordinary Shares (based on the aggregate consideration to be paid for each Ordinary Share as stated above) and all the issued Non-Voting A Shares and all the issued Non-Voting B Shares (the "**Headline Value**") is approximately £47.0 million.² The Headline Value represents a price to after tax profits multiple for the financial year ended 30 April 2016 of approximately 14.6x and an EBITDA multiple for the financial year ended 30 April 2016 of approximately 11.0x.

The estimated aggregate consideration to be paid to the Shareholders for all issued and to be issued Ordinary Shares is therefore approximately £44.3 million on a fully diluted basis.³

The Additional Amount will not be payable in respect of any period after the First Payment Date – if any Ordinary Shares are assented to the Offer on or after the date on which the Offer becomes or is declared unconditional in all respects, the Additional Amount will only be payable in respect of such Ordinary Shares in respect of the period up to the First Payment Date.

¹ On the assumption that the First Payment Date is 7 August 2017. If the First Payment Date is before or after such date, the maximum aggregate consideration will be less or more than such amount as a result of the daily amount accruing and being payable only up until (and including) such First Payment Date.

² Please refer to footnote 1.

³ Please refer to footnote 1.

The Additional Amount set out above is subject to, *inter alia*, no dividend or distribution being declared, paid or made after the date of the Announcement. If any such dividend or distribution is declared, paid or made after the date of the Announcement, Bidco reserves the right to reduce the Additional Amount and (if the amount of such dividend or distribution exceeds the Additional Amount) the Offer price per Ordinary Share accordingly.

The attention of the Thesis Option Holders is also drawn to paragraph 8 of this letter.

'Drag-along' provisions

The Articles contain 'drag-along' provisions in respect of the Ordinary Shares. If the holder(s) of at least 65 per cent. of the Ordinary Shares accept the Offer, such accepting Shareholders can, by written notice, require all the other holder(s) of Ordinary Shares (the "**Compelled Shareholders**") to accept the Offer. Such Compelled Shareholders are required to accept the Offer in the manner set out in this document within 5 working days after service of such notice.

If however any Compelled Shareholder does not, following service of such written notice, accept the Offer and/or fails to take such other steps or actions as are required pursuant to the Offer to perfect such acceptance, including providing Bidco with documents of title or indemnities in respect of lost documents of title as necessary, then the defaulting Compelled Shareholder will be deemed to have appointed any person nominated by the Shareholders who have accepted the Offer to be the agent and attorney of the defaulting Compelled Shareholder to take all steps and execute all necessary documents on his behalf, against receipt by Thesis (on trust for such holder) of the consideration payable for such defaulting Compelled Shareholder's Ordinary Shares.

As such, if the Offer is declared by Bidco to be unconditional in all respects, the remaining Shareholders could be compelled to sell their Ordinary Shares to Bidco in accordance with the terms of the Offer, as set out in this document and the Form of Acceptance. Shareholders should be aware that if the Offer becomes or is declared unconditional in all respects, Bidco intends to use the Drag Authority or statutory squeeze-out provisions (depending on the level of acceptances received) to acquire all remaining Ordinary Shares which have not been assented to the Offer.

Please read carefully paragraph 14 of Part 2 of this document and Section C of Appendix I to this document which set out the procedures to accept the Offer and to grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles in respect of the Ordinary Shares.

Non-Voting A Shares and Non-Voting B Shares

In addition to the Ordinary Shares, there are two other classes of shares in Thesis, being the Non-Voting A Shares and the Non-Voting B Shares held by Rhealisation LLP (formerly Thomas Eggar LLP) and Rhealisation Enterprises Limited (formerly Thomas Eggar Enterprises Limited) respectively.

The Articles contain 'drag-along' provisions in respect of the Non-Voting Shares which can be enforced by Bidco once Bidco has received acceptances of the Offer which will result in Bidco or its nominee owning all the Ordinary Shares. Following such time, Bidco can serve Drag Notices requiring all Non-Voting A Shareholders and all Non-Voting B Shareholders to sell their Non-Voting A Shares and Non-Voting B Shares to Bidco respectively. In accordance with the Articles, the Non-Voting A Shareholders and the Non-Voting B Shareholders are, respectively, entitled to receive at least £2.779298 in cash for each Non-Voting A Share and at least £1.00 in cash per Non-Voting B Share together with all arrears and accruals of dividends.

Bidco intends to invoke such 'drag-along' provisions to acquire all the Non-Voting Shares at £2.779298 in cash for each Non-Voting A Share and at £1.00 in cash for each Non-Voting B Share as soon as practicable once it has received acceptances of the Offer which will result in Bidco or its nominee owning all of the Ordinary Shares and the Offer has become or is declared wholly unconditional.

The Tutman LLP Acquisition

Tutman LLP is owned as to 55 per cent. indirectly by Thesis and as to 45 per cent. by the Management Team. In accordance with the terms of the Management Arrangements and pursuant to the Tutman LLP Acquisition Agreement (which, in accordance with the terms of the Joint Bidding Deed is to be

entered into on the Unconditional Date), the Management Team will sell their 45 per cent. interest in Tutman LLP to Tutman Ltd (with a de-minimis interest to be sold to Thesis) for an aggregate consideration of £3,738,750 (which excludes the repayment to the Management Team of their capital contributions).

The consideration to be paid to the Management Team for the sale of their interest in Tutman LLP is to be satisfied partly in cash and partly by the issue of C ordinary shares, D ordinary shares and preference shares in Topco. Additionally, the Management Team will reinvest part of the proceeds from the sale of their Ordinary Shares (arising on exercise of their Thesis Options) pursuant to the Offer by subscribing for additional preference shares in Topco. This will result in the Management Team investing a total of £4,280,794 of their proceeds of sale in shares in Topco, net of any relevant tax payments due.

Please refer to paragraph 9 of this letter for details regarding the Management Arrangements and to paragraph 6 of Part 2 of this document for further details regarding the Tutman LLP Acquisition Agreement.

3. CURRENT TRADING

As at 30 October 2016, Thesis had total funds under management of £2.27 billion and the Tutman entities had total funds under management of £10.49 billion. Total revenues for the first half of the 2016/17 financial year were £7.4 million (being the same total revenue as for the first half of the 2015/16 financial year). Pre-tax profit (including the amount attributable to the minority interest in Tutman LLP currently owned by the Management Team) for the first half of the 2016/2017 financial year was £2.2 million (compared with £2.4 million for first half of the 2015/16 financial year).

In terms of new business, during the first six months of the 2016/17 financial year, Thesis lost £25 million of net flows and the Tutman entities benefitted from net creations of approximately £0.47 billion. The Directors confirm that the estimated financials for the first half of the 2016/17 financial year remain valid and that the figures stated have been properly compiled in accordance with Thesis' normal accounting policies (but are unaudited).

Thesis continues to trade in line with management's expectations.

4. BACKGROUND TO AND REASONS FOR RECOMMENDING THE ACQUISITION

The Independent Directors believe that the financial terms of the Acquisition are attractive to Shareholders. Whilst Thesis has been successful under the current ownership structure, the business faces a number of challenges which will require investment to be made into the platform and operations, coupled with developments in the broader competitive landscape that are also acting as headwinds for the business.

Specifically, in deciding whether to recommend the Acquisition, the Independent Directors have taken into account the following considerations.

Financial Terms and Certainty

- The Headline Value under the Acquisition is approximately £47.0 million⁴, representing:
 - a price to after tax profits multiple for the financial year ended 30 April 2016 of approximately 14.6x; and
 - an EBITDA multiple for the financial year ended 30 April 2016 of approximately 11.0x.
- In addition to the price per Ordinary Share of £51.4677 in cash, Shareholders will be entitled to an additional compensation amount for the period up to the First Payment Date (being the Additional Amount), which will increase the value of the total consideration.

⁴ On the assumption that the First Payment Date is 7 August 2017. If the First Payment Date is before or after such date, the maximum aggregate consideration will be less or more than such amount as a result of the daily amount accruing and being payable only up until (and including) such First Payment Date.

- Crystallisation of the Offer at this point will provide value certainty and cash consideration for Shareholders which the Independent Directors are mindful of in the context of some business specific challenges.
- There is no certainty that the current level of dividends is sustainable particularly given the requirement for further investment as outlined below.
- The Thesis Directors are mindful of the historical dialogue and M&A approaches to the Independent Directors which did not progress and the difficulties of running an M&A auction process in relation to a people-dependent business.

Business Specific

- Pressures on the financial performance of the Thesis Group with profitability in the year ended 30 April 2016 lower than for the year ended 30 April 2012.
- Decreasing operating profit margins over the last five years.
- Concentration risk in terms of a number of high value clients within Tutman.
- The high degree of key man risk in the Tutman entities and significant dependence of both businesses on management.
- The requirement for investment into Thesis' infrastructure, systems and platforms in the short to medium term, in relation to various strategic projects and to improve the operational platform.
- The differences in business models between Thesis (private client investment and wealth management) and Tutman LLP (fund administration services).

Industry Context

- The environment for private client fund managers is competitive and there are significant headwinds in the industry and continued pressure on fees.
- There has been increased consolidation in the market as competitors look to achieve meaningful cost savings and increase market share, putting additional pressure on the smaller, independent businesses.
- In particular, recent acquisitions of potential Thesis business introducers by larger competitor firms will limit Thesis' ability to generate organic net new business.

5. THESIS' DIRECTORS, MANAGEMENT, EMPLOYEES, LOCATIONS OF BUSINESS AND ASSETS

Your attention is drawn to the statement of Bidco's plans for Thesis if the Offer becomes or is declared wholly unconditional, as set out in paragraph 10 of the letter from Bidco in Part 2 of this document.

The Independent Directors are pleased to note the statements made by Bidco in its letter set out in Part 2 of this document that, upon and following completion of the Offer it intends to safeguard fully the existing employment and pension rights of all Thesis Group management and employees in accordance with applicable law and to comply with Thesis' pension obligations for existing employees. Furthermore, subject to the outcome of the strategic review referred to in paragraph 10 of Part 2 of this document, Bidco confirms that its plans for Thesis do not involve (i) any changes to the management or employees of Thesis, (ii) any changes to the principal locations of the Thesis Group's business or (iii) any redeployment of the Thesis Group's fixed assets

The Non-Executive Directors of Thesis will cease to be directors on the Offer becoming, or being declared, unconditional in all respects, without payment as compensation for loss of office or in lieu of notice (save in the case of Mike Hughes, who will receive payment in lieu of one month's notice).

It is intended that, after the Offer has become, or been declared, unconditional in all respects, certain executives of the Thesis Group will be invited to subscribe for D ordinary shares in Topco or Subsidiary Performance Shares in order to incentivise such persons. These Incentive Arrangements are more fully described in paragraph 6 of Part 2 of this document. The Offer is conditional upon such Incentive

Arrangements, as part of the Management Arrangements, being approved by a majority of the votes cast by the Independent Shareholders at the General Meeting.

6. IRREVOCABLE COMMITMENT LETTERS

As mentioned above, all of the Ordinary Shares are registered in the name of the Trustee and are held on bare trust for the benefit of the Beneficial Owners.

Your attention is drawn to paragraph 11 of the letter from the Bidco Directors in Part 2 of this document, which describes the irrevocable commitments which Bidco has received from persons owning beneficial interests in the Ordinary Shares to instruct the Trustee:

- (a) to accept the Offer and exercise the Drag Right; and
- (b) to vote in favour of the Resolution relating to the Management Arrangements at the General Meeting,

in each case in respect of a total of 232,302 Ordinary Shares which, in aggregate, represents approximately 29.04 per cent. of the issued Ordinary Shares as at the Latest Practicable Date.

Further details of these Irrevocable Commitment Letters are set out in paragraph 4 of Appendix III.

7. INFORMATION RELATING TO THE THESIS GROUP

Thesis was founded in 1974 by law firm Thomas Eggar & Sons (now part of Irwin Mitchell LLP) to offer asset management services to clients of the law firm. Today, the business is divided into three areas, Thesis Asset Management, a UK regional private client investment manager, Tutman, an Authorised Corporate Director (“**ACD**”) business that operates collective investment schemes, and Pallant, and provider of financial planning services.

Thesis Asset Management (with £2.27 billion of funds under management as at 30 October 2016) specialises in providing discretionary investment management services to private clients, trusts, charities and other entities. The business unit offers bespoke discretionary portfolio management services for clients with £150,000 or more to invest, and ready-made management solutions for investments from £10,000 upwards. Thesis Asset Management also provides an advisory service, where clients can be involved in the investment decision making process, and a transaction-driven execution-only service where the client retains all responsibility for investment decisions.

The Tutman entities (with £10.49 billion of funds under management as at 30 October 2016) creates fund structures where it acts as ACD for its institutional clients. The business unit comprises Tutman Ltd, which is 100 per cent. owned by Thesis, and Tutman LLP, which is 55 per cent. indirectly owned by Thesis and 45 per cent. owned by the Management Team.

Pallant (with £0.15 billion of funds under influence) was incorporated in 2010 and offers fee based financial planning services such as retirement and inheritance planning, investment advice and cash management, to mass affluent and high net worth individuals.

Thesis has over 100 employees (including 12 investment managers) providing services to clients from offices in Chichester, Brighton, Guildford and Lyminster.

8. OPTIONS UNDER THE THESIS SHARE OPTION PLAN

The Offer extends to any Ordinary Shares which are unconditionally allotted or issued and fully paid (or credited as fully paid) whilst the Offer remains open for acceptances (or such earlier date as Bidco may, subject to the Takeover Code, decide) including any Ordinary Shares allotted or issued pursuant to the exercise of existing Thesis Options upon or after the Offer becoming, or being declared, unconditional in all respects.

It is currently anticipated that Thesis Option Holders will exercise their Thesis Options conditional upon the Offer becoming, or being declared, unconditional in all respects. Accordingly, Thesis Option Holders will be contacted separately to make arrangements to allow them to exercise their Thesis Options in such circumstances and for them to accept the Offer in respect of their resulting holding of Ordinary Shares.

David Tyerman and Stephen Mugford, being certain members of the Management Team, are also Thesis Option Holders. In respect of such persons, in accordance with the terms of grant of their Thesis Options and in view of the Tutman LLP Acquisition, the number of Ordinary Shares over which their respective Thesis Options may be exercised reduces in proportion to the value that Tutman Ltd's 55 per cent. interest in Tutman LLP bears to the value of the proceeds of the Offer. In this regard, the Independent Directors have resolved that in the context of the value attributed to the Thesis Group pursuant to the Offer, the number of Ordinary Shares over which David Tyerman's and Stephen Mugford's Thesis Options may be exercised shall be reduced by 3,399 to 17,991 Ordinary Shares and by 1,359 to 7,197 Ordinary Shares respectively.

9. MANAGEMENT ARRANGEMENTS

The Management Team (comprising David Tyerman, Stephen Mugford and Sarah Noone), some of whom are also Thesis Option Holders, will be issued C ordinary shares, D ordinary shares and preference shares in Topco in consideration for the sale of their 45 per cent. interest in Tutman LLP, and will reinvest part of the proceeds from the sale of their Ordinary Shares (arising on exercise of their Thesis Options) pursuant to the Offer by subscribing for additional preference shares in Topco. This will result in a total of 88 per cent. of their proceeds of sale being invested in shares in Topco, net of any relevant tax payments due. The D ordinary shares are to be issued to the Management Team by way of incentivisation and form part of the Incentive Arrangements.

Specifically, it is expected that the Management Team will be issued a total of 85,828 C ordinary shares, 130,000 D ordinary shares and 4,064,966 preference shares in Topco (the latter of which will also be subscribed for by J. Leon, the LGT Funds and Ventiga Members (either directly or via one or more special purpose vehicles which are controlled by them and/or their connected persons) and will bear an interest rate of 10 per cent. per annum (on a simple not compounding basis)).

In aggregate, the Management Team will hold 10.73 per cent. of the voting ordinary shares in TopCo and 23.21 per cent. of the fully diluted ordinary share capital (before any of the additional D ordinary shares in Topco have been issued to other executives of the Thesis Group as incentivisation equity). There will be a further 70,000 unallocated D ordinary shares in the capital of Topco, representing 7 per cent. of the fully diluted ordinary share capital of Topco. Pursuant to the Incentive Arrangements, it is expected that certain executives of the Thesis Group will be invited to subscribe for such D ordinary shares in Topco or Subsidiary Performance Shares, in each case by way of incentivisation. No final decision however has been taken in respect of which such executives will be invited to subscribe for D ordinary shares or Subsidiary Performance Shares.

Further details of the Tutman LLP Acquisition and such reinvestment are set out in paragraph 2 of this Part 1.

Evercore has confirmed to the Independent Directors that it considers the Management Arrangements to be fair and reasonable.

Further details regarding the C and D ordinary shares, the preference shares and the Subsidiary Performance Shares are set out in paragraph 6 of Part 2 of this document.

10. GENERAL MEETING

In accordance with Rule 16.2 of the Takeover Code, as certain members of Thesis' senior management who are Thesis Option Holders and/or members of Tutman LLP are participating in the Tutman LLP Acquisition and will subscribe for D ordinary shares in Topco (or Subsidiary Performance Shares) pursuant to the Incentive Arrangements, in either case on a basis that is not being made available to the Independent Shareholders, such Management Arrangements must be approved at the General Meeting. The Management Arrangements are therefore subject to the Resolution being approved on a poll by a simple majority of votes cast by the Independent Shareholders at the General Meeting. Notice of the General Meeting is set out in Appendix V to this document.

Accordingly, the Offer is conditional on, *inter alia*, the passing of the Resolution by the requisite majority of votes cast by at the General Meeting to approve the Management Arrangements for the purposes of Rule 16 of the Takeover Code.

11. ACTION TO BE TAKEN

To accept the Offer and grant the Drag Authority to Bidco

Your decision as to whether to accept the Offer and grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles will depend upon your individual circumstances. If you are in any doubt as to what action you should take, you should seek your own personal financial advice from an independent financial adviser authorised under FSMA without delay.

The procedure for acceptance of the Offer is set out in the letter from the Bidco Directors in Part 2 of this document, Appendix I to this document and the Form of Acceptance.

To grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles, Shareholders should mark a cross in Box 5 in the accompanying Form of Acceptance and otherwise complete and return the Form of Acceptance as stated above.

To vote in favour of the Management Arrangements

Your decision as to whether to vote in favour of the Management Arrangements will depend upon your individual circumstances. If you are in any doubt as to what action you should take, you should seek your own personal financial advice from an independent financial adviser authorised under FSMA without delay.

Notice of the General Meeting to be held at the offices of Irwin Mitchell LLP, Thomas Eggar House, Friary Lane, Chichester PO19 1UF at 11.00 a.m. on 21 July 2017 is set out in Appendix V.

A reply paid Form of Proxy is enclosed for use by Independent Shareholders in connection with the General Meeting. Independent Shareholders are requested to complete the Form of Proxy in accordance with the instructions printed thereon and to return it to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA, as soon as possible and, in any event, so that it is received no later than 11.00 a.m. on 19 July 2017. The completion and return of the Form of Proxy will not preclude you from attending and voting at the General Meeting in person should you wish to.

12. NOTE TO BENEFICIAL OWNERS

All of the Ordinary Shares are registered in the name of the Trustee and are held on bare trust for the benefit of the Beneficial Owners. Whilst the Offer is being made to the registered holder of the Ordinary Shares, if any Beneficial Owners of such Ordinary Shares want (i) the Offer to be accepted and Bidco to be granted the Drag Authority in accordance with this document and the Articles and/or (ii) the Resolution in relation to the Management Arrangements to be passed at the General Meeting, in any such case in respect of the Ordinary Shares beneficially owned by them but registered in the name of the Trustee, then such persons should instruct the Trustee to do so in respect of such Ordinary Shares.

13. FURTHER INFORMATION

Please note that the information contained in this letter is not a substitute for reading the remainder of this document.

Your attention is drawn to the letter from the Bidco Directors in Part 2 of this document, the Appendices to this document, the Notice of General Meeting, the Form of Acceptance and the Form of Proxy accompanying this document. The Appendices to this document, the Form of Acceptance and the Form of Proxy contain material information which may not be summarised elsewhere in this document.

14. RECOMMENDATION

The Independent Directors, who have been so advised by Evercore as to the financial terms of the Offer, consider the terms of the Offer and the Management Arrangements to be fair and reasonable. In providing advice to the Independent Directors in relation to the Offer and the Management

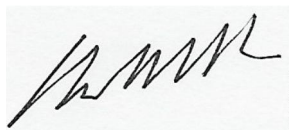
Arrangements, Evercore has taken into account the commercial assessments of the Independent Directors.

Accordingly, the Independent Directors unanimously recommend that all Shareholders accept the Offer in respect of the Ordinary Shares and vote in favour of the Resolution at the General Meeting to approve the Management Arrangements, as the two Independent Directors (and their Interested Persons) who beneficially own Ordinary Shares have irrevocably committed to instruct the Trustee to do in respect of their own beneficial holdings of 53,752 Ordinary Shares, representing, in aggregate, approximately 6.72 per cent. of the Ordinary Shares in issue as at the Latest Practicable Date.

The Independent Directors also unanimously recommend that Shareholders mark a cross in Box 5 in the Form of Acceptance to grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles.

In view of their proposed involvement with the Bidco Group, David Tyerman and Stephen Mugford have not participated in the consideration of the Acquisition or the formulation of advice to Independent Shareholders. Furthermore (and as referred to above), whilst Gregory Dalton and Antony Gammon are not part of the Consortium, due to their proposed ongoing interests as directors of Thesis following completion of the Acquisition, they are not considered to be independent for the purposes of the Offer. Accordingly, the recommendation of the Offer above is being made solely by the Independent Directors.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tony Edwards', is written over a light grey rectangular background.

Tony Edwards
Non-Executive Chairman
Thesis Asset Management plc

PART 2
LETTER FROM THE BIDCO DIRECTORS

REGIT BIDCO LIMITED

(Incorporated under the laws of Jersey with registered number 123560)

Board of Directors:

Daniel Mytnik
Vincent Smith
Carl (Niclás) Gabran
Alexander Church

Registered Office:

47 Esplanade
St Helier
Jersey
JE1 0BD
Channel Islands

30 June 2017

To: Shareholders and Thesis Option Holders (and, for information only, Non-Voting Shareholders)

Dear Sir or Madam

**RECOMMENDED OFFER FOR THESIS ASSET MANAGEMENT PLC BY
REGIT BIDCO LIMITED**

1. INTRODUCTION

It was announced on 20 June 2017 that the Independent Directors of Thesis and the board of directors of Bidco had reached agreement on the terms of a recommended cash offer to be made by Bidco to acquire all of the issued and to be issued Ordinary Shares.

Bidco is a newly incorporated company formed by the Consortium for the purpose of making and implementing the Acquisition. Further information in relation to the Bidco Group and the Consortium is set out in paragraph 5 of this letter.

This document and the accompanying Form of Acceptance contain the formal Offer (including its terms and conditions), and certain other information on Bidco and Thesis.

Acceptances of the Offer should be received as soon as possible and, in any event, by no later than 1.00 p.m. on 21 July 2017.

Please read carefully paragraph 14 of this letter below which sets out the procedures to accept the Offer. Your attention is drawn, in particular, to the Conditions and further terms of the Offer set out in Appendix I to this document and the Form of Acceptance.

This document also contains notice of the General Meeting at which the Resolution in relation to the Management Arrangements will be put to Independent Shareholders.

Your attention is also drawn to the letter from the Chairman of Thesis set out in Part 1 of this document which sets out the reasons why the Independent Directors of Thesis are unanimously recommending that all Shareholders accept the Offer and grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles, and all Independent Shareholders vote in favour of the Resolution.

2. THE ACQUISITION

The Acquisition comprises the Offer, the Non-Voting Shares Acquisition and the Tutman LLP Acquisition.

The Offer

Under the terms of the Offer, which is subject to the Conditions and certain further terms referred to in Appendix I to this document and the Form of Acceptance, Shareholders will be entitled to receive:

for each Ordinary Share £51.4677 in cash

An additional amount will be paid to Shareholders so as to ensure that they receive an additional daily amount of £0.01125 for each Ordinary Share for the period from 16 June 2017 to (and including) the First Payment Date.

Under the terms of the Offer, the estimated aggregate consideration to be paid for each Ordinary Share will be approximately £52.0527.⁵

The estimated aggregate consideration to be paid for all issued and to be issued Ordinary Shares (based on the aggregate consideration to be paid for each Ordinary Share as stated above) and all the issued Non-Voting A Shares and all the issued Non-Voting B Shares (the "**Headline Value**") is approximately £47.0 million.⁶ The Headline Value represents a price to after tax profits multiple for the financial year ended 30 April 2016 of approximately 14.6x and an EBITDA multiple for the financial year ended 30 April 2016 of approximately 11.0x.

The estimated aggregate consideration to be paid to the Shareholders for all issued and to be issued Ordinary Shares is therefore approximately £44.3 million on a fully diluted basis.⁷

The Additional Amount will not be payable in respect of any period after the First Payment Date – if any Ordinary Shares are assented to the Offer on or after the date on which the Offer becomes or is declared unconditional in all respects, the Additional Amount will only be payable in respect of such Ordinary Shares in respect of the period up to the First Payment Date.

The Additional Amount set out above is subject to, *inter alia*, no dividend or distribution being declared, paid or made after the date of the Announcement. If any such dividend or distribution is declared, paid or made after the date of the Announcement, Bidco reserves the right to reduce the Additional Amount and (if the amount of such dividend or distribution exceeds the Additional Amount) the Offer price per Ordinary Share accordingly.

The attention of the Thesis Option Holders is also drawn to paragraph 9 of this letter.

'Drag-along' provisions

The Articles contain 'drag-along' provisions in respect of the Ordinary Shares. If the holder(s) of at least 65 per cent. of the Ordinary Shares accept the Offer, such accepting Shareholders can, by written notice, require all the other holder(s) of Ordinary Shares (the "**Compelled Shareholders**") to accept the Offer. Such Compelled Shareholders are required to accept the Offer in the manner set out in this document within 5 working days after service of such notice.

If however any Compelled Shareholder does not, following service of such written notice, accept the Offer and/or fails to take such other steps or actions as are required pursuant to the Offer to perfect such acceptance, including providing Bidco with documents of title or indemnities in respect of lost documents of title as necessary, then the defaulting Compelled Shareholder will be deemed to have appointed any person nominated by the Shareholders who have accepted the Offer to be the agent and attorney of the defaulting Compelled Shareholder to take all steps and execute all necessary documents on his behalf, against receipt by Thesis (on trust for such holder) of the consideration payable for such defaulting Compelled Shareholder's Ordinary Shares.

As such, if the Offer is declared by Bidco to be unconditional in all respects, the remaining Shareholders could be compelled to sell their Ordinary Shares to Bidco in accordance with the terms of the Offer, as set out in this document and the Form of Acceptance. Shareholders should be aware that if the Offer becomes or is declared unconditional in all respects, Bidco intends to use the Drag Authority or statutory squeeze-out provisions (depending on the level of acceptances received) to acquire all remaining Ordinary Shares which have not been assented to the Offer.

⁵ On the assumption that the First Payment Date is 7 August 2017. If the First Payment Date is before or after such date, the maximum aggregate consideration will be less or more than such amount as a result of the daily amount accruing and being payable only up until (and including) such First Payment Date.

⁶ Please refer to footnote 5.

⁷ Please refer to footnote 5.

Terms and conditions

The Ordinary Shares will be acquired pursuant to the Offer under the terms and conditions contained in Appendix I to this document and the Form of Acceptance.

The Offer is conditional upon, *inter alia*, Bidco receiving acceptances (which have not been withdrawn) in respect of not less than 90 per cent. in nominal value of the Ordinary Shares to which the Offer relates and not less than 90 per cent. of the voting rights carried by Ordinary Shares to which the Offer relates (or, in either case, such lower percentage as Bidco may decide) provided that this condition will not be satisfied unless Bidco and/or its wholly owned subsidiaries shall have acquired, whether pursuant to the Offer or otherwise, 65 per cent. in nominal value of the Ordinary Shares in issue from time to time.

Additionally, the Offer is conditional on:

- (a) Bidco having received valid Forms of Acceptance with Box 5 marked with a cross in respect of, in aggregate, at least 65 per cent. of the Ordinary Shares in issue;
- (b) the Resolution being approved at the General Meeting on a poll by a simple majority of the votes cast by the Independent Shareholders who are present and vote, whether in person or by proxy; and
- (c) the FCA (i) having notified Bidco in writing of its determination under section 189(4)(a) FSMA (or, if applicable, section 189(7) FSMA) to approve all acquisitions and increases in control of the Thesis Group that will arise as a result of completion of the Acquisition, such approval being either unconditional in all respects (save as to the period within which the change of control must occur) or subject to conditions satisfactory to Bidco or (ii) being treated as having approved the Acquisition as detailed in this document in accordance with section 189(6) FSMA. References in this paragraph to the "acquisition of control" and/or the "increase in control" shall be construed in accordance with sections 181 and 182 of FSMA, as applicable.

Please read carefully paragraph 14 of this letter which sets out the procedure to accept the Offer and to grant the Drag Authority to Bidco in respect of the Ordinary Shares.

Timetable for satisfaction of Conditions

The Offer is conditional upon, amongst other things, the FCA consenting to all acquisitions and increases in control of the Thesis Group that will arise as a result of completion of the Acquisition and the receipt by Bidco of the requisite level of acceptances of the Offer and Drag Authority.

In addition, the Takeover Code requires that, except with the consent with the Panel, an offer may not become or be declared unconditional as to acceptances after midnight on the 60th day after the date the initial offer document was published. If an offer becomes or is declared unconditional as to acceptances, the Takeover Code requires that, except with the consent of the Panel, all conditions must be fulfilled or satisfied or the offer must lapse within 21 days of the first closing date or the date that the offer becomes or is declared unconditional as to acceptances, whichever is later.

Shareholders should be aware that if the Offer becomes or is declared unconditional as to acceptances it is possible that the process relating to the FCA change of control condition may not be complete and the FCA change of control approval condition may not be satisfied within 21 days of such date. If the date by which the Offer must become or be declared wholly unconditional is extended with the consent of the Panel, Shareholders who have accepted the Offer prior to such extension will not be able to withdraw their acceptances.

Non-Voting A Shares and Non-Voting B Shares

In addition to the Ordinary Shares, there are two other classes of shares in Thesis, being the Non-Voting A Shares and the Non-Voting B Shares held by Rhealisation LLP (formerly Thomas Eggar LLP) and Rhealisation Enterprises Limited (formerly Thomas Eggar Enterprises Limited) respectively.

The Articles contain 'drag-along' provisions in respect of the Non-Voting Shares which can be enforced by Bidco once Bidco has received acceptances of the Offer which will result in Bidco or its nominee owning all the Ordinary Shares. Following such time, Bidco can serve Drag Notices requiring all Non-Voting A Shareholders and all Non-Voting B Shareholders to sell their Non-Voting A Shares and Non-Voting B Shares to Bidco respectively. In accordance with the Articles, the Non-Voting A Shareholders and the Non-Voting B Shareholders are, respectively, entitled to receive at least £2.779298 in cash for each Non-Voting A Share and at least £1.00 in cash per Non-Voting B Share together with all arrears and accruals of dividends.

Bidco intends to invoke such 'drag-along' provisions to acquire all the Non-Voting Shares at £2.779298 in cash for each Non-Voting A Share and at £1.00 in cash for each Non-Voting B Share as soon as practicable once it has received acceptances of the Offer which will result in Bidco or its nominee owning all of the Ordinary Shares and the Offer has become or is declared wholly unconditional.

The Tutman LLP Acquisition

Tutman LLP is owned as to 55 per cent. indirectly by Thesis and as to 45 per cent. by the Management Team. In accordance with the terms of the Management Arrangements and pursuant to the Tutman LLP Acquisition Agreement (which, in accordance with the terms of the Joint Bidding Deed is to be entered into on the Unconditional Date), the Management Team will sell their 45 per cent. interest in Tutman LLP to Tutman Ltd (with a de-minimis interest to be sold to Thesis) for an aggregate consideration of £3,738,750 (which excludes the repayment to the Management Team of their capital contributions).

The consideration to be paid to the Management Team for the sale of their interest in Tutman LLP is to be satisfied partly in cash and partly by the issue of C ordinary shares, D ordinary shares and preference shares in Topco. Additionally, the Management Team will reinvest part of the proceeds from the sale of their Ordinary Shares (arising on exercise of their Thesis Options) pursuant to the Offer by subscribing for additional preference shares in Topco. This will result in the Management Team investing a total of £4,280,794 of their proceeds of sale in shares in Topco, net of any relevant tax payments due.

Details of the number of shares in Topco to be issued to the Management Team are set out in paragraph 6 of this letter.

Please refer to paragraph 9 of Part 1 of this document for details regarding the Management Arrangements and to paragraph 6 of this letter for further details regarding the Tutman LLP Acquisition Agreement.

3. BACKGROUND TO AND REASONS FOR THE ACQUISITION

J. Leon and Ventiga have been working with David Tyerman and Stephen Mugford to explore a management buyout and develop a comprehensive understanding of Thesis' business model, its historical development and future potential.

J. Leon and Ventiga have been impressed by the strong proposition that Thesis has built, underpinned by excellent fund performance and a loyal client base.

The Bidco Directors believe that to take advantage of positive market dynamics and an increasing requirement for technology, Thesis now requires funding partners with an understanding of its markets and the ability to provide additional operational and strategic investment. The Bidco Directors see clear potential in Thesis and believe in the strategy being employed by management. However, it is apparent that the business will require significant capital expenditure and infrastructure investment to accelerate growth, achieve sufficient scale and to capitalise on future opportunities. In this regard, the Bidco Directors believe that Thesis' ability to achieve its future growth potential, both organic and inorganic, will be enhanced under Bidco ownership.

4. RECOMMENDATION

Your attention is drawn to the letter of recommendation from the Chairman of Thesis in Part 1 of this document. That letter sets out the reasons why the Independent Directors of Thesis, who have been so

advised by Evercore as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable and are unanimously recommending that all Shareholders accept the Offer and grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles, and all Independent Shareholders vote in favour of the Resolution to approve the Management Arrangements, as all the Independent Directors who beneficially own Ordinary Shares (and their Interested Persons) have irrevocably and unconditionally committed to instruct the Trustee to do in respect of their Ordinary Shares.

Accordingly, all the Independent Directors who beneficially own Ordinary Shares (and their Interested Persons) have provided irrevocable commitments in respect of a total of 53,752 Ordinary Shares which, in aggregate, represents approximately 6.72 per cent. of the issued Ordinary Shares at the Latest Practicable Date. Your attention is drawn to paragraph 11 of this letter which set out further details regarding the irrevocable commitments received by J. Leon and Ventiga from other Beneficial Owners in relation to the Acquisition.

5. INFORMATION RELATING TO THE BIDCO GROUP AND THE CONSORTIUM

Bidco Group

Bidco was incorporated on 30 March 2017 under the laws of Jersey with registered number 123560, formed at the direction of J. Leon, the Ventiga Members and the Management Team for the purposes of the Acquisition. Bidco is a wholly owned indirect subsidiary of Topco. Save as disclosed in this document, the Bidco Directors are not aware of any material change in the financial or trading position since the date of its incorporation.

Topco was incorporated on 30 March 2017 under the laws of Jersey with registered number 123559, and is currently owned equally by (i) the Ventiga Members (as joint shareholders) and (ii) J. Leon. Under the terms of the Joint Bidding Deed however, on or prior to the Unconditional Date, the Ventiga Members may transfer their share in Topco to a special purpose fund controlled principally by Ventiga, which will be the vehicle through which the LGT Funds and the Ventiga Members will indirectly invest in Topco, or its subsidiary.

Following the Offer becoming, or being declared, unconditional in all respects, it is anticipated that Topco will be indirectly owned as to 51.07 per cent. by LGT Funds and the Ventiga Members, 25.73 per cent. by J. Leon and 23.21 per cent. by the Management Team (before any of the additional D ordinary shares in Topco have been issued to other executives of the Thesis Group as incentivisation equity). Please see paragraph 6 of this letter for further details regarding the terms on which such persons will hold shares in Topco.

The Bidco Group comprises Topco, Midco, Finco and Bidco. Midco is a wholly owned direct subsidiary of Topco, incorporated on 30 March 2017 under the laws of Jersey with registered number 123561, and Finco is a wholly owned subsidiary of Midco, incorporated on 31 March 2017 under the laws of England and Wales with registered number 10700999. Bidco is also a wholly owned subsidiary of Midco.

The directors of Topco, Midco, Finco and Bidco are Vincent Smith, Alexander Church, Carl (Nicolás) Gabran and Daniel Mytnik.

Save for activities in connection with the making, implementation and financing of the Acquisition, no member of the Bidco Group has carried on any business prior to the date of this document, nor has it entered into any obligations. No member of the Bidco Group has paid any dividends or prepared any historical financial accounts. In the event that the Acquisition is successfully completed, Thesis will be the only direct subsidiary of Bidco and Tutman LLP will be wholly owned by the Bidco Group, and the Thesis Group will therefore represent all or substantially all of the earnings, assets and liabilities of Bidco, save for liabilities incurred in connection with the Acquisition.

The principal activity of Bidco is to act as a holding company for Thesis. Bidco's principal investment is the proposed acquisition of Thesis Shares pursuant to the Acquisition

J. Leon

The J. Leon group is a diversified group, investing in property, equities and other UCITS compliant investments through an authorised unit trust. The group also runs a portfolio of single manager hedge funds, a selection of direct private equity investments and, as a limited partner, J. Leon invests in more than fifty private equity funds and fund of funds. The group only invests from its own balance sheet and does not administer any third party funds.

J. Leon is controlled by wider members of the Slowe family and related family trusts. The audited consolidated net asset value in respect of J. Leon as at 31 March 2016 was £197,297,047.

J. Leon is indirectly providing part of the cash resources for Bidco to satisfy the cash consideration required to be paid pursuant to the Acquisition by way of a subscription for B ordinary shares and preference shares in Topco under the terms of the Joint Bidding Deed (which is described in more detail in paragraph 6 of this Part 2 and paragraph 7.1.1 of Appendix III to this document).

LGT

The LGT Funds are being advised by LGT Capital Partners, an affiliate of LGT Capital Partner Ltd.

LGT Capital Partner Ltd is a leading alternative investment specialist with over USD 55 billion in assets under management and more than 450 institutional clients. An international team of more than 370 staff is responsible for managing a wide range of investment programs focusing on private markets, liquid alternatives and multi-asset class solutions. Headquartered in Pfaeffikon in Switzerland, the firm has offices in New York, Dublin, London, Vaduz, Dubai, Beijing, Hong Kong, Tokyo and Sydney. The LGT group has more than 2,600 employees globally and manages assets of USD 150 billion.

LGT Group Foundation is the beneficial owner (whether directly or indirectly) of 100 per cent. of the issued voting, non-participating shares and more than 10 per cent. of the issued voting, participating shares of LGT Capital Partners. The 100 per cent. beneficiary of LGT Group Foundation is the Prince of Liechtenstein Foundation, the beneficiary of which is H.S.H. Reigning Prince Hans-Adam II von und zu Liechtenstein.

Ventiga Members and Ventiga

Ventiga

Ventiga is a private equity partnership with focus on investing in businesses with superior business expansion potential in the northern European mid-market. Its founders, Niclas Gabrán and Daniel Mytnik have a combined experience in excess of 30 years in the European private equity markets. Ventiga's core strategy is to actively look for companies with rapid expansion potential in growing industries and targets businesses with leadership positions and attractive margins. It works closely with management to fulfil the long term potential of the companies it invests in.

Ventiga is acting as investment advisor to LGT Capital Partners in respect of the Acquisition and has a co-investment collaboration agreement with LGT Capital Partners in respect of the investment made by the LGT Funds in the Acquisition.

Ventiga is not itself providing any part of the cash resources for Bidco to satisfy the cash consideration required to be paid pursuant to the Acquisition.

Niclas Gabrán

In 2015 Niclas Gabrán co-founded Ventiga together with Daniel Mytnik and currently serves as a managing partner of the firm. Niclas was previously Managing Director at Towerbrook in London for 8 years. Before joining Towerbrook, Niclas spent 6 years as a Partner at Soros Private Equity Partners Limited. Prior to Soros, he worked at Goldman Sachs in London and Frankfurt for 7 years. Niclas has a MSc degree from the Helsinki University of Technology and a MSc degree from the Helsinki School of Economics.

Daniel Mytnik

In 2015 Daniel Mytnik co-founded Ventiga together with Niclas Gabrán, and currently serves as a managing partner of the firm. Daniel was previously a partner at Palamon Capital Partners in London until the end of 2013. Before joining Palamon Capital Partners, Daniel spent four years at investment bank Altium Capital, latterly as a managing director. Prior to Altium he worked in Morgan Stanley's Private Equity and Investment Banking department in London for five years. He holds an M.Phil in Economics and an M.A. in PPE from Oxford University.

The LGT Funds and the Ventiga Members are indirectly providing part of the cash resources for Bidco to satisfy the cash consideration required to be paid pursuant to the Acquisition by way of a subscription for A ordinary shares and preference shares in Topco under the terms of the Joint Bidding Deed (which is described in more detail in paragraph 6 of this Part 2 and paragraph 7.1.1 of Appendix III to this document).

Management Team

David Tyerman, BSc (Hons), MBA (Fin), Managing Director

David is the Managing Director of Thesis and has been with the company since 1996. David has over 25 years of investment experience and is responsible for delivering the collective investment scheme service. David graduated from Cardiff University and City University Business School, trained at Societe Generale Strauss Turnbull and then augmented his private client expertise spending 4 years advising high net worth clients. He specialises in managing third party investment managers, high net worth families, estates and institutions.

Stephen Mugford, MA, ACA, Finance Director

Stephen joined Thesis as the full time Finance Director in July 2012, having served part time in the role since April 2001 while working for Thomas Eggar LLP, the firm's former parent company. Stephen is a qualified chartered accountant with over 20 years' experience and is responsible both for the group finance function and for the control of client assets, where he fulfils the CF10a controlled function. Stephen graduated from Cambridge University in 1988 and then trained with Touche Ross, qualifying in 1991.

Sarah Noone, BA (Hons), ACMA, ACSI, Client Services Director

Sarah has over 25 years' experience in collective investment schemes and has held a variety of roles spanning operations, product and relationship management. Sarah has been with Thesis since 2009, having moved from Northern Trust where she was the Senior Relationship Manager for Thesis. Earlier in her career, Sarah held fund related positions at Smith and Williamson and Fidelity International. Sarah qualified as an accountant in 1994 and is also a member of the Chartered Institute for Securities and Investment.

The members of the Management Team will be issued C ordinary shares, D ordinary shares and preference shares in Topco. Further details regarding these Management Arrangements are set out in paragraph 9 of Part 1 of this document.

6. ARRANGEMENTS WITH THE CONSORTIUM, BIDCO GROUP AND SENIOR LENDER

Equity arrangements

On 19 June 2017, Topco, Midco, Bidco, each of the LGT Funds, each of the Ventiga Members, J. Leon and each member of the Management Team entered into an agreement (the "**Joint Bidding Deed**") which governs the terms on which the parties propose to implement the Acquisition. The Joint Bidding Deed includes, *inter alia*, (i) the terms on which shares in Topco are to be subscribed for by the relevant parties to the Joint Bidding Deed (either directly or via one or more special purpose vehicles which are controlled by them and/or their connected persons, as detailed below), (ii) an undertaking from the parties to negotiate and agree the terms of various transaction documents required in order to implement the Acquisition and (iii) an undertaking from each of the parties to the Joint Bidding

Deed to procure that the Tutman LLP Acquisition Agreement is entered into by the relevant parties on the Unconditional Date (see below for details).

Further details of the Joint Bidding Agreement are also set out at paragraph 7.1.1 of Appendix III to this document.

Subscription and issue of shares in Topco

In respect of the subscription for shares in Topco referred to at (i) above, pursuant to the terms of the Joint Bidding Deed, the following parties have agreed to subscribe (either directly or via one or more special purpose vehicles which are controlled by them and/or their connected persons) for the following shares in Topco, conditional on the Offer becoming or being declared unconditional in all respects:

- LGT Funds and Ventiga Members: up to 474,924 A ordinary shares for a total subscription price of £474,924 and up to 22,493,390 preference shares for a total subscription price of £22,493,390; and
- J. Leon: up to 239,248 B ordinary shares for a total subscription price of £239,248 and up to 11,331,256 preference shares for a total subscription price of £11,331,256.

Part of the consideration to be paid to the Management Team for the sale of their 45 per cent. interest in Tutman LLP to Tutman Ltd and Thesis is to be satisfied by the issue of C ordinary shares, D ordinary shares and preference shares in Topco. Each individual member of the Management Team will be issued the following shares in Topco:

- David Tyerman: 65,367 C ordinary shares for a total subscription price of £65,367, 50,000 D ordinary shares for a total subscription price of £50,000 and 2,377,133 preference shares for a total subscription price of £2,377,133;
- Stephen Mugford: 12,312 C ordinary shares for a total subscription price of £12,312, 40,000 D ordinary shares for a total subscription price of £40,000 and 446,188 preference shares for a total subscription price of £446,188; and
- Sarah Noone: 8,149 C ordinary shares for a total subscription price of £8,149, 40,000 D ordinary shares for a total subscription price of £40,000 and 385,961 preference shares for a total subscription price of £385,961.

Additionally, in respect of the subscription for shares in Topco referred to at (i) above, pursuant to the terms of the Joint Bidding Deed, David Tyerman has agreed to subscribe for a further 718,770 preference shares in Topco for a total subscription price of £718,770 and Stephen Mugford has agreed to subscribe for a further 136,914 preference shares in Topco for a total subscription price of £136,914.

Accordingly, following the issue and subscription of shares in Topco as detailed above, the Management Team will hold, in aggregate, 85,828 C ordinary shares for a total subscription price of £85,828, 130,000 D ordinary shares for a total subscription price of £130,000 and up to 4,064,966 preference shares for a total subscription price of £4,064,966.

Additionally, and as part of the Incentive Arrangements, it is proposed that certain executives in the Thesis Group will be invited to subscribe for D ordinary shares in Topco or shares in subsidiary undertakings of Topco that derive their value by reference to the performance of the relevant subsidiary undertaking in respect of which the relevant executive performs his role ("**Subsidiary Performance Shares**").

The D ordinary shares to be issued in Topco will be non-voting and will not confer any right to receive dividends and other distributions, save in respect of an exit event. They will also be subject to customary leaver provisions. The D ordinary shares and Subsidiary Performance Shares, once issued, will cumulatively have a value which does not exceed 20 per cent of the fully diluted ordinary share capital of Topco (on the basis of the current proposed issues of A ordinary shares, B ordinary shares and C ordinary shares as detailed above). Although the discussions in relation to the terms of the

Subsidiary Performance Shares are not as advanced as the D ordinary shares, the Consortium expects them to have similar non-economic related rights as the D ordinary shares and also be subject to customary leaver provisions. Save for the proposed allocation of 50,000 D ordinary shares to David Tyerman, 40,000 D ordinary shares to Stephen Mugford and 40,000 D ordinary shares to Sarah Noone which they are being issued at par pursuant to the Tutman LLP Acquisition or for which they are subscribing at par pursuant to the Joint Bidding Agreement, there has been no other allocation of D ordinary shares or Subsidiary Performance Shares at this stage.

The A, B and C ordinary shares to be issued in Topco will carry voting rights (subject in respect of the C ordinary shares in certain circumstances when the holders of such shares (or their permitted transferees) cease to be employed or engaged by the Bidco Group or Thesis Group) and will confer the right to receive dividends and other distributions on a pari passu basis and rank equally upon an exit event or other return of capital.

The preference shares to be issued in Topco will be non-voting and will bear an interest rate of 10 per cent. per annum (on a simple, not compounding basis), such coupon to be rolled up until redemption unless the board of directors of Topco resolve to pay out amounts to the holders of the preference shares. The preference shares are redeemable upon the earlier of an exit event and 7 years following the date of completion of the Acquisition (whichever is the earlier and subject to compliance with relevant law provided that the redemption date may be extended with the approval of the holders of the majority of the A ordinary shares and B ordinary shares in Topco). Additionally, the holders of the majority of the preference shares may, subject to certain conditions, elect to redeem the preference shares at any time provided they are redeemed at their full redemption price (being their paid up value) with all interest accrued thereon and such redemption is pro-rata between all holders thereof.

Transaction documents

In respect of the negotiation of the various transaction documents required in order to implement the Acquisition referred to at (ii) above, the parties to the Joint Bidding Deed have agreed to use their reasonable endeavours to negotiate and agree the terms of such documents as soon as reasonably practicable and in any event prior to the date the Offer becomes or is declared unconditional in all respects. Such transaction documents include, *inter alia*, (i) a shareholders' agreement and articles of association regarding the Topco shareholders' governance, exit and other rights and obligations in respect of Topco and the rest of the Bidco Group and (ii) new service agreements for each member of the Management Team.

The Joint Bidding Deed provides that, in the event that the parties fail to agree the terms of any such transaction documents, the same shall not affect the relevant parties' obligations to subscribe for the relevant shares in Topco as described above and the equity term sheet agreed between the parties shall be deemed to govern their respective rights and obligations in respect of the Bidco Group.

Tutman LLP Acquisition Agreement

The Tutman LLP Acquisition Agreement, which is an agreed form document pursuant to the terms of the Joint Bidding Deed, is to be entered into between Tutman Ltd, Thesis, Topco, Tutman LLP and each member of the Management Team on the Unconditional Date. The Tutman LLP Acquisition Agreement will govern the terms upon which the Management Team will sell their 45 per cent. interest in Tutman LLP to Tutman Ltd (with a de-minimis interest to be sold to Thesis).

Under the terms of the Tutman LLP Acquisition Agreement, the Management Team will be paid their respective profit shares of the LLP up to the Unconditional Date and will be repaid their respective capital contributions made to the LLP. The aggregate consideration for the sale of their 45 per cent. interest in Tutman LLP will be £3,738,750 (which excludes the repayment to the Management Team of their capital contributions). Such consideration is to be satisfied by Topco, on behalf of Tutman Ltd and Thesis (i) partly in cash and (ii) partly by the issue of C ordinary shares, D ordinary shares and preference shares in Topco. Please see paragraph 2 of this letter for further details regarding the Tutman LLP Acquisition.

Further details regarding the Joint Bidding Deed are set out at paragraph 7.1.1 of Appendix III to this document.

Senior Facilities Agreement

On 19 June 2017, Finco (as borrower) entered into a senior term and revolving facilities agreement (the "**Senior Facilities Agreement**") with, amongst others, European Capital UK SME Debt SARL and European Capital Private Debt SARL as lenders (the "**Lenders**") and European Capital Fund Management Limited as security agent (the "**Security Agent**") for the purpose of financing, in part, the cash consideration payable by Bidco to acquire the shares in Thesis. The amount available from the Lenders to fund such acquisition is £18,200,000 and this is provided under term facility A.

Further details of the Senior Facilities Agreement are set out at paragraph 7.1.2 of Appendix III to this document.

Debenture

On 19 June 2017, Bidco, Midco and Finco entered into an English law debenture (the "**Debenture**") in favour of the Security Agent under which they have provided security over all of their assets including the shares of Finco owned by Midco from time to time. Upon the acquisition by Bidco of the shares in Thesis, such shares will become subject to security under the Debenture.

Further details of the Debenture are set out at paragraph 7.1.3 of Appendix III to this document.

Security Interest Agreements

On 19 June 2017, Midco entered into a Jersey law security interest agreement in favour of the Security Agent under which Midco has provided security over the shares of Bidco (and certain related rights) owned by Midco from time to time (the "**Midco Security Interest Agreement**"). Additionally, on 19 June 2017, Bidco entered into a Jersey law security interest agreement in favour of the Security Agent under which Bidco has provided security over substantially all of its assets (the "**Bidco Security Interest Agreement**").

Further details of the Security Interest Agreements are set out at paragraph 7.1.4 of Appendix III to this document.

Intercreditor Agreement

On 19 June 2017, Finco, Topco and the Lenders, amongst others, entered into an intercreditor agreement (the "**Intercreditor Agreement**"). The Intercreditor Agreement provides for, amongst other matters, amounts of the subordinated loans made available by Topco to Midco, Midco to Bidco and Finco to Bidco to be subordinated to the claims of the Lenders under the finance documents (including the Senior Facilities Agreement) and amounts due under the subordinated loans may only be repaid to the extent permitted under the Intercreditor Agreement.

Further details of the Intercreditor Agreement are set out at paragraph 7.1.5 of Appendix III to this document.

7. FINANCING THE ACQUISITION

The cash consideration payable under the Offer will be provided by Bidco indirectly from the subscription for equity under the Joint Bidding Deed and drawdown under the Senior Facilities Agreement, in each case as referred to in paragraph 6 of this letter.

PwC is satisfied that sufficient cash resources are available to Bidco to satisfy full acceptance of the Offer.

8. MANAGEMENT ARRANGEMENTS

The Management Team (comprising David Tyerman, Stephen Mugford and Sarah Noone), some of whom are also Thesis Option Holders, will be issued C ordinary shares, D ordinary shares and preference shares in Topco in consideration for the sale of their 45 per cent. interest in Tutman LLP, and will reinvest part of the proceeds from the sale of their Ordinary Shares (arising on exercise of their Thesis Options) pursuant to the Offer by subscribing for additional preference shares in Topco.

This will result in a total of 88 per cent. of their proceeds of sale being invested in shares in Topco, net of any relevant tax payments due. The D ordinary shares are to be issued to the Management Team by way of incentivisation and form part of the Incentive Arrangements.

Additionally, pursuant to the Incentive Arrangements, it is expected that certain executives of the Thesis Group will be invited to subscribe for such D ordinary shares in Topco or Subsidiary Performance Shares, in each case by way of incentivisation. Further details regarding these Management Arrangements are set out in paragraph 9 of Part 1 of this document.

9. OPTIONS UNDER THE THESIS SHARE OPTION PLAN

The Offer extends to any Ordinary Shares which are unconditionally allotted or issued and fully paid (or credited as fully paid) whilst the Offer remains open for acceptances (or such earlier date as Bidco may, subject to the Takeover Code, decide) including any Ordinary Shares allotted or issued pursuant to the exercise of existing Thesis Options upon the Offer becoming, or being declared, unconditional in all respects.

10. THESIS' DIRECTORS, MANAGEMENT, EMPLOYEES, LOCATIONS OF BUSINESS AND ASSETS

Bidco, J. Leon and the Ventiga Members intend to support Thesis in continuing to develop and execute management's existing growth strategy. Following completion of the Offer and Bidco having become better acquainted with the business of the Thesis Group, Bidco intends to perform a detailed strategic review of the business which may lead to the identification of additional organic and/or inorganic opportunities to accelerate the implementation of this strategy. This may include investment in IT and operational infrastructure and selective acquisitions or disposals to help the business achieve scale and focus and geographical expansion. Bidco will evaluate such opportunities, if and when they are identified, in combination with providing the investment and support necessary to achieve the scale the business will require to reach its full potential.

Bidco believes the skills and experience of the existing management and employees of Thesis are an important part of its business and confirms that it has given assurances to the Independent Directors of Thesis that, upon and following completion of the Offer, it intends to safeguard fully the existing employment and pension rights of all Thesis Group management and employees in accordance with applicable law and to comply with Thesis' pension obligations for existing employees. Subject to the outcome of the strategic review referred to above, Bidco confirms that its plans for Thesis do not involve (i) any changes to the management or employees of Thesis, (ii) any changes to the principal locations of the Thesis Group's business or (iii) any redeployment of the Thesis Group's fixed assets.

The Non-Executive Directors of Thesis will cease to be directors on the Offer becoming, or being declared, unconditional in all respects, without payment as compensation for loss of office or in lieu of notice (save in the case of Mike Hughes, who will receive payment in lieu of one month's notice).

It is intended that, after the Offer has become, or been declared, unconditional in all respects, certain executives of the Thesis Group will be invited to subscribe for D ordinary shares in Topco or Subsidiary Performance Shares in order to incentivise such persons. These Incentive Arrangements are more fully described in paragraph 9 of Part 1 of this document. The Offer is conditional upon such Incentive Arrangements, as part of the Management Arrangements, being approved by a majority of the votes cast by the Independent Shareholders at the General Meeting.

11. IRREVOCABLE COMMITMENT LETTERS

All of the Ordinary Shares are registered in the name of the Trustee and are held on bare trust for the benefit of the Beneficial Owners.

Bidco has received irrevocable commitment letters executed by Beneficial Owners, including the two Independent Directors who beneficially own Ordinary Shares (and their Interested Persons), to instruct the Trustee to accept the Offer and to grant the Drag Authority in respect of a total of 232,302 Ordinary Shares (the "**Committed Shares**") which, in aggregate, represents approximately 29.04 per cent. of the issued Ordinary Shares as at the Latest Practicable Date.

Additionally, Bidco has received irrevocable commitment letters executed by Beneficial Owners, including the two Independent Directors who beneficially own Ordinary Shares (and their Interested Persons), to instruct the Trustee to vote in favour of the Resolution relating to the Management Arrangements at the General Meeting in respect of a total of 232,302 Ordinary Shares which, in aggregate, represents approximately 29.04 per cent. of the issued Ordinary Shares as at the Latest Practicable Date.

Pursuant to a confirmation letter dated 19 June 2017 from the Trustee to Bidco (the "**Trustee Confirmation Letter**"), the Trustee has confirmed to Bidco that, on receipt of a Letter of Instruction from a Beneficial Owner, and subject to certain conditions, it will on behalf of that Beneficial Owner (i) accept the Offer, (ii) grant the Drag Authority to Bidco and (iii) vote in favour of the Resolution relating to the Management Arrangements at the General Meeting, in each case in respect of the Committed Shares beneficially owned by the relevant Beneficial Owner from which it has received the Letter of Instruction.

Further details of these irrevocable commitment letters are set out in paragraph 4 of Appendix III to this document.

12. OFFER RELATED ARRANGEMENTS

J. Leon Confidentiality Agreement

J. Leon and Thesis entered into a confidentiality agreement on 23 December 2016 (the "**J. Leon Confidentiality Agreement**") pursuant to which J. Leon has agreed to keep confidential information relating to the Thesis Group and to not disclose it to third parties (other than permitted disclosees) other than with the prior written consent of one of the Independent Directors, as required by the Panel or as permitted or required by any provision of the Takeover Code. J. Leon has also agreed not to solicit any officer, employee or consultant of the Thesis Group. The J. Leon Confidentiality Agreement will remain in force for two years following the return to Thesis, or the destruction, of any confidential information.

Ventiga Confidentiality Agreement

Ventiga and Thesis entered into a confidentiality agreement on 23 December 2016 (the "**Ventiga Confidentiality Agreement**") pursuant to which Ventiga has agreed to keep confidential information relating to the Thesis Group and to not disclose it to third parties (other than permitted disclosees) other than with the prior written consent of one of the Independent Directors, as required by the Panel or as permitted or required by any provision of the Takeover Code. Ventiga has also agreed not to solicit any officer, employee or consultant of the Thesis Group. The Ventiga Confidentiality Agreement will remain in force for two years following the return to Thesis, or the destruction, of any confidential information.

Bidco Confirmation Letter

Pursuant to the terms of a confirmation and undertaking letter dated 19 June 2017 from Bidco to the Independent Directors of Thesis in relation to certain Conditions of the Offer (the "**Bidco Confirmation Letter**"):

- (a) Bidco has undertaken that, in relation to the Acceptance Condition and the Drag Authority Condition, if on the date when both the Management Arrangements Condition and the FCA Change of Control Approval Condition are satisfied:
 - (i) Bidco has received valid acceptances in respect of 65% or more (but not necessarily 90% or more) of the Ordinary Shares in issue; and
 - (ii) valid Forms of Acceptance with Box 5 granting the Drag Authority to Bidco marked with a cross in respect of, in aggregate, at least 65 per cent. of the Ordinary Shares in issue have been received,

Bidco undertakes promptly on such date to declare both the Acceptance Condition and the Drag Authority Condition satisfied and to waive all the other Conditions of the Offer set out in Part B (*Other Conditions*) in Appendix I to this document; and

- (b) in relation to the FCA Change of Control Approval Condition, Bidco has undertaken:
- (i) to use its reasonable endeavours to achieve the satisfaction of the FCA Change of Control Approval Condition as promptly as reasonably practicable and will keep the Independent Directors of Thesis informed of progress towards satisfaction (or otherwise) of the FCA Change of Control Approval Condition;
 - (ii) to seek the Panel's consent to an extension of the timetable for the Offer pursuant to Rule 31.6 or Rule 31.7 of the Takeover Code (as applicable) at the relevant time if it becomes apparent that the FCA Change of Control Approval Condition is not likely to be satisfied within the timetable prescribed by the Takeover Code (including pursuant to Rules 31.6 and 31.7) (any such extended date for satisfaction of the Acceptance Condition pursuant to Rule 31.6 of the Takeover Code being the "**Acceptance Condition Extension Date**" and any such extended date for satisfaction of the FCA Change of Control Approval Condition pursuant to Rule 31.7 of the Takeover Code being the "**FCA Change of Control Approval Condition Extension Date**") but so that such obligation shall not require Bidco to seek the Panel's consent to an extension of the timetable for satisfaction of the Acceptance Condition or the FCA Approval Condition beyond 12.00 midnight on 8 November 2017 (being the 141st day following the release of the Announcement) (unless otherwise agreed by Bidco and the Independent Directors of Thesis);
 - (iii) not to lapse or close off the Offer for failure of the Acceptance Condition and/or the Drag Authority Condition to be satisfied, prior to 12.00 midnight on the 60th day after the date this document is published ("**Day 60**") or any Acceptance Condition Extension Date (whichever is the later), if Bidco has by the later of Day 60 and any Acceptance Condition Extension Date received valid acceptances of the Offer and valid Forms of Acceptance with Box 5 granting the 'Drag Authority' to Bidco marked with a cross, in each case in respect of 65% or more of the Ordinary Shares in issue and provided that such acceptance (and/or any Drag Authorities granted) have not, where permitted, been withdrawn; and
 - (iv) to declare the Acceptance Condition and the Drag Authority Condition satisfied at the latest by Day 60 or any Acceptance Condition Extension Date (whichever is the later) if by such time and date Bidco has received valid acceptances and valid Forms of Acceptance with Box 5 granting the 'Drag Authority' to Bidco marked with a cross, in each case in respect of 65% or more of the Ordinary Shares in issue and provided that such acceptances (and/or any Drag Authorities granted) have not, where permitted, been withdrawn.

The Independent Directors of Thesis have undertaken that they will:

- (a) work co-operatively with Bidco to procure, and provide Bidco with such information and assistance as Bidco may reasonably request in connection with, the satisfaction of the FCA Change of Control Approval Condition; and
- (b) use reasonable endeavours to support any application made by Bidco to the Panel for the Panel's consent to an extension of the timetable for the Offer pursuant to Rule 31.6 or Rule 31.7 of the Takeover Code, including providing Bidco with such information and assistance as Bidco may reasonably request in connection with any such application and the relevant consent pursuant to Rule 31.6(a)(ii) of the Takeover Code.

13. CONDITIONS OF THE ACQUISITION

The Offer will be subject to the Conditions and further terms set out in Appendix I to this document and the Form of Acceptance.

14. PROCEDURE FOR ACCEPTANCE OF THE OFFER AND GRANTING OF THE DRAG AUTHORITY

Shareholders should read this section in conjunction with the Form of Acceptance and Appendix I to this document. The instructions on the Form of Acceptance are deemed to form part of the terms of the Offer.

(a) Completion of Form of Acceptance

To accept the Offer, you must complete the Form of Acceptance in accordance with the instructions set out below and on the Form of Acceptance. To grant the Drag Authority to Bidco in accordance with the terms of this document and the Articles, Shareholders should mark a cross in Box 5 in the accompanying Form of Acceptance. You should complete separate Forms of Acceptance for Ordinary Shares held under different designations.

(b) Return of Form of Acceptance

To accept the Offer in respect of Ordinary Shares, the completed, signed and (where applicable) witnessed Form of Acceptance should be returned by post or by hand (during normal business hours) to the Receiving Agent, Neville Registrars Limited, together (subject to paragraph (c) below) with the relevant share certificate(s) and/or other document(s) of title, as soon as possible and, in any event, so as to be received **not later than 1.00 p.m. on 21 July 2017**. No acknowledgement of receipt of documents will be given.

Any Form of Acceptance received in an envelope post-marked in a Restricted Jurisdiction, or otherwise appearing to Bidco or its agents to have been sent from any of these jurisdictions, may be rejected as an invalid acceptance of the Offer.

(c) Share certificates not readily available or lost

A completed, signed and (where applicable) witnessed Form of Acceptance should be accompanied by the relevant share certificate(s) and/or other document(s) of title. If for any reason the relevant share certificate(s) and/or other document(s) of title is/are not readily available or is/are lost, you should nevertheless complete, sign and return the Form of Acceptance by post or by hand (during normal business hours) to the Receiving Agent, Neville Registrars Limited, at Neville House, 18 Laurel Lane, Halesowen, B63 3DA as soon as possible and, in any event, so as to be received **not later than 1.00 p.m. on 21 July 2017**. You should send with the Form of Acceptance any share certificate(s) and/or other document(s) of title which you may have available, accompanied by a letter stating that the remaining documents will follow as soon as possible or that you have lost one or more of your share certificate(s) and/or other document(s) of title. You should then arrange for the relevant share certificate(s) and/or other document(s) of title to be forwarded as soon as possible. If you have lost your share certificate(s) and/or other document(s) of title you should write as soon as possible to the Company secretary of Thesis at the registered office address of Thesis requesting a letter of indemnity for the lost share certificate(s) and/or other document(s) of title which, when completed in accordance with the instructions given, should be sent by post or by hand to the Receiving Agent, Neville Registrars Limited at the address given above.

(d) Validity of acceptances

Without prejudice to Section C of Appendix I to this document, subject to the provisions of the Takeover Code, Bidco reserves the right to treat as valid, in whole or in part, any acceptance of the Offer which is not entirely in order or which is not accompanied by the relevant share certificate(s) and/or other document(s) of title. In that event, no payment of cash under the Offer will be made until after the relevant share certificate(s) and/or other document(s) of title or indemnities satisfactory to Bidco have been received.

15. SETTLEMENT OF ORDINARY SHARES

Subject to the Offer becoming or being declared unconditional in all respects, settlement of the consideration to which any Shareholder (or the first-named shareholder in the case of joint holders) is entitled under the Offer will be effected: (i) in the case of acceptances received, complete in all respects, by the date on which the Offer becomes or is declared unconditional in all respects, within 14 calendar days of such date; and (ii) in the case of acceptances received, complete in all respects, after such date but while the Offer remains open for acceptance, within 14 calendar days of such receipt, in the manner set out below.

(a) Settlement of the consideration

Settlement of any cash due in respect of Ordinary Shares will be made in pounds Sterling by electronic funds transfer into a bank account held in the United Kingdom in the name of the relevant accepting Shareholder or, in the case of joint holders, to a bank account held in the

United Kingdom to the holder whose name appears first in the register of members of Thesis in respect of the joint holding concerned.

(b) Lapsing or withdrawal of the Offer

If the Offer does not become or is not declared unconditional in all respects, the relevant Form of Acceptance and relevant share certificates and/or documents of title will be returned by post (or by such other method as may be approved by the Panel) within 14 calendar days of the Offer lapsing to the person or agent whose name and address (outside a Restricted Jurisdiction) is set out in the Form of Acceptance or, if none is set out, to the first-named holder at his or her registered address (provided that no such documents will be sent to an address in a Restricted Jurisdiction).

(c) General

All remittances, communications, notices, certificates and documents of title sent by, to or from Shareholders or their appointed agents will be sent at their own risk.

16. ACTION TO BE TAKEN

To accept the Offer and grant the Drag Authority to Bidco

The procedure for acceptance of the Offer and to grant the Drag Authority to Bidco is set out in paragraph 14 of this letter.

To vote in favour of the Management Arrangements

Notice of the General Meeting to be held at the offices of Irwin Mitchell LLP, Thomas Eggar House, Friary Lane, Chichester PO19 1UF at 11.00 a.m. on 21 July 2017 is set out in Appendix V to this document.

Independent Shareholders should also complete the enclosed Form of Proxy for use at the General Meeting to be held at 11.00 a.m. on 21 July 2017 at the offices of Irwin Mitchell LLP, Thomas Eggar House, Friary Lane, Chichester PO19 1UF. The Offer is conditional, *inter alia*, on the Resolution being duly passed. The Form of Proxy should be completed by Independent Shareholders only in accordance with the instructions printed thereon, and lodged with the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA as soon as possible and in any event no later than 11.00 a.m. on 19 July 2017. Only the Independent Shareholders are permitted to vote on the Resolution.

Independent Shareholders should complete and return the Form of Proxy whether or not they intend to attend the General Meeting. Completion and return of the Form of Proxy will not preclude Independent Shareholders from attending the meeting and voting in person.

Your decision as to whether to accept the Offer and grant Bidco the Drag Authority in accordance with the terms of this document and the Articles, and whether to vote in favour of the Management Arrangements, will depend on your individual circumstances. If you are in any doubt as to the action you should take, you are recommended to seek your own personal financial advice from an independent financial adviser authorised under FSMA without delay.

17. NOTE TO BENEFICIAL OWNERS

All of the Ordinary Shares are registered in the name of the Trustee and are held on bare trust for the benefit of the Beneficial Owners. Whilst the Offer is being made to the registered holder of the Ordinary Shares, if any Beneficial Owners of such Ordinary Shares want (i) the Offer to be accepted and Bidco to be granted the Drag Authority in accordance with this document and the Articles and/or (ii) the Resolution in relation to the Management Arrangements to be passed at the General Meeting, in any such case in respect of the Ordinary Shares beneficially owned by them but registered in the name of the Trustee, then such persons should instruct the Trustee to do so in respect of such Ordinary Shares.

18. FURTHER INFORMATION

Please note that the information contained in this letter is not a substitute for reading the remainder of this document.

The attention of Shareholders is drawn to the letter of recommendation from the Chairman of Thesis set out in Part 1 of this document. Your attention is also drawn to the further information contained in this document and, in particular, to the Conditions in Appendix I, the financial and other information on the Thesis Group in Appendix II and the additional information in Appendix III to this document.

Yours faithfully

The Bidco Directors

For and on behalf of

Regit Bidco Limited

APPENDIX I
CONDITIONS AND FURTHER TERMS OF THE OFFER
SECTION A
CONDITIONS OF THE OFFER

Except where the context otherwise requires, references in this Appendix I to the “Offer” includes any revision or extension of such offer.

1 ACCEPTANCE, DRAG AUTHORITY, MANAGEMENT ARRANGEMENTS AND FCA CHANGE OF CONTROL APPROVAL CONDITIONS

The Offer is subject to the following conditions:

- (a) Bidco having received valid acceptances in respect of not less than 90 per cent. (or such lesser percentage as Bidco may decide) in nominal value of the Ordinary Shares to which the Offer relates and not less than 90 per cent. (or such lesser percentage as Bidco may decide) of the voting rights carried by Ordinary Shares to which the Offer relates, provided that this condition will not be satisfied unless Bidco and/or its wholly-owned subsidiaries shall have acquired or agreed to acquire, whether pursuant to the Offer or otherwise, 65 per cent. in nominal value of the Ordinary Shares in issue from time to time and which have not (where permitted) been withdrawn by 1.00 p.m. on the First Closing Date of the Offer (or such later time(s) and/or date(s) as Bidco may (subject to the Takeover Code) decide (the “**Extended Closing Date**”).

For the purpose of this condition:

- (i) “**Ordinary Shares to which the Offer relates**” shall be construed in the same manner as the expression “**shares to which the offer relates**” is construed in accordance with sections 974 to 991 (inclusive) of the Companies Act; and
- (ii) Ordinary Shares which have been unconditionally allotted but not issued shall be deemed to carry the votes which they will carry upon issue.
- (b) Bidco having received valid Forms of Acceptance with Box 5 granting the 'Drag Authority' to Bidco marked with a cross in respect of, in aggregate, at least 65 per cent. of the Ordinary Shares in issue from time to time which have not (where permitted) been withdrawn by 1.00 p.m. on the First Closing Date of the Offer (or the Extended Closing Date).
- (c) The approval at the General Meeting on a poll by simple majority of the votes cast by the Independent Shareholders who are present and vote, whether in person or by proxy, of the Resolution.
- (d) The FCA (i) having notified Bidco in writing of its determination under section 189(4)(a) FSMA (or, if applicable, section 189(7) FSMA) to approve all acquisitions and increases in control of the Thesis Group that will arise as a result of completion of the Acquisition, such approval being either unconditional in all respects (save as to the period within which the change of control must occur) or subject to conditions satisfactory to Bidco or (ii) being treated as having approved the Acquisition as detailed in this document in accordance with section 189(6) FSMA. References in this paragraph to the “**acquisition of control**” and/or the “**increase in control**” shall be construed in accordance with sections 181 and 182 of FSMA, as applicable.

2 OTHER CONDITIONS

In addition, subject as stated in Section B below and to the requirements of the Panel, the Offer is also conditional upon the following Conditions being satisfied or, where relevant, waived:

Certain matters arising as a result of any arrangement, agreement, etc.

- (a) Except as Disclosed, there being no provision of any arrangement, agreement, licence or other instrument to which a member of the Thesis Group is a party, or by or to which any of those members or any of their assets may be bound or be subject, which could, in consequence of the Acquisition, result in:
- (i) monies borrowed by or other indebtedness of any such member being or becoming repayable or capable of being declared repayable prior to their stated maturity or the ability of any such member to incur indebtedness being withdrawn or inhibited;
 - (ii) any arrangement, agreement, licence, or other instrument being terminated or adversely modified or adverse action being taken or an onerous obligation arising under it;
 - (iii) the interests or business of any member of the Thesis Group in or with another firm, venture, company, body or asset (or any arrangements relating to that business or interests) being terminated, modified or affected;
 - (iv) any member of the Thesis Group ceasing to be able to carry on business under a name under which it presently does so;
 - (v) the creation of a mortgage, charge, security or other interest over the whole or any part of the business, property or assets of any member of the Thesis Group or any such security (whenever arising or having arisen) becoming enforceable;
 - (vi) the value of, or the financial or trading position of, any member of the Thesis Group being prejudiced or adversely affected; or
 - (vii) the disposal of assets or creation or acceleration of liabilities by any member of the Thesis Group (other than in the ordinary course of business),

in each case which is material in the context of the Thesis Group taken as a whole.

Notifications, waiting periods and authorisations

- (b) All notifications and filings which are necessary in the context of the Offer having been made, all appropriate waiting and other time periods (including any extensions of such waiting and other time periods) under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory or regulatory obligations in any relevant jurisdiction having been complied with in all material respects in each case in connection with the Offer, or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Thesis or any other member of the Thesis Group by any member of the Bidco Group or the carrying on by any member of the Thesis Group of its business in the ordinary course as at the date of the Announcement, excluding in all such cases any obligation to obtain approval of the Offer from the shareholders of any member of the Bidco Group.
- (c) All material Authorisations in any jurisdiction which are necessary for, or in respect of, or required for the implementation of, the Offer, or any acquisition of or any proposed acquisition of any shares in, or control or management of, Thesis or any other member of the Thesis Group by Bidco or any member of the Bidco Group having been obtained in terms and in a form satisfactory to Bidco from any Third Parties (excluding in all such cases any Authorisations from the shareholders of any member of the Bidco Group) and all such Authorisations remaining in full force and effect and no such Third Party or relevant person or body having given notice of its intention to revoke, suspend, restrict, modify or not to renew any of the same, in each case where the absence of such Authorisation would be material in the context of the Offer.

General antitrust and regulatory

- (d) No Third Party having intervened and there not being or coming into effect any statute, regulation, order or decision of any Third Party in each case that would:
- (i) make the Offer or, in each case, its implementation illegal, prohibited, void or unenforceable under the laws of any jurisdiction;
 - (ii) make the acquisition or proposed acquisition of any shares or securities in, or control or management of, Thesis or any member of the Thesis Group by Bidco or any member of the Bidco Group illegal, void or unenforceable in any jurisdiction;
 - (iii) otherwise directly or indirectly prevent, prohibit, restrict, restrain, materially delay or interfere in the implementation of, or impose additional conditions or obligations with respect to, or otherwise impede, challenge, interfere with, or require amendment to, the Offer or any acquisition or proposed acquisition of any shares or securities in Thesis or the acquisition of control or management of Thesis or the Thesis Group by Bidco or any member of the Bidco Group;
 - (iv) require, prevent or materially delay the divestiture or alter the terms for any proposed divestiture by any member of the Bidco Group of any Ordinary Shares or other shares or securities in Thesis or of all or any part of their respective businesses, assets or property, or impose any limitation on the ability of any member of the Thesis Group to conduct any of their respective businesses or any part thereof in each such case to an extent which is material in the context of the Thesis Group;
 - (v) materially limit or materially delay, or impose any material limitation on the ability of any member of the Bidco or any member of the Bidco Group to acquire or hold or exercise effectively, directly or indirectly, all or any rights of ownership in respect of shares or other securities or the equivalent in any member of the Thesis Group or to exercise management control over any member of the Thesis Group or any member of the Bidco Group;
 - (vi) except pursuant to sections 974 to 991 of the Companies Act, require any member of the Bidco Group or of the Thesis Group to acquire or to offer to acquire any shares or other securities (or the equivalent) in any member of the Thesis Group or any member of the Bidco Group owned by any third party or to sell or offer to sell any shares or other securities (or their equivalent) or any interest in any of the assets owned by any member of the Thesis Group, in each such case to an extent which is material in the context of the Bidco Group;
 - (vii) limit the ability of any member of the Bidco Group or the Thesis Group to conduct or integrate or coordinate its business, or any part of it, with the businesses or any material part of the businesses of any other member of the Thesis Group;
 - (viii) result in any member of the Thesis Group ceasing to be able to carry on business under any name under which it presently does so or ceasing to be able to use in its business any name, trademark or other intellectual property right which it at present uses in each case on the same basis and terms as at present apply to an extent which is material in the context of the Bidco Group taken as a whole or the Thesis Group taken as a whole; or
 - (ix) otherwise materially and adversely affect any or all of the businesses, assets, profits, financial or trading position of any member of the Thesis Group in each case to the extent that it is material in the context of the Bidco Group or the Thesis Group taken as a whole,

and all applicable waiting and other time periods during which any Third Party could announce or notify any decision to take, institute, implement or threaten any such action, proceedings, suit, investigation, reference or enquiry, or make, propose or enact any statute, regulation, decision or order or take any measures or other steps or require any action to be taken or information to be provided or otherwise intervene under any applicable legislation or regulation of any relevant jurisdiction having expired, lapsed or been terminated.

Certain events occurring since 30 April 2016

- (e) Other than as Disclosed, since 30 April 2016:
- (i) no steps having been taken which are likely to result in the withdrawal (without replacement), cancellation or termination of any licence, permit, authorisation or consent held by any member of the Thesis Group which is material in the context of the Thesis Group taken as a whole;
 - (ii) no enquiry or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Thesis Group having been threatened, announced, implemented or instituted or remaining outstanding by, against or in respect of, any member of the Thesis Group which in any such case is material in the context of the Thesis Group taken as a whole;
 - (iii) no member of the Thesis Group having conducted its business in breach of any applicable laws and regulations in any material respect which in any case is material in the context of the Thesis Group taken as a whole;
 - (iv) no litigation or arbitration proceedings, prosecution, investigation or other legal proceedings having been announced, implemented, instituted, threatened or remaining outstanding by, against or in respect of, any member of the Thesis Group or to which any member of the Thesis Group is or may become a party (whether as claimant, defendant or otherwise) which is material in the context of the Thesis Group taken as a whole.
- (f) Other than as Disclosed, no member of the Thesis Group having, since 30 April 2016:
- (i) issued or authorised or proposed the issue of additional shares of any class or securities convertible into, or rights, warrants or options to subscribe for or acquire, any shares or other securities or redeemed, purchased or reduced any part of its share capital (save as between Thesis and wholly-owned subsidiaries of Thesis and upon, pursuant to or in respect of the exercise of any Thesis Options);
 - (ii) declared, paid or made or proposed to declare, pay or make a dividend, bonus or other distribution (whether payable in cash or otherwise) in respect of any shares in Thesis (save for the aggregate interim dividend of £800,000 paid in November 2016 and the aggregate interim dividend of £800,000 paid in March 2017, in each case in respect of the financial year ending 30 April 2017);
 - (iii) authorised or proposed or made an announcement of an intention to propose a merger or demerger or acquisition or change in its share or loan capital or, save in the ordinary course of business, a disposal of assets, creation of a mortgage or encumbrance over assets (or any right, title or interest in any assets) or an issue of debentures which in each case is material in the context of the Thesis Group taken as a whole;
 - (iv) otherwise than in the ordinary course of business, incurred or increased any indebtedness or contingent liability which is material in the context of the Thesis Group taken as a whole, or entered into a contract, arrangement, reconstruction or amalgamation which is material in the context of the Thesis Group taken as a whole;

- (v) purchased, redeemed or announced a proposal to purchase or redeem any of its own shares or other securities which is material in the context of the Thesis Group taken as a whole;
 - (vi) proposed a voluntary winding-up which is material in the context of the Thesis Group taken as a whole;
 - (vii) been unable, or admitted in writing that it is unable, to pay its debts or 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;
 - (viii) waived, compromised or settled a claim which is material in the context of the relevant member of the Thesis Group;
 - (ix) disposed or transferred, mortgaged or encumbered assets or any right, title or interest in an asset or entered into a contract or commitment (whether in respect of capital expenditure or otherwise), or announced any intention to do the same, which is of a long-term or unusual nature or which involves or could involve an obligation of a nature or magnitude which is material in the context of the Thesis Group taken as a whole;
 - (x) entered into or varied the terms of a service or consultancy agreement with or in respect of the services of any director or senior executive or any member of the Thesis Group which is material in the context of the Thesis Group taken as a whole;
 - (xi) entered into or varied any material contract, arrangement, agreement, transaction or commitment except in the ordinary course of business which is of a long term, unusual or onerous nature or magnitude or which involves an obligation of a nature or magnitude which is likely to be restrictive on the business of any member of the Thesis Group and which is material in the context of the Thesis Group taken as a whole;
 - (xii) proposed, agreed or 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 Thesis Group which is material in the context of the Thesis Group taken as a whole;
 - (xiii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities, in each case, which is material in the context of the Thesis Group taken as a whole; or
 - (xiv) entered into an agreement or commitment, announced its intention or passed a resolution with respect to a transaction or event referred to in this paragraph (f) (other than those specifically excluded).
- (g) Other than as Disclosed, since 30 April 2016:
- (i) there having been no steps or corporate action taken, or any legal proceedings instituted or threatened against it in relation to the suspension of payment, a moratorium of any indebtedness, its winding-up (voluntary or otherwise) dissolution or reorganisation or for the appointment of a receiver or administrative receiver or administrator over a part of the assets of any member of the Thesis Group or analogous proceedings or steps having taken place under the laws of any relevant jurisdiction and there having been no application made for the winding up, dissolution, reorganisation or administration of, or notice of intention in respect of the foregoing in relation to, any member of the Thesis Group or any equivalent proceedings or steps taken under the laws of any relevant jurisdiction;

- (ii) there having been no adverse change, and no circumstance having arisen which would or might be reasonably expected to result in any adverse change, in the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Thesis Group, which is material in the context of the Thesis Group taken as a whole;
- (iii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been instituted or threatened or remaining outstanding against or by a member of the Thesis Group (whether as plaintiff or defendant or otherwise) which is material in the context of the Thesis Group taken as a whole; and
- (iv) no contingent or other liability having arisen which would or might reasonably be expected to adversely affect the Thesis Group taken as a whole.

No discovery of certain matters regarding information, liabilities and environmental issues

- (h) Except as Disclosed, Bidco not having discovered:
 - (i) that the financial or business information concerning the Thesis Group as contained in the information publicly disclosed at any time by a member of the Thesis Group either contains a misrepresentation of fact or omits a fact necessary to make the information contained in it not materially misleading or that any contingent liability disclosed in that information would or might adversely affect directly or indirectly the business profits of a member of the Thesis Group the effect of which is, in each case, material in the context of the Thesis Group taken as a whole;
 - (ii) that a partnership or company in which a member of the Thesis Group has a significant economic interest and which is not a subsidiary of Thesis is subject to a liability, contingent or otherwise, which is not disclosed in the annual report and accounts of Thesis for the financial year ended 30 April 2016 and which is material in the context of the Thesis Group taken as a whole;
 - (iii) that a past or present member of the Thesis Group has not complied with all applicable legislation or regulations of any jurisdiction with regard to the disposal, spillage or leak of waste or disposal or emission of hazardous substances and that this non-compliance would be likely to give rise to a liability (whether actual or contingent) on the part of a member of the Thesis Group which is material in the context of the Thesis Group taken as a whole;
 - (iv) that there has been a disposal, spillage or leak of waste or hazardous substances on, or there has been an emission of waste or hazardous substances from, a property now or previously owned, occupied or made use of by a past or present member of the Thesis Group which would be likely to give rise to any liability (whether actual or contingent) on the part of any member of the Thesis Group which is material in the context of the Thesis Group taken as a whole;
 - (v) that there is or is reasonably likely to be a liability (whether actual or contingent) to make good, repair, reinstate or clean-up any property now or previously owned, occupied or made use of by a past or present member of the Thesis Group under any environmental legislation, regulation or order of any Authority which is material in the context of the Thesis Group taken as a whole;
 - (vi) that circumstances exist (whether as a result of the making of the Offer or otherwise) which would be likely to lead to any Authority instituting, or as a result of which a member of the Thesis Group or a present or past member of the Thesis Group would be likely to be required to institute, an environmental audit or to take other steps which would in any such case be likely to result in

an actual or contingent material liability to make good, repair, reinstate, or clean up property now or previously owned, occupied or made use of by a member of the Thesis Group which is material in the context of the Thesis Group taken as a whole; or

- (vii) that circumstances exist as a result of which a person or class of persons would be likely to have a claim in respect of a product or process of manufacture or materials used in them now or previously manufactured, sold or carried out by a past or present member of the Thesis Group which would be likely to adversely to affect a member of the Thesis Group which would be material in the context of the Thesis Group taken as a whole,

and for the purposes of this paragraph (h) a person shall be deemed to own or have owned property if it has or had (as the case may be) any interest in it.

**SECTION B
FURTHER TERMS OF THE OFFER**

1 FURTHER TERMS OF THE OFFER

1.1 Except where the context requires otherwise, any reference in Sections B and C of this Appendix I and in the Form of Acceptance:

- (a) to the "**Offer**" will include any revision, variation or extension of the Offer;
- (b) to the "**Offer becoming unconditional**" means the Acceptance Condition becoming, or being declared, satisfied whether or not any other Condition remains to be fulfilled, and references to the Offer having become or not become unconditional shall be construed accordingly;
- (c) to the "**Acceptance Condition**" means the condition as to acceptances of the Offer set out in paragraph 1(a) of Section A of this Appendix I and references to the Offer becoming unconditional as to acceptances will be construed accordingly;
- (d) to "**acceptances of the Offer**" includes deemed acceptances of the Offer; and
- (e) to the "**Drag Authority Condition**" means the condition regarding the Drag Authority as set out in paragraph 1(b) of Section A of this Appendix I;
- (f) to an "**extension of the Offer**" includes a reference to an extension of the date by which the Acceptance Condition has to be fulfilled.

1.2 In Sections B and C of this Appendix I and in the Form of Acceptance:

- (a) "**First Closing Date**" means 21 July 2017;
- (b) "**Day 39**" means 8 August 2017 or such later date as the Panel may agree;
- (c) "**Day 46**" means 15 August 2017 or such later date as the Panel may agree; and
- (d) "**Day 60**" means 29 August 2017 or such later date as may be determined by Bidco with the agreement of the Panel to be the last date for fulfilment of the Acceptance Condition in accordance with the Takeover Code.

The following further terms apply, unless the context requires otherwise, to the Offer.

2 ACCEPTANCE PERIOD

2.1 The Offer is initially open for acceptance until 1.00 p.m. on the First Closing Date.

2.2 Although no revision is envisaged, if the Offer is revised it will remain open for acceptance for a period of at least 14 calendar days (or such other period as may be permitted by the Panel) following the date written notice of the revision is sent to Shareholders. Except with the consent of the Panel, no revision of the Offer may be made after Day 46 or, if later, the date 14 calendar days before the last date on which the Offer can become unconditional.

2.3 Pursuant to the Bidco Confirmation Letter, Bidco has undertaken to seek the Panel's consent to an extension of the timetable for the Offer to the Acceptance Condition Extension Date or the FCA Change of Control Approval Extension Date (as applicable), up to 8 November 2017, if it becomes apparent that the FCA Change of Control Approval Condition is not likely to be satisfied within the timetable prescribed by the Takeover Code (including pursuant to Rules 31.6 and 31.7) (please see paragraph 12 of Part 2 of this document for further details regarding the Bidco Confirmation Letter). The Offer, whether revised or not, will not (except with the consent of the Panel) be capable of becoming unconditional after midnight on Day 60 (or, if applicable,

after the Acceptance Condition Extension Date or the FCA Change of Control Approval Extension Date), nor of being kept open for acceptances after that time and/or date unless the Offer has previously become unconditional, provided that Bidco may, with the permission of the Panel, extend the Offer to such later time(s) and/or date(s) as stated above. Except with the consent of the Panel, Bidco may not, for the purposes of determining whether the Acceptance Condition has been satisfied, take into account acceptances received or purchases of Ordinary Shares made after 1.00 p.m. on Day 60 or, if the Offer is extended to the Acceptance Condition Extension Date or the FCA Change of Control Approval Extension Date, on such later time(s) and/or date(s).

- 2.4 If the Offer becomes unconditional, it will remain open for acceptance for not less than 14 calendar days from the date on which it would otherwise have expired. If the Offer has become unconditional and it is stated that the Offer will remain open until further notice, then not less than 14 calendar days' notice in writing will be given before the closing of the Offer by or on behalf of Bidco to those Shareholders who have not accepted the Offer before closing the Offer.
- 2.5 If a competitive situation arises (as determined by the Panel) after Bidco has made a 'no increase' statement and/or a 'no extension' statement (as referred to in the Takeover Code) in connection with the Offer, Bidco may, if it specifically reserves the right to do so at the time such statement is made (or otherwise with the consent of the Panel), choose not to be bound by or withdraw such statement and be free to revise and/or extend the Offer provided it complies with the requirements of the Takeover Code and in particular that:
- (a) it announces the withdrawal as soon as possible and in any event within four Business Days of the firm announcement of the competing offer or other competitive situation; and
 - (b) it notifies Shareholders to that effect in writing at the earliest opportunity or, in the case of Shareholders with registered addresses outside the United Kingdom or whom Bidco knows to be agents, nominees, custodians or trustees holding Ordinary Shares for such persons, by announcement in the United Kingdom at the earliest opportunity.
- 2.6 Bidco may choose not to be bound by a 'no increase' or 'no extension' statement if, having reserved the right to do so, it publishes an increased or improved offer (either as to the value or form of the consideration or otherwise) which is recommended for acceptance by the Independent Directors, or in other circumstances permitted by the Panel.
- 2.7 Bidco may, if it has reserved the right to do so if Thesis makes an announcement of the kind referred to in Rule 31.9 of the Takeover Code after Day 39, choose not to be bound by a 'no increase' and/or 'no extension' statement and revise and/or extend the Offer with the consent of the Panel, provided Bidco complies with the requirements of the Takeover Code and in particular, that notice to this effect is published as soon as possible and in any event within four Business Days after the date of the Thesis announcement and Shareholders are notified in writing (or in the case of Shareholders with registered addresses outside the United Kingdom or who Bidco knows to be agents, nominees, custodians or trustees holding Ordinary Shares for such persons, by announcement in the United Kingdom) at the earliest opportunity.

3 ANNOUNCEMENTS

- 3.1 Without prejudice to paragraph 4.1 of this Section B, by 8.00 a.m. on the Business Day (the "**relevant day**") following the day on which the Offer is due to expire or becomes unconditional or is revised or is extended, as the case may be (or such later time or date as the Panel may agree), Bidco will make an appropriate announcement on Thesis' website at <http://www.thesis-plc.com/>. In the announcement, Bidco shall state (unless otherwise permitted by the Panel):
- (a) the total number of Ordinary Shares for which acceptances of the Offer have been received and the total number of Ordinary Shares in respect of which the Drag Authority has been given to Bidco, specifying the extent to which acceptances have been received from persons acting or deemed to be acting in concert with Bidco for the purposes of the Offer or in respect of Ordinary Shares which were subject to an

Irrevocable Commitment Letter procured by Bidco or any persons acting in concert with it;

- (b) details of any relevant securities of Thesis in which Bidco or any person acting in concert with Bidco has:
 - (i) an interest or in respect of which it has a right to subscribe in each case specifying the nature of the interests or rights concerned; and
 - (ii) any short positions (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;
- (c) details of any relevant securities of Thesis in respect of which Bidco or any person acting in concert with Bidco has an outstanding irrevocable commitment or letter of intent; and
- (d) details of any relevant securities of Thesis which Bidco or any person acting in concert with it has borrowed or lent, save for any borrowed shares which have been either on-lent or sold,

and will, in each case, specify the percentage of the issued Ordinary Shares represented by each of these figures. Any such announcement will specify the total number of Ordinary Shares which Bidco may count towards satisfaction of the Acceptance Condition and the percentage of Ordinary Shares represented by this figure and the total number of Ordinary Shares which Bidco may count towards satisfaction of the Drag Authority Condition and the percentage of Ordinary Shares represented by this figure.

- 3.2 Any decision to extend the time and/or date by which the Acceptance Condition and/or the Drag Authority Condition has to be satisfied may be made at any time up to, and will be announced no later than, 8.00 a.m. on the relevant day (or such later time and/or date as the Panel may agree). The announcement will also state the next expiry date unless the Offer is unconditional, in which case it may instead state that the Offer will remain open until further notice, and will state the information specified in paragraphs 3.1(a) to (d) inclusive of this Section B.
- 3.3 In calculating the number of Ordinary Shares represented by acceptances and purchases, Bidco may only include acceptances and purchases if they could count towards fulfilling the Acceptance Condition under Notes 4, 5 and 6 on Rule 10 of the Takeover Code, unless the Panel agrees otherwise. Subject to this, Bidco may include or exclude for announcement purposes acceptances and/or purchases which are not complete in all respects or which are subject to verification.
- 3.4 The Panel has granted Bidco a dispensation from the requirement under the Takeover Code that announcements relating to the Offer be published via a Regulatory Information Service. Announcements are instead required to be published on Thesis' website at <http://www.thesis-plc.com>. Accordingly, without limiting the manner in which Bidco may choose to make any public statement, and subject to Bidco's obligations under applicable law, Bidco will have no obligation to publish, advertise or otherwise communicate any public announcement other than by making an announcement on Thesis' website at <http://www.thesis-plc.com/>.

4 **RIGHTS OF WITHDRAWAL**

- 4.1 If Bidco, having announced the Offer to be unconditional as to acceptances, fails by 3.30 p.m. on the relevant day (or such later time and/or date as the Panel may agree) to comply with any of the other relevant requirements specified in paragraph 3.1 of this Section B, an accepting Shareholder may (unless the Panel otherwise agrees) immediately after that time withdraw his acceptance of the Offer by written notice signed by the accepting Shareholder (or his agent duly appointed in writing and evidence of whose appointment, in a form reasonably satisfactory to Bidco, is produced with the notice) given by post or by hand (during normal business hours) to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63

3DA. Subject to paragraph 2.3 of this Section B, this right of withdrawal may be terminated not less than eight calendar days after the relevant day by Bidco confirming, if that be the case, that the Offer is still unconditional and complying with the other relevant requirements specified in paragraph 3.1 of this Section B. If any such confirmation is given, the first period of 14 calendar days referred to in paragraph 2.4 of this Section B will run from the date of that confirmation and compliance.

4.2 If by 3.00 p.m. on 11 August 2017 (or such later time and/or date as the Panel may agree) the Offer has not become unconditional, an accepting Shareholder may withdraw his acceptance at any time thereafter in the manner referred to in paragraph 4.1 of this Section B, before the earlier of:

- (a) the time that the Offer becomes unconditional; and
- (b) the final time for lodgement of acceptances which can be taken into account in accordance with paragraph 2.3 of this Section B.

4.3 If an accepting Shareholder withdraws his acceptance, all documents of title and other documents lodged with the Form of Acceptance will be returned as soon as practicable following the receipt of the withdrawal (and in any event within 14 days).

4.4 If a 'no extension' and/or 'no increase' statement is withdrawn in accordance with paragraph 2.5 of this Section B, any acceptance made by a Shareholder after the date of that statement may be withdrawn thereafter in the manner referred to in paragraph 4.1 of this Section B for a period of eight calendar days following the date on which the notice of the withdrawal of such statement is published.

4.5 Except as provided by this paragraph 4, acceptances of, and elections under, the Offer will be irrevocable.

4.6 In this paragraph 4, "**written notice**" (including any letter of appointment, direction or authority) means notice in writing bearing the original signature(s) of the relevant accepting Shareholder or his/their agent(s) duly appointed in writing (evidence of whose appointment satisfactory to Bidco is produced with the notice) given by post or by hand (during normal working hours) to the Receiving Agent, Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA. E-mail, facsimile or other electronic transmissions or copies will not be sufficient. No notice which is post-marked in, or otherwise appears to Bidco or its agents to have been sent from, any Restricted Jurisdiction will be treated as valid. The notice must include all relevant information to enable the Receiving Agent to identify the Ordinary Shares to be withdrawn and a contact telephone number for the Shareholder.

4.7 Bidco may, in its absolute discretion, allow any acceptance of the Offer to be withdrawn, in whole or in part, without allowing withdrawal of other acceptances, insofar as is necessary to enable the relevant Ordinary Shares to be purchased by it or otherwise than pursuant to the Offer.

4.8 Ordinary Shares in respect of which acceptances have been properly withdrawn in accordance with this paragraph 4 may subsequently be re-assented to the Offer by following the procedure described in paragraph 14 of Part 2 of this document at any time while the Offer remains open for acceptance.

4.9 Any question as to the validity (including time receipt) of any notice of withdrawal will be determined by Bidco, whose determination, except as otherwise may be determined by the Panel, will be final and binding. Neither Bidco, Thesis nor any other person will be under any duty to give notification of any defect in any notice of withdrawal or will incur any liability for failure to do so.

5 **REVISED OFFER**

5.1 Although no such revision is envisaged, if the Offer (in its original or any previously revised form(s)) is revised (either in its terms or conditions or in the value or form of the consideration

offered or otherwise), and any such revised Offer represents, on the date on which the revision is announced (on such basis as Evercore or Thesis' then financial adviser, acting reasonably and solely in its capacity as such, may consider appropriate), an improvement (or no diminution) in the value of the consideration of the Offer as so revised compared with the value of the consideration or terms previously offered, or in the overall value received by a Shareholder (under or in consequence of the Offer or otherwise), the benefit of the revised Offer will, subject to paragraphs 5.7 and 5.8 of this Section B be made available to any Shareholder who has validly accepted the Offer in its original or any previously revised form(s) and who has not validly withdrawn such acceptance (a "**Previous Acceptor**"). The acceptance by or on behalf of a Previous Acceptor of the Offer in its original or any previously revised form(s) shall, subject to paragraphs 5.7 and 5.8 of this Section B, be deemed to be an acceptance of the Offer as so revised and will also constitute an authority to Bidco or any of its directors, authorised representatives and agents as his attorney and/or agent (attorney):

- (a) to accept any such revised Offer on behalf of such Previous Acceptor;
- (b) if such revised Offer includes alternative forms of consideration, to make on his behalf elections for and/or accept such alternative forms of consideration on his behalf in such proportions as such attorney in his absolute discretion thinks fit; and
- (c) to execute on behalf of and in the name of such Previous Acceptor all such further documents and take such further actions (if any) as may be required to give effect to such acceptances and/or elections.

In making any such acceptance or making any such election, the attorney will take into account the nature of any previous acceptances and/or elections made by the Previous Acceptor and such other facts or matters as he may reasonably consider relevant. The attorney shall not be liable to any Shareholder or any other person in making such acceptance or in making any determination in respect of it.

- 5.2 For the avoidance of doubt, "**revision**" includes, without limitation, any revision of the Offer (i) in its original or revised form; (ii) in relation to their respective terms and conditions; and (iii) in relation to the value or nature of the respective considerations offered.
- 5.3 The powers of attorney and authorities conferred by this paragraph 5, and any acceptance of a revised Offer, shall be irrevocable unless and until the Previous Acceptor withdraws his acceptance having become entitled to do so under paragraph 4 of this Section B.
- 5.4 Bidco and the Receiving Agent reserve the right (subject to paragraph 5.1 of this Section B) to treat an executed Form of Acceptance relating to the Offer in its original or any previously revised form(s) which is received (or dated) on or after the announcement or issue of the Offer in any revised form as a valid acceptance of the revised Offer (and, where applicable, a valid election for the alternative form(s) of consideration). Such acceptance will constitute an authority in the terms of paragraph 5.1 of this Section B, *mutatis mutandis*, on behalf of the relevant Shareholder.
- 5.5 Although no revision is contemplated, if the Offer is revised, a revised offer document will be published. On the day of publication, Bidco will publish the document on Thesis' website and will announce (by publishing an announcement on Thesis' website) that the document has been so published. Where necessary, a circular containing the opinion of the Independent Directors on the revised Offer will be published. On the day of publication, Thesis will publish the document on its website and will announce (by publishing an announcement on its website) that the document has been so published.
- 5.6 Although no revision is contemplated, if a revised Offer document is published, both Bidco and Thesis will make the revised Offer document readily and promptly available to the representatives of the employees of Bidco (if any) and Thesis respectively or, where there are no such representatives, to the employees themselves. Thesis will make any circular published by the Independent Directors readily and promptly available to its employee representatives or, where there are no such representatives, to the employees themselves.

- 5.7 The deemed acceptances referred to in this paragraph 5 shall not apply and the authorities conferred by this paragraph 5 shall not be exercised by Bidco or any of their respective directors, authorised representatives and agents if, as a result thereof, the Previous Acceptor would (on such basis as Thesis' then financial adviser, acting reasonably and solely in its capacity as such may consider appropriate) thereby receive under or in consequence of the Offer and/or any alternative pursuant thereto as revised or otherwise less in aggregate consideration under the revised Offer than he would have received in aggregate consideration as a result of acceptance of the Offer in the form in which it was originally accepted by him or on his behalf, having regard to any previous acceptance or election originally made by him, unless the Previous Acceptor has previously otherwise agreed in writing.
- 5.8 The deemed acceptances referred to in this paragraph 5 will not apply, and the authorities conferred by this paragraph may be treated as ineffective, to the extent that a Previous Acceptor lodged with the Receiving Agent, in the manner specified in paragraph 4.1 of this Section B within 14 calendar days of the publication of the document pursuant to which the revision of the Offer is made available to Shareholders, a Form of Acceptance or some other form issued by or on behalf of Bidco in which the Shareholder validly elects to receive the consideration receivable by him under such revised Offer in some other manner than that set out in his original acceptance. Any such change of election will be conditional upon the Receiving Agent verifying that the request is validly made.

6 **GENERAL**

- 6.1 Bidco reserves the right (subject to the requirements of the Takeover Code and the Panel) to waive all or any of the Conditions, other than the Acceptance Condition, in whole or in part, at its absolute discretion. Save as set out under the heading 'Bidco Confirmation Letter' in paragraph 12 (Offer Related Arrangements) of Part 2 of this document, Bidco shall be under no obligation to waive (if capable of waiver) or treat as fulfilled any of the Conditions by a date earlier than the latest date specified below for the fulfilment of them 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 fulfillment.
- 6.2 Each of the Conditions shall be regarded as a separate condition and shall not be limited by reference to any other Conditions.
- 6.3 The Offer will lapse unless all Conditions have been fulfilled or (if capable of waiver) waived, or, where appropriate, determined by Bidco to have been or continue to be satisfied by midnight on the date which is 21 days after the later of the First Closing Date and the date on which the Offer becomes or is declared unconditional (or such later date (if any) as Bidco and Thesis may, with the consent of the Panel, agree). Pursuant to the Bidco Confirmation Letter, Bidco has undertaken to seek the Panel's consent to an extension of the timetable for the Offer to the Acceptance Condition Extension Date or the FCA Change of Control Approval Extension Date (as applicable), up to 8 November 2017, if it becomes apparent that the FCA Change of Control Approval Condition is not likely to be satisfied within the timetable prescribed by the Takeover Code (including pursuant to Rules 31.6 and 31.7) (please see paragraph 12 of Part 2 of this document for further details regarding the Bidco Confirmation Letter).
- 6.4 The Offer will lapse, and will not proceed, if the proposed acquisition of Thesis is referred to a Phase 2 investigation by the CMA, or if the European Commission either initiates Phase 2 proceedings or there is a Phase 2 CMA reference following a referral by the European Commission under Article 9(1) EUMR to a competent authority in the United Kingdom before 1.00 p.m. on the First Closing Date or the time and date on which the Offer becomes or is declared unconditional (whichever is the later).
- 6.5 The Ordinary Shares will be acquired under the Offer with full title guarantee fully paid and free from all liens, restrictions, charges, equitable interests, 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 the Announcement or subsequently attaching to them, including, without limitation, voting rights and the right to receive and retain, in full, all dividends and other distributions (if any) declared, made or paid, or any other return of capital (whether by way of

reduction of share capital or share premium account or otherwise) made on or after the date of the Announcement. Accordingly insofar as a dividend and/or distribution and/or a return of capital is proposed, declared, made, paid or payable by Thesis in respect of an Ordinary Share on or after the date of the Announcement, Bidco reserves the right to reduce by the amount of the dividend and/or distribution and/or return of capital, the price payable under the Offer in respect of an Ordinary Share, in which case any reference in this document to the offer consideration for the Ordinary Shares will be deemed to be a reference to such offer consideration so reduced. If Bidco exercises such right to reduce the offer consideration in accordance with this paragraph, the relevant eligible Shareholders will be entitled to receive and retain such dividend and/or distribution and/or return of capital. To the extent that any such dividend and/or distribution and/or return of capital is proposed, declared, made or paid and it is: (i) transferred pursuant to the Offer on a basis which entitles Bidco alone to receive the dividend and/or distribution and/or return of capital and retain it, or (ii) cancelled, the offer consideration will not be subject to change in accordance with this paragraph. Any exercise by Bidco of its rights referred to in this paragraph shall be subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the Offer.

- 6.6 Bidco reserves the right, subject to the consent of the Independent Directors and the Panel, to effect the proposed acquisition of Ordinary Shares by way of a court-sanctioned scheme of arrangement under Part 26 of the Companies Act. In such event, the scheme of arrangement in relation to the Ordinary Shares will be implemented on substantially the same terms as those which would apply to the Offer (subject to appropriate amendments).
- 6.7 Under Rule 13.5 of the Takeover Code, Bidco may not invoke a condition to the Offer so as to cause the Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the condition are of material significance to Bidco in the context of the Offer. The determination of whether or not such a condition can be invoked would be determined by the Panel. The Acceptance Condition is not subject to this provision of the Takeover Code.
- 6.8 If the Offer lapses, it will cease to be capable of further acceptance and accepting Shareholders and Bidco will cease to be bound by Forms of Acceptance submitted before the time the Offer lapses.
- 6.9 If all Conditions are satisfied, fulfilled or, to the extent permitted, waived and sufficient acceptances are received and/or sufficient Ordinary Shares are otherwise acquired, Bidco intends to exercise its rights to acquire compulsorily any outstanding Ordinary Shares either pursuant to the Drag Authority or the statutory 'squeeze-out' provisions in the Companies Act.
- 6.10 Except with the consent of the Panel, settlement of the consideration to which any Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without regard to any lien, right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled as against such Shareholder and will be effected:
- (a) in the case of acceptances of the Offer received, complete in all respects (including the receipt of relevant share certificate(s) and/or other documents of title or indemnities satisfactory to Bidco) by or on the date on which the Offer becomes or is declared unconditional in all respects, within 14 calendar days of such date; or
 - (b) in the case of acceptances of the Offer received, complete in all respects, after the date on which the Offer becomes or is declared unconditional in all respects, but while it remains open for acceptance, within 14 calendar days of such receipt.
- 6.11 All cash payments will be made by electronic funds transfer into a bank account held in the United Kingdom in the name of the relevant Shareholder. No consideration will be sent to an address in a Restricted Jurisdiction.
- 6.12 Notwithstanding the right reserved by Bidco to treat an acceptance of the Offer as valid even though the relevant Form of Acceptance is not entirely in order or not accompanied by the relevant share certificate(s) and/or other documents of title), except as otherwise agreed with the Panel:

- (a) an acceptance of the Offer will only be counted in any announcement of acceptances of the Offer if the requirements of Note 4 and, if applicable, Note 6 on Rule 10 of the Takeover Code as satisfied in respect of it;
 - (b) a purchase of Ordinary Shares by Bidco or its nominee (or, if relevant, any person acting in concert with Bidco, or its nominee) will only be counted in any announcement of acceptances of the Offer if the requirements of Note 5 and, if applicable, Note 6 on Rule 10 of the Takeover Code are satisfied in respect of it; and
 - (c) Bidco will procure that the Receiving Agent issues a certificate to Bidco or its agents stating the number of Ordinary Shares in respect of which acceptances have been received which comply with subparagraph (a) above and the number of Ordinary Shares otherwise acquired, whether before or during the Offer Period, which comply with subparagraph (b) above.
- 6.13 Except with the consent of the Panel, the Offer shall not become unconditional unless the Receiving Agent shall have issued a certificate to Bidco or its financial advisers which states the number of Ordinary Shares in respect of which acceptances have been received and not validly withdrawn and the number of Ordinary Shares otherwise acquired (whether before or during the Offer Period). A copy of such certificate will be sent to the Panel and to Thesis' financial advisers as soon as possible after it is issued.
- 6.14 The terms, provisions, instructions and authorities contained or deemed to be incorporated in the Form of Acceptance, and such further terms as may be required to comply with the Takeover Code, constitute part of the terms of the Offer. Words and expressions defined in this document have the same meanings when used in the Form of Acceptance, unless the context otherwise requires. The provisions of this Section B shall be deemed to be incorporated into and form part of the Form of Acceptance.
- 6.15 All references in this document and in the Form of Acceptance to the First Closing Date will (except in paragraphs 2.1 of this Section B and where the context otherwise requires) be deemed, if the expiry date of the Offer is extended, to refer to the expiry date of the Offer as so extended.
- 6.16 References in Section C of this Appendix I to a Shareholder will include references to the person or persons executing a Form of Acceptance and, in the event of more than one person executing a Form of Acceptance, such paragraphs will apply to them jointly and severally.
- 6.17 The Offer is made in respect of all Ordinary Shares issued and unconditionally allotted or issued before the date on which the Offer closes (or such earlier date as Bidco, subject to the rules of the Takeover Code or with the consent of the Panel, may determine). Any omission to despatch this document, the Form of Acceptance or any notice required to be despatched under the terms of the Offer to, or any failure to receive the same by, any person to whom the Offer is made, or should be made, will not invalidate the Offer in any way or create any implication that the Offer has not been made to any such person. The Offer is also made to any Shareholder to whom this document and the Form of Acceptance or any related document may not be sent or by whom such documents may not be received, and these persons may collect these documents from the Receiving Agent, Neville Registrars Limited at the address set out in paragraph 4.6 of this Section B.
- 6.18 Subject to the Takeover Code, and notwithstanding any other provision of this Section B, Bidco reserves the right to treat as valid in whole or in part any acceptance of the Offer received by the Receiving Agent or otherwise on behalf of Bidco which is not entirely in order or in correct form or which is not accompanied by (as applicable) the relevant document(s) as set out in this document or in the Form of Acceptance. In that event, no payment of cash under the Offer will be made until after the acceptance is entirely in order and the relevant document(s) of title or satisfactory indemnities have been received by the Receiving Agent.
- 6.19 No acknowledgement of receipt of any Form of Acceptance, communication, notice, share certificate(s) or other document(s) of title will be given by, or on behalf of, Bidco. All communications, notices, certificates, documents of title and remittances to be delivered by, or

sent to or from, Shareholders (or their designated agent(s)) will be delivered by or sent to or from them (or their designated agent(s)) at their own risk.

- 6.20 The Offer extends to persons to whom the Offer is made or should be made and to whom this document, the Form of Acceptance or any related documents may not be despatched and such persons may collect copies of these documents from the Receiving Agent, Neville Registrars Limited at the address set out in paragraph 4.6 of this Section B.
- 6.21 The Offer is made at 1.00 pm on 30 June 2017 and is capable of acceptance from and after that date.
- 6.22 If the Offer does not become unconditional in all respects, the Form of Acceptance, share certificates and/or other documents of title will be returned by post (or such other method as may be approved by the Panel) within 14 calendar days of the Offer lapsing to the person or agent whose name and address outside a Restricted Jurisdiction is set out in the relevant box in the Form of Acceptance or, if none is set out, to the first-named holder at his registered address outside a Restricted Jurisdiction (no such documents will be sent to an address in a Restricted Jurisdiction).
- 6.23 All powers of attorney, appointments of agents and authorities included in this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of the Shareholder concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 except in the circumstances where the donor of such power of attorney or authority or appointor is entitled to withdraw his acceptance in accordance with paragraph 4 of this Section B and duly does so.
- 6.24 Neither Bidco nor any subsidiary of Bidco nor any person acting on behalf of any of them, shall have any liability to any person for any loss or alleged loss arising from any decision as to the treatment of acceptances of the Offer or otherwise in connection therewith.
- 6.25 The Offer is governed by the laws of England and Wales and be subject to the jurisdiction of the courts of England and Wales and to the Conditions and further terms set out in this Appendix I and the Form of Acceptance. The Offer is subject to the Takeover Code.
- 6.26 If Bidco is required by the Panel to make an offer for any Ordinary Shares under a mandatory offer for Ordinary Shares under Rule 9 of the Takeover Code, Bidco may make such alterations to the Conditions as are necessary to comply with the applicable rule or law.

SECTION C
FORM OF ACCEPTANCE OF OFFER

1 FORM OF ACCEPTANCE

Each Shareholder by whom, or on whose behalf, any Form of Acceptance is executed irrevocably undertakes, represents and warrants to and agrees with Bidco and the Receiving Agent (so as to bind him and his personal representatives, heirs, successors and assigns) to the following effect:

1.1 that the execution of the Form of Acceptance shall constitute:

- (a) an acceptance of the Offer in respect of the number of Ordinary Shares inserted or deemed to be inserted in Box 3 of the Form of Acceptance; and
- (b) an undertaking to execute any further documents, take any further action and give any further assurances which may be required in connection with the foregoing,

in each case on and subject to the terms and conditions set out in this document and the Form of Acceptance and that, subject only to the rights of withdrawal set out in paragraph 4 of Section B of Appendix I, each such acceptance, election and undertaking shall be irrevocable. For the avoidance of doubt, if the Form of Acceptance has been executed but Box 5 of the Form of Acceptance has not been marked with a cross, then the Drag Authority as set out in paragraph 1.5 of this Section C shall not be valid.

If the Form of Acceptance is otherwise completed incorrectly, but the Form of Acceptance is signed, it will be deemed to be an acceptance by the relevant Shareholder of the terms of the Offer in respect of the number of Ordinary Shares inserted in Box 3 of the Form of Acceptance provided that, for the avoidance of doubt, if Box 5 has not been marked with a cross by the Shareholder then he shall not be deemed to have granted the Drag Authority to Bidco in respect of his Ordinary Shares as set out in paragraph 1.5 of this Section C;

1.2 that he is irrevocably and unconditionally entitled to transfer the Ordinary Shares in respect of which the Form of Acceptance is completed and that the Ordinary Shares in respect of which the Offer is accepted, or is deemed to be accepted, are sold with full title guarantee fully paid and free from all liens, restrictions, charges, equitable interests, 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 the Announcement or subsequently attaching to them, including, without limitation, voting rights and the right to receive in full and retain all dividends and other distributions (if any) declared, made or paid by Thesis on or after the date of the Announcement;

1.3 that unless "NO" is inserted or deemed to be inserted in Box 6 of the Form of Acceptance, such Shareholder:

- (a) has not received or sent copies of this document, the Form of Acceptance or any related offer documents in, into or from any Restricted Jurisdiction or any other jurisdiction where such actions may constitute a breach of any legal or regulatory requirements of such jurisdiction;
- (b) has not otherwise utilised in connection with the Offer, directly or indirectly, the use of the mails of or any means or instrumentality (including, without limitation, facsimile transmission, e-mail and telephone) of interstate or foreign commerce, or any facilities of a national securities exchange, of any Restricted Jurisdiction;
- (c) is accepting the Offer from outside any Restricted Jurisdiction and was outside all Restricted Jurisdictions when the Form of Acceptance was delivered and at the time of accepting the Offer, and in respect of the Ordinary Shares to which the Form of Acceptance relates, is not an agent or fiduciary acting on a non-discretionary basis for

a principal who has given any instructions with respect to the Offer from within any Restricted Jurisdiction;

- (d) warrants that the Form of Acceptance and any related offer documents have not been mailed or otherwise sent in, into or from any Restricted Jurisdiction; and
- (e) if such Shareholder is a citizen, resident or national of a jurisdiction outside the United Kingdom, he has observed the laws and regulatory requirements of the relevant jurisdiction in connection with the Offer, obtained all governmental, exchange control or other consents, complied with all other necessary formalities and paid any issue, transfer or other taxes or duties or other requisite payments due in any such jurisdiction in connection with such acceptance and that he has not taken or omitted to take any action that will or may result in Bidco or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Offer or his acceptance of the Offer.

Bidco reserves the right, in its sole discretion, to investigate, in relation to any acceptance, whether the representations and warranties set out in paragraph 1.3 above could have been truthfully given by the relevant Shareholder and, if such investigation is made and as a result Bidco determines that such representations and warranties could not have been so given, such acceptance may be rejected as invalid;

1.4 that the execution of the Form of Acceptance and its delivery to the Receiving Agent constitutes, subject to the Offer becoming unconditional in all respects in accordance with its terms and to the accepting Shareholder not having validly withdrawn his acceptance, the irrevocable separate appointment of each of Bidco and/or its agents as such Shareholder's attorney and/or agent (attorney), with an irrevocable instruction to the attorney:

- (a) to complete and execute all or any form(s) of transfer and/or renunciation and/or other document(s) in the attorney's discretion in relation to the Ordinary Shares referred to in paragraph 1.1(a) of this Section C in favour of Bidco or as Bidco or its agents may direct;
- (b) to deliver such form(s) of transfer and/or renunciation and/or other document(s) at the attorney's discretion together with any certificate(s) and/or other document(s) of title relating to such Ordinary Shares for registration within six months of the Offer being declared unconditional in all respects; and
- (c) to do all such other acts and things as may in the opinion of such attorney be necessary or expedient for the purpose of, or in connection with, the acceptance or deemed acceptance of the Offer pursuant to the Form of Acceptance and to vest in Bidco or its nominee the full legal title and beneficial ownership of the Ordinary Shares free from all liens, restrictions, charges, equitable interests, encumbrances, rights of pre-emption and any other third-party rights of any nature whatsoever as aforesaid,

except that, for the avoidance of doubt, if Box 5 of the Form of Acceptance has not been marked with a cross by the accepting Shareholder, then the Drag Authority as set out in paragraph 1.5 of this Section C shall not be valid;

1.5 that, without prejudice to paragraph 1.4 of Section C of this Appendix I and subject to:

- (a) Box 5 of the Form of Acceptance having been marked with a cross;
- (b) the Acceptance Condition being declared satisfied; and
- (c) the accepting Shareholder not having validly withdrawn his acceptance,

the execution of the Form of Acceptance and its delivery to the Receiving Agent shall constitute:

- (i) the irrevocable separate appointment of each of Bidco and/or its agents as such accepting Shareholder's attorney and/or agent ("**attorney**") with an irrevocable unconditional instruction to the attorney:
 - (A) in accordance with Article 14.2 of the Articles, and without prejudice to the generality of paragraphs (B) and (C) below, to serve, at any time before the Offer closes in accordance with paragraph 2.4 of Section B of this Appendix I, a Drag Notice on the Compelled Shareholders on behalf of such accepting Shareholders, requiring all Compelled Shareholders to accept the Offer in accordance with this document and the Form of Acceptance;
 - (B) without prejudice to the generality of paragraph (C) below and the nomination referred to in paragraph (ii) below, to exercise the Drag Right on behalf of the accepting Shareholders in accordance with Article 14 of the Articles including, but not limited to, nominating any person in accordance with Article 14.8 of the Articles to be the agent and attorney of a Compelled Shareholder; and
 - (C) to do and take all such acts and exercise all such rights as may in the opinion of such attorney be necessary to enforce the Drag Right;
- (ii) if an executed Form of Acceptance (together with the relevant share certificate(s) and/or other document(s) of title or indemnities in respect of lost documents of title) has not been received by the Receiving Agent from each of the Compelled Shareholders within 5 Business Days of service of the Drag Notice, which the Compelled Shareholders are required to do in accordance with Article 14.7 of the Articles, the irrevocable and unconditional nomination of Bidco and/or its agents by such accepting Shareholder for the purposes of Article 14.8 of the Articles, such that, pursuant to Article 14.8, Bidco shall be deemed to have been appointed by the defaulting Compelled Shareholder to be its agent and attorney to take all necessary steps and to execute all necessary documents on such Compelled Shareholder's behalf including but not limited to vest in Bidco or its nominee the full legal title and beneficial ownership of the Ordinary Shares free from all liens, restrictions, charges, equitable interests, encumbrances, rights of pre-emption and any other third-party rights of any nature whatsoever, against receipt by Thesis (on trust for such defaulting Compelled Shareholder) of the consideration payable for such defaulting Compelled Shareholder's Ordinary Shares, and to deliver such documents to Bidco (or as Bidco may direct);
- (iii) the irrevocable and unconditional assignment by such accepting Shareholder to Bidco and/or its agents of all of its rights contained in Article 14 of the Articles to exercise the Drag Right;

1.6 that the execution of the Form of Acceptance and its delivery by, or on behalf of, the Shareholder to the Receiving Agent constitutes, subject to the Offer being declared unconditional in all respects in accordance with its terms and to the accepting Shareholder not having validly withdrawn his acceptance, a separate and irrevocable authority and request:

- (a) to Thesis or its agents to procure the registration of the transfer of those Ordinary Shares pursuant to the Offer and the delivery of the share certificate(s) and/or other document(s) of title in respect thereof to Bidco or as it may direct; and
- (b) to Bidco or its agents to procure an electronic funds transfer made in pounds Sterling into a bank account held in the United Kingdom by accepting Shareholders or, in the case of joint holders, to a bank account held in the United Kingdom by the holder whose name appears first in the register of members of Thesis in respect of the joint holding concerned or in accordance with any special instructions regarding

communications, in respect of any cash consideration to which he is entitled under the Offer, at the risk of such Shareholder;

- 1.7 that the execution of the Form of Acceptance and its delivery constitutes a separate authority to each of Bidco and/or its agents within the terms of Section B and Section C of this Appendix I;
- 1.8 subject to the Offer being declared unconditional in all respects or if the Panel otherwise gives its consent, and pending registration, that:
- (a) Bidco or its agents be entitled to direct the exercise of any votes and any other rights and privileges (including the right to requisition the convening of a general meeting of Thesis or of any class of its shareholders) attaching to any Ordinary Shares in respect of which the Offer has been accepted, or is deemed to have been accepted, provided that such acceptance is not validly withdrawn;
 - (b) the execution of a Form of Acceptance by, or on behalf of, a Shareholder constitutes, in respect of the Ordinary Shares comprised in such acceptance provided that such acceptance has not been validly withdrawn:
 - (i) an authority to Thesis and/or its agents from such Shareholder to send any notice, warrant, document or other communication which may be required to be sent to him as a member of Thesis at its registered office or care of the Receiving Agent;
 - (ii) an authority to Bidco and/or its agents to sign any consent to short notice on his behalf and/or attend and/or execute a form of proxy in respect of such Ordinary Shares appointing any person nominated by Bidco to attend general meetings and separate class meetings of Thesis or its members (or any of them) (and any adjournments thereof) and to exercise the votes attaching to such shares on his behalf, where relevant, such votes to be cast so far as possible to satisfy any outstanding Condition of the Offer; and
 - (iii) the agreement of such Shareholder not to exercise any of such rights without the consent of Bidco and the irrevocable undertaking of such Shareholder not to appoint a proxy to attend any such general meeting or separate class meeting;
- 1.9 that he will deliver (or procure the delivery) to the Receiving Agent at the address referred to in paragraph 4.6 of Section B of this Appendix I his share certificate(s) or other document(s) of title in respect of all Ordinary Shares held by him in respect of which the Offer has been accepted or is deemed to have been accepted and not validly withdrawn, or an indemnity acceptable to Bidco in lieu thereof, as soon as possible and in any event within six months of the Offer becoming unconditional in all respects;
- 1.10 that, if he accepts the Offer, he will do all such acts and things as shall, in the opinion of Bidco or the Receiving Agent, be necessary or expedient to vest in Bidco or its nominee(s) or such other person as Bidco may decide the full legal title and beneficial ownership of the number of Ordinary Shares inserted in Box 3 of the Form of Acceptance, free from all liens, restrictions, charges, equitable interests, encumbrances, rights of pre-emption and any other third-party rights of any nature whatsoever, and all such acts and things as may be necessary or expedient to enable the Receiving Agent to perform its functions for the purposes of the Offer;
- 1.11 that the terms and conditions of the Offer contained in this document will be incorporated and deemed to be incorporated in, and form part of, the Form of Acceptance which will be read and construed accordingly;
- 1.12 that he will ratify each and every act or thing which may be done or effected by Bidco, the Receiving Agent or any director of Bidco or the Receiving Agent or their respective agents or Thesis or its agents, as the case may be, in the exercise of any of his or its powers and/or authorities hereunder (and to indemnify each such person against any losses arising therefrom);

- 1.13 that, if any provision of Section B or this Section C of this Appendix I will be unenforceable or invalid or will not operate so as to afford Bidco, the Receiving Agent or any director or duly authorised representative of any of them or their respective agents the benefit of the authority expressed to be given therein, he agrees with all practicable speed to do all such acts and things and execute all such documents that may be required to enable those persons to secure the full benefits of Section B and this Section C of this Appendix I;
- 1.14 the ejusdem generis principle of construction shall not apply to the terms and conditions of the Offer and/or the Form of Acceptance. Accordingly, general words shall not be given a restrictive meaning by reason of their being preceded or followed by words indicating a particular class of acts, matters or things or by examples falling within the general words;
- 1.15 that the execution of the Form of Acceptance constitutes his submission, in relation to any dispute arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof (including a dispute relating to any non-contractual obligations arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof), to the exclusive jurisdiction of the courts of England and that nothing shall limit the right of Bidco to bring any action, suit or proceedings arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof (including in relation to any non-contractual obligations arising out of or in connection with the Offer and/or the Form of Acceptance and all acceptances and elections in respect thereof) in any other court of competent jurisdiction or concurrently in more than one court of competent jurisdiction; and
- 1.16 the Form of Acceptance will be deemed to be delivered on the date of its execution and will take effect as a deed.

References in this Section C to a Shareholder shall include references to the person or persons executing a Form of Acceptance, and in the event of more than one person executing a Form of Acceptance, the provisions of this Section C shall apply to them jointly and to each of them.

All powers of attorney, appointments of agents and authorities conferred by this Appendix I or in the Form of Acceptance are given by way of security for the performance of the obligations of the Shareholder concerned and are irrevocable in accordance with section 4 of the Powers of Attorney Act 1971 except in the circumstances where the donor of such power of attorney or authority or appointor is entitled to withdraw his acceptance in accordance with paragraph 4 of Section B of this Appendix I and duly does so.

APPENDIX II
FINANCIAL INFORMATION ON THE THESIS GROUP

The following sets out financial information in respect of the Thesis Group as required by Rule 24.3 of the Takeover Code. The documents referred to below (or parts thereof) are incorporated by reference into this document pursuant to Rule 24.15 of the Takeover Code.

Information incorporated by reference	Hyperlink	Page Numbers
Finance section of the Report to Stakeholders Half-Year 2016/2017	http://www.thesis-plc.com/corporate-news/	2-4
Audited Financial Statements for the year ended 30 April 2016	http://www.thesis-plc.com/corporate-news/	12-29
Audited Financial Statements for the year ended 30 April 2015	http://www.thesis-plc.com/corporate-news/	12-27

APPENDIX III
ADDITIONAL INFORMATION

1 RESPONSIBILITY

- 1.1 The Thesis Directors, whose names are set out in paragraph 2.1 below, accept responsibility for the information contained in this document relating to Thesis, the Thesis Group, themselves and their immediate families, related persons and trusts connected with them, excluding the recommendations and opinions of the Independent Directors of Thesis set out in this document. To the best of the knowledge and belief of the Thesis Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.2 The Independent Directors of Thesis, whose names are set out in paragraph 2.1 below, accept responsibility for the recommendations and opinions of the Independent Directors of Thesis relating to the Offer contained in this document. To the best of the knowledge and belief of the Independent Directors of Thesis (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 The Bidco Directors, whose names are set out in paragraph 2.2 below, David Tyerman, Stephen Mugford and the LGT Responsible Persons accept responsibility for (i) the information contained in this document relating to Bidco, the Bidco Group, themselves and their immediate families, related persons and trusts connected with them, and (ii) all other information contained in this document other than information for which responsibility is taken by others pursuant to paragraphs 1.1 to 1.9 (inclusive) of this Appendix III. To the best of the knowledge and belief of the Bidco Directors, David Tyerman and Stephen Mugford and the LGT Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.4 The Ventiga Members, whose names are set out in paragraph 2.3 below, accept responsibility for the information contained in this document relating to Ventiga, themselves and their immediate families, related persons and trusts connected with them. To the best of the knowledge and belief of the Ventiga Members (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.5 The LGT Responsible Persons, whose names are set out in paragraph 2.4 below, accept responsibility for the information contained in this document relating to LGT Capital Partners and the LGT Funds, themselves and their immediate families, related persons and trusts connected with them. To the best of the knowledge and belief of the LGT Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.6 The J. Leon Responsible Persons, whose names are set out in paragraph 2.5 below, accept responsibility for the information contained in this document relating to J. Leon, themselves and their immediate families, related persons and trusts connected with them. To the best of the knowledge and belief of the J. Leon Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.7 David Tyerman accepts responsibility for the information contained in this document relating to him, his immediate family, related persons and trusts connected with him. To the best of the knowledge and belief of David Tyerman (who has taken all reasonable care to ensure that such

is the case), the information contained in this document for which he accepts responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.8 Stephen Mugford accepts responsibility for the information contained in this document relating to him, his immediate family, related persons and trusts connected with him. To the best of the knowledge and belief of Stephen Mugford (who has taken all reasonable care to ensure that such is the case), the information contained in this document for which he accepts responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

1.9 Sarah Noone accepts responsibility for the information contained in this document relating to her, her immediate family, related persons and trusts connected with her. To the best of the knowledge and belief of Sarah Noone (who has taken all reasonable care to ensure that such is the case), the information contained in this document for which she accepts responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

2 **DIRECTORS**

2.1 **Thesis Directors**

2.1.1 The Thesis Directors and their respective positions are as follows:

Name	Position held
David Tyerman	Chief Executive Officer
Stephen Mugford	Finance Director
Gregory Dalton	Operations Director
Antony Gammon	Executive Director
Anthony Edwards.....	Chairman & Non-Executive Director
Anne Gilbert	Non-Executive Director
Michael Hughes	Non-Executive Director
Stephen Richards	Non-Executive Director

2.1.2 The Independent Directors of Thesis are Anthony Edwards, Anne Gilbert, Michael Hughes and Stephen Richards.

2.1.3 Thesis' registered office, which is also the business address of each of the Thesis Directors, is at Exchange Building, St. Johns Street, Chichester, West Sussex, England PO19 1UP.

2.1.4 The company secretary of Thesis is Michael Camps, whose business address is also Thesis' registered office.

2.2 **Bidco Directors**

2.2.1 The Bidco Directors and their respective positions are as follows:

Name	Position held
Vincent Smith	Director
Alexander Church	Director
Carl (Nicolás) Gabran	Director
Daniel Mytnik	Director

2.2.2 Bidco's registered office is at 47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands.

2.2.3 The business address of Vincent Smith and Alexander Church is at 32 Hampstead High Street, London NW3 1JQ.

2.2.4 The business address of Carl (Nicolás) Gabran and Daniel Mytnik is at 1 Berkeley Street, London W1J 8DJ.

2.3 **Ventiga Members**

2.3.1 The Ventiga Members and their respective positions are as follows:

Name	Position held
Carl (Niclás) Gabran	Managing Partner
Daniel Mytnik	Managing Partner

2.3.2 Ventiga's registered office, which is also the business address of each of the Ventiga Members, is at 1 Berkeley Street, London W1J 8DJ.

2.4 **LGT Responsible Persons**

2.4.1 The LGT Responsible Persons and their respective positions are as follows:

Name	Position held
Paul Garvey	Director
Desmond Tobin	Director

2.4.2 LGT Capital Partners' registered office, which is also the business address of each of the LGT Responsible Persons, is at Third Floor, 30 Herbert Street, Dublin 2, Ireland.

2.5 **J. Leon Responsible Persons**

2.5.1 The J. Leon Responsible Persons and their respective positions are as follows:

Name	Position held
Alexander Church	Director
Vincent Smith	Director

2.5.2 J. Leon's registered office, which is also the business address of each of the J. Leon Responsible Persons, is at 32 Hampstead High Street, London NW3 1JQ.

3 **PERSONS ACTING IN CONCERT**

3.1 In addition to the Thesis Directors (together with their close relatives) and members of the Thesis Group (and their related directors and members), for the purposes of the Takeover Code, the following persons and persons affiliated with them are deemed to be acting in concert with Thesis in respect of the Offer:

<i>Name</i>	<i>Registered Office</i>	<i>Relationship with Thesis</i>
Evercore Partners International LLP	15 Stanhope Gate, London W1K 1LN	Rule 3 adviser in connection with the Acquisition

3.2 In addition to the Bidco Directors (together with their close relatives) and members of the Bidco Group (and their related directors), for the purposes of the Takeover Code, the following persons and persons affiliated with them are deemed to be acting in concert with Bidco in respect of the Offer:

<i>Name</i>	<i>Registered Office / Business Address</i>	<i>Relationship with Bidco</i>
PricewaterhouseCoopers LLP	7 More London Riverside, London SE1 2RT	Financial adviser in connection with the Acquisition
David Tyerman	Exchange Building, St. Johns Street, Chichester, West Sussex, England PO19 1UP	Person acting in concert with Bidco
Stephen Mugford	Exchange Building, St. Johns Street, Chichester, West Sussex, England	Person acting in concert with Bidco

	PO19 1UP	
Sarah Noone	Pacific House, 126 Dyke Road, Brighton, East Sussex BN1 3TE	Person acting in concert with Bidco
Ventiga Capital Partners LLP	1 Berkeley Street, London W1J 8DJ	Person acting in concert with Bidco
Ventiga General Partner Limited	44 Esplanade, St Helier, Jersey JE4 9WG	Person acting in concert with Bidco
Ventiga SPF I LP	44 Esplanade, St Helier, Jersey JE4 9WG	Person acting in concert with Bidco
Ventiga Investment LP	44 Esplanade, St Helier, Jersey JE4 9WG	Person acting in concert with Bidco
LGT Capital Partners (Ireland) Limited	Third Floor, 30 Herbert Street, Dublin 2, Ireland	Person acting in concert with Bidco
Crown Co-investment Opportunities plc	Third Floor, 30 Herbert Street, Dublin 2, Ireland	Person acting in concert with Bidco
Crown Europe Small Buyouts IV plc	Third Floor, 30 Herbert Street, Dublin 2, Ireland	Person acting in concert with Bidco
Crown Global Opportunities VI plc	Segrave House, 19/20 Earlsfort Terrace, Dublin 2, Ireland	Person acting in concert with Bidco
Crown Premium Private Equity VI Master S.C.S. Sicav-FIS	Place Dargent, L-1413 Luxembourg	Person acting in concert with Bidco
J. Leon & Company Limited	32 Hampstead High Street, London NW3 1JQ	Person acting in concert with Bidco
JLC Tigerco Limited	32 Hampstead High Street, London NW3 1JQ	Person acting in concert with Bidco

4 **DISCLOSURE OF INTERESTS AND DEALINGS IN SHARES**

In this paragraph 4 of Appendix III:

"acting in concert" with a person means any other person acting or deemed to be acting in concert with that first person for the purposes of the Takeover Code in respect of the Offer;

"arrangement" includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant Thesis securities or relevant Bidco securities which may be an inducement to deal or refrain from dealing;

"dealing" has the meaning given in the Takeover Code (and **"dealt"** shall be construed accordingly);

"derivative" has the meaning given in the Takeover Code;

"disclosure date" means 29 June 2017, being the Business Day immediately preceding the date of this document.

"Disclosure Period" means the period commencing on 20 June 2016, being the date twelve months prior to the commencement of the Offer Period, and ending on the disclosure date;

"Immediate Relations" means, in relation to a director, his spouse or civil partner and any child or step-child of his under the age of 18 years;

"Interested Persons" means, in relation to a director, his Immediate Relations and other persons (including, without limit, bodies corporate) whose interests that director is taken or treated as having by virtue of the application of Part 22 of the Companies Act;

"interests in securities" has the meaning given in the Takeover Code (and reference to a person having an interest in securities shall be construed accordingly);

“**Note 11 arrangement**” means any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant Thesis securities which may be an inducement to deal or refrain from dealing therein;

“**relevant securities**” means relevant Thesis securities and relevant Topco securities;

“**relevant Thesis securities**” means Ordinary Shares and any other securities in the capital of Thesis which carry voting rights or which are equity share capital, and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to any of the foregoing (which, for the avoidance of doubt, does not include the Non-Voting A Shares or the Non-Voting B Shares);

“**relevant Topco securities**” means ordinary shares and any other securities in the capital of Topco which carry voting rights or which are equity share capital, and securities convertible into, rights to subscribe for, options (including traded options) in respect of and derivatives referenced to any of the foregoing; and

“**short position**” means a short position (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 obligations or right to require another person to purchase or take delivery.

4.1 **Interests in relevant securities**

Interests in relevant Thesis securities

- 4.1.1 At the close of business on the disclosure date, the Thesis Directors (together with their Interested Persons) were interested in, or had a right to subscribe for, the following relevant Thesis securities:

Issued share capital

<i>Name</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Thesis' issued share capital</i>	<i>Nature of Interest</i>
Anthony Edwards	26,876	3.3595%	Beneficial
Stephen Richards	26,876 ¹	3.3595%	Beneficial

¹ Of the 26,876 Ordinary Shares, 8,062 Ordinary Shares are beneficially owned by Stephen Richard's partner, Susan Jones and 1,344 Ordinary Shares are held in the name of each of Stephen Richard's daughters, Jessica Richards and Georgia Richards)

Thesis Share Option Plan

<i>Director</i>	<i>Share Scheme</i>	<i>Date of grant</i>	<i>Exercise price (pence)</i>	<i>No. of relevant Ordinary Shares under option</i>	<i>No. of options which are exercisable¹</i>
David Tyerman	Thesis Share Option Plan	6 January 2016	100	21,390	17,991 ²
Stephen Mugford	Thesis Share Option Plan	6 January 2016	100	8,556	7,197 ³
Gregory Dalton	Thesis Share Option Plan	6 January 2016	100	8,556	8,556
Antony Gammon	Thesis Share Option Plan	6 January 2016	100	8,556	8,556

¹ In accordance with the terms of grant of their Thesis Options, the number of Ordinary Shares over which David Tyerman and Stephen Mugford may exercise their respective Thesis Options reduces in proportion to the value that Thesis' 55 per cent. interest in Tutman LLP bears to the value of the proceeds of the Offer.

² The Independent Directors have resolved that, in the context of the Offer, the number of Ordinary Shares over which David Tyerman's Thesis Options may be exercised shall be reduced by 3,399 Ordinary Shares.

³ The Independent Directors have resolved that, in the context of the Offer, the number of Ordinary Shares over which Stephen Mugford's Thesis Options may be exercised shall be reduced by 1,359 Ordinary Shares.

- 4.1.2 At the close of business on the disclosure date, Bidco and the following persons acting in concert with Bidco were interested in, or had a right to subscribe for, the following relevant Thesis securities:

Thesis Share Option Plan

<i>Persons</i>	<i>Share Scheme</i>	<i>Date of grant</i>	<i>Exercise price (pence)</i>	<i>No. of relevant Ordinary Shares under option</i>	<i>No. of options which are exercisable¹</i>
David Tyerman	Thesis Share Option Plan	6 January 2016	100	21,390	17,991 ²
Stephen Mugford	Thesis Share Option Plan	6 January 2016	100	8,556	7,197 ³

¹ In accordance with the terms of grant of their Thesis Options, the number of Ordinary Shares over which David Tyerman and Stephen Mugford may exercise their respective Thesis Options reduces in proportion to the value that Thesis' 55 per cent. interest in Tutman LLP bears of the proceeds of the Offer.

² The Independent Directors have resolved that, in the context of the Offer, the number of Ordinary Shares over which David Tyerman's Thesis Options may be exercised shall be reduced by 3,399 Ordinary Shares.

³ The Independent Directors have resolved that, in the context of the Offer, the number of Ordinary Shares over which Stephen Mugford's Thesis Options may be exercised shall be reduced by 1,359 Ordinary Shares.

- 4.1.3 At the close of business on the disclosure date, none of the Bidco Directors (or their Interested Persons) were interested in, or had a right to subscribe for, any relevant Thesis securities.

Interests in relevant Topco securities

- 4.1.4 Pursuant to the terms of the Joint Bidding Deed and the Tutman LLP Acquisition Agreement, each member of the Management Team are to be issued the following C ordinary shares, D ordinary shares and preference shares in Topco in consideration for the sale of their 45 per cent. interest in Tutman LLP to Tutman Ltd on the Unconditional Date:

- (a) David Tyerman: 65,367 C ordinary shares, 50,000 D ordinary shares and 2,377,133 preference shares;
- (b) Stephen Mugford: 12,312 C ordinary shares, 40,000 D ordinary shares and 446,188 preference shares; and
- (c) Sarah Noone: 8,149 C ordinary shares, 40,000 D ordinary shares and 385,961 preference shares.

- 4.1.5 Additionally, pursuant to the terms of the Joint Bidding Deed, David Tyerman has agreed to subscribe for a further 718,770 preference shares in Topco and Stephen Mugford has agreed to subscribe for a further 136,914 preference shares in Topco, in each case on the Unconditional Date.

4.2 Dealings in relevant securities

- 4.2.1 Save as disclosed above, none of Thesis, any member of the Thesis Group, any Thesis Directors, any close relatives of such directors or any related trusts and companies, nor any person acting in concert with Thesis, or any person with whom Thesis or any person acting in concert with Thesis has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of, directly or indirectly, any relevant Thesis securities or any

relevant Topco securities on the disclosure date, nor has any such person dealt in any relevant Thesis securities or relevant Topco securities (as applicable) during the Disclosure Period.

- 4.2.2 Save as disclosed above, none of Bidco, any member of the Bidco Group, any Bidco Directors, any close relatives of such directors or any related trusts and companies, nor any person acting in concert with Bidco, or any person with whom Bidco or any person acting in concert with Bidco has an arrangement, was interested, had any rights to subscribe or had any short positions in respect of, directly or indirectly, any relevant Thesis securities on the disclosure date, nor has any such person dealt in any relevant securities during the Disclosure Period.
- 4.2.3 Neither Thesis nor any person acting in concert with Thesis has borrowed or lent any relevant Thesis securities during the Disclosure Period, save for any borrowed shares which have either been on-lent or sold.
- 4.2.4 Neither Bidco nor any person acting in concert with Bidco has borrowed or lent any relevant Thesis securities during the Disclosure Period, save for any borrowed shares which have either been on-lent or sold.
- 4.2.5 Save as disclosed in paragraph 11 of Part 2 of this document and paragraph 7.1.1(c) of Appendix III to this document, neither Thesis, nor any person acting in concert with it, has any Note 11 arrangement with any other person.
- 4.2.6 Neither Bidco, nor any person acting in concert with it, has any Note 11 arrangement with any other person.
- 4.2.7 Save for transfers by Beneficial Owners of part of their beneficial interests in Ordinary Shares to one or more family members which the Thesis Directors understand to have been for nil consideration in each case, there have been no transactions in the Ordinary Shares which have taken place in the six months preceding the disclosure date.

5 IRREVOCABLE COMMITMENT LETTERS

- 5.1 Bidco has received Irrevocable Commitment Letters executed in its favour by the following Thesis Directors and their Interested Persons who each beneficially own Ordinary Shares:

<i>Name of Thesis Director or related person</i>	<i>Number of Ordinary Shares in respect of which undertaking is given</i>	<i>Percentage of Thesis' issued Ordinary Shares</i>
Anthony Edwards	26,876	3.3595%
Stephen Richards	16,126	2.01575%
Susan Jones	8,062	1.00775%
Jessica Richards	1,344	0.1680%
Georgia Richards	1,344	0.1680%
Total:	53,752	6.719%

- 5.2 Bidco has received Irrevocable Commitment Letters executed in its favour by the following other persons who beneficially own Ordinary Shares:

<i>Name of Beneficial Owner</i>	<i>Number of Ordinary Shares in respect of which undertaking is given</i>	<i>Percentage of Thesis' issued Ordinary Shares</i>
Amanda Farren (nee King-Jones)	6,719	0.839875%
John Farren	20,157	2.519625%
Thomas McKeown	12,071	1.508875%

Jean McKeown	12,071	1.508875%
Daniel Bastide	22,028	2.7535%
John Stapleton	22,876	2.8595%
David Stapleton	2,000	0.25%
Richard Kyrke	13,438	1.67975%
Jacqueline Kyrke	13,438	1.67975%
Jeremy Wootton	13,438	1.67975%
Caroline Wootton	13,438	1.67975%
John Kittow & Stephanie Kittow	26,876	3.3595%
Total:	178,550	22.31875%

5.3 All of the Ordinary Shares are registered in the name of the Trustee and are held on bare trust for the benefit of the Beneficial Owners. The Irrevocable Commitment Letters referred to above therefore comprise commitments from the Beneficial Owners to instruct the Trustee to:

- (a) accept the Offer and, subject to the Offer becoming or being declared unconditional in all respects in accordance with its terms, exercise the Drag Right by serving a Drag Notice pursuant to Article 14; and
- (b) vote in favour of the Resolution relating to the Management Arrangements at the General Meeting,

in each case in respect of the Ordinary Shares beneficially owned by him/her. Pursuant to the Trustee Confirmation Letter dated 19 June 2017 from the Trustee to Bidco, the Trustee has confirmed to Bidco that, on receipt of a Letter of Instruction from a Beneficial Owner, and subject to certain conditions, it will on behalf of that Beneficial Owner (i) accept the Offer, (ii) grant the Drag Authority to Bidco and (iii) vote in favour of the Resolution relating to the Management Arrangements at the General Meeting, in each case in respect of the Committed Shares beneficially owned by the relevant Beneficial Owner from which it has received the Letter of Instruction.

5.4 The obligations contained in the Irrevocable Commitment Letters will lapse and cease to have effect if:

- (a) the Offer lapses or is withdrawn by Bidco (in each case, for whatever reason) before the end of the period of 5 Business Days after the despatch to Shareholders of this document; or
- (b) Bidco or a member of the Bidco Group confirms that it wishes or they wish to terminate the Irrevocable Commitment Letter.

5.5 Accordingly, Bidco has received Irrevocable Commitment Letters in its favour in respect of a total of 232,302 Ordinary Shares which, in aggregate, represent approximately 29.04 per cent. of the issued Ordinary Shares as at the Latest Practicable Date.

6 DIRECTORS' TERMS OF SERVICE

6.1 Executive Directors

(a) *David Tyerman*

David Tyerman entered into an employment agreement dated 12 December 2008 with Thesis in respect of his appointment as Managing Director of Thesis, which commenced on 1 November 2007 and which will continue (subject to earlier termination as provided in such employment agreement) until terminated by either party giving the other not less than 6 calendar months' previous notice or David Tyerman's 65th birthday.

David Tyerman is currently entitled to a salary of £227,500 per annum (payable in equal monthly instalments in arrears) which is reviewed annually in July each year and Thesis is required to make annual contributions to David Tyerman's personal pension plan at the rate of 7.5% of his salary (as amended from time to time). Thesis is also required to effect and maintain insurance to provide the following benefits to David Tyerman (subject to the rules of the relevant scheme(s)): (i) 4 times annual salary at the date of death in service (subject to any insurer's cap), (ii) private medical insurance for himself, his spouse and minor children, (iii) permanent health insurance to provide insurance cover at 75% of base salary (or the maximum level of cover provided by Thesis' insurers, whichever is the lower). In addition to public holidays, David Tyerman is entitled to 30 days' holiday a year. If he is absent from duties due to illness, accident or other incapacity, David Tyerman will be paid his full remuneration for up to 13 weeks' absence in any period of 12 consecutive months and thereafter at such remuneration (if any) as the Board shall (in its discretion) allow.

In addition, David Tyerman is entitled to a performance-related bonus equal to 3% of Thesis Group profits subject to a cap and a hurdle which increases from a base of £1.4m by a factor each year.

The employment agreement includes 6 month post-termination 'non-compete' covenants, covenants not to solicit or deal with customers of the Thesis Group, non-solicitation of employees and non-interference with suppliers.

(b) *Stephen Mugford*

Stephen Mugford entered into an employment agreement dated 15 March 2012 with Thesis in respect of his appointment as Finance Director of Thesis, which took effect from 30 June 2012 and which will continue (subject to earlier termination as provided in such employment agreement) until terminated by either party giving the other not less than 6 months' notice.

Stephen Mugford is currently entitled to a salary of £136,242 per annum (payable in equal monthly instalments in arrears) which is reviewed annually in July each year and Thesis is required to pay up to a maximum of 7.5% of his salary into the Thesis Group Personal Pension Plan (subject to him matching such contribution on a 'like for like' basis). Thesis is also required to provide the following benefits to Stephen Mugford (subject to the rules of the relevant scheme(s)): (i) life assurance cover for a sum equivalent to up to 4 times prevailing annual salary (excluding any bonus payment), (ii) permanent health insurance and (ii) membership under the Thesis group medical insurance scheme. In addition to public holidays, Stephen Mugford is entitled to 30 days' holiday a year. If he is absent from duties due to sickness, Stephen Mugford will (as a result of over 5 years' service) be paid his full salary for 3 months and half his salary for an additional 3 months.

In addition, Stephen Mugford is entitled to a performance-related bonus equal to a percentage of his base salary, the precise percentage being determined, in part, by reference to the annual profit contribution of the Thesis Group relative to the comparable prior year performance. The maximum achievable is 25% of salary. A set

of corrector measures, in the form of a balance score card, will be applied to the Group FD's bonus to ensure that the desired behaviours are being met. Any amounts awarded, subject to a de minimis, are subject to an element of retention, vesting after 3 years.

(c) *Gregory Dalton*

Gregory Dalton entered into an employment agreement dated 29 September 2007 with Thesis in respect of his appointment as Operations Director of Thesis, which took effect from 15 October 2007 and which will continue (subject to earlier termination as provided in such employment agreement) until terminated by either party giving the other not less than 12 weeks' notice.

Gregory Dalton is currently entitled to a salary of £139,146 per annum (payable in equal monthly instalments in arrears) which is reviewed annually in July each year and Thesis is required to pay up to a maximum of 7.5% of his salary into the Thesis Group Personal Pension Plan (subject to him matching such contribution on a 'like for like' basis). Thesis is also required to provide the following benefits to Greg Dalton (subject to the rules of the relevant scheme(s)): (i) life assurance cover for a sum equivalent to up to 4 times prevailing annual salary (excluding any bonus payment), (ii) permanent health insurance and (iii) family membership under the Thesis group medical insurance scheme. In addition to public holidays, Greg Dalton is entitled to 30 days' holiday a year. If he is absent from duties due to sickness, Greg Dalton will (as a result of over 5 years' service) be paid his full salary for 3 months and half his salary for an additional 3 months.

In addition, Gregory Dalton is entitled to a performance-related bonus equal to a percentage of his base salary for every complete 1% that Thesis' annual profit contribution exceeds 85% of prior year figure. The annual profit contribution is defined as being the profit before tax of Thesis. This calculation excludes any amounts received into Thesis in the form of management charges from subsidiaries and any overheads incurred in Thesis but attributable to those subsidiaries whether formally recharged or not. The maximum bonus available under this scheme is 50% of salary. This is then adjusted by a balance score card aimed at achieving specific targets of behaviour and performance for the year. Any amounts awarded, subject to a de minimis, are subject to an element of retention, vesting after 3 years.

(d) *Antony Gammon*

Antony Gammon entered into an employment agreement dated 8 August 2011 with Thesis in respect of his appointment as a Director of Thesis, which took effect from 1 July 2011 and which will continue (subject to earlier termination as provided in such employment agreement) until terminated by either party giving the other not less than 180 days' notice.

Antony Gammon is currently entitled to a salary of £118,194 per annum (payable in equal monthly instalments in arrears) which is reviewed annually in July each year and Thesis is required to pay up to a maximum of 7.5% of his salary into the Thesis Group Personal Pension Plan (subject to him matching such contribution on a 'like for like' basis). Thesis is also required to provide the following benefits to Antony Gammon (subject to the rules of the relevant scheme(s)): (i) life assurance cover for a sum equivalent to up to 4 times prevailing annual salary (excluding any bonus payment), (ii) permanent health insurance and (iii) family membership under the Thesis group medical insurance scheme. In addition to public holidays, Antony Gammon is entitled to 30 days' holiday a year. If he is absent from duties due to sickness, Antony Gammon will (as a result of over 5 years' service) be paid his full salary for 3 months and half his salary for an additional 3 months.

In addition, Antony Gammon participates in the Private Client and Institutional Bonus Scheme. The bonus pool is formed as a function of 24% of the combined net revenue from the participating teams. This is then reduced by an amount equal to total fixed

remuneration, such as salaries, and adjusted by a balanced score card. The latter is aimed at focusing staff on specific behaviour and performance targets for the year. Any amounts awarded, subject to a de minimis, are subject to an element of retention, vesting after 3 years.

6.2 **Non-Executive Directors**

(a) *Anthony Edwards*

Anthony Edwards was re-appointed as a director of Thesis by a resolution of the Beneficial Owners passed on 18 February 2016, pursuant to which it was agreed that he continue in office as a director for a further term of 3 years from 1 May 2016 and be entitled to a fee of £50,000 per annum (payable in equal monthly instalments in arrears).

(b) *Stephen Richards*

Stephen Richards entered into an appointment letter dated 14 November 2014 with Thesis in respect of his appointment as a non-executive director of Thesis for an initial term of 3 years commencing on 1 May 2014, unless terminated by either party giving to the other 1 month's prior written notice. The appointment letter anticipates that Stephen Richards will spend a minimum of 18 days per annum providing services to Thesis and he is currently entitled to a fee of £30,000 per annum (payable in equal monthly instalments in arrears) which is subject to review by the Remuneration Committee of the Board of Directors of Thesis.

(c) *Michael Hughes*

Michael Hughes entered into an appointment letter dated 8 January 2016 with Thesis in respect of his appointment as a non-executive director of Thesis for an initial term of 1 year commencing on 1 February 2016 (extended by resolution of the board of Thesis Directors on 21 March 2017, so as now to expire on 30 April 2019), unless terminated by either party giving to the other 1 month's prior written notice. The appointment letter anticipates that Michael Hughes will spend a minimum of 24 days per annum providing services to Thesis and he is currently entitled to a fee of £30,000 per annum (payable in equal monthly instalments in arrears) which is subject to review by the Remuneration Committee of the Board of Directors of Thesis.

(d) *Anne Gilbert*

Anne Gilbert entered into an appointment letter dated 16 December 2011 with Thesis in respect of her appointment as a non-executive director of Thesis commencing on 3 January 2012 and continuing thereafter until terminated by either party giving to the other not less than 3 months' prior written notice or until requested to resign by the Board of Directors of Thesis. The appointment letter anticipates that Anne Gilbert will spend a minimum of 24 days per annum on work for Thesis and she is currently entitled to a fee of £40,000 per annum (payable in equal monthly instalments in arrears).

6.3 Save as disclosed above, there are no service agreements or letters of appointment in force between any Thesis Director or proposed Thesis Director and any member of the Thesis Group and no such service agreement or letter of appointment has been entered into or amended within the six months preceding the date of this document.

6.4 Save as disclosed above (and save for any other statutory compensation and payment in lieu of notice), none of the service contracts or letters of appointment provide for compensation or other benefits upon early termination.

6.5 Save as disclosed above, none of the service contracts or letters of appointment provide for commission or profit sharing arrangements.

7 BIDCO GROUP MATERIAL CONTRACTS

The following contracts have been entered into by members of the Bidco Group otherwise than in the ordinary course of its business in the two year period prior to the commencement of the Offer Period.

7.1.1 *Joint Bidding Deed*

On 19 June 2017, Topco, Midco, Bidco, each of the LGT Funds, each of the Ventiga Members, J. Leon and each member of the Management Team entered into the Joint Bidding Deed which governs the terms on which the parties propose to implement the Acquisition. Amongst other matters, the Joint Bidding Deed contains the following provisions:

- (a) subject to certain other terms, each of the LGT Funds, J. Leon, the Ventiga Members and certain members of the Management Team agrees to subscribe for (either directly or via one or more special purpose vehicles which are controlled by them and/or their connected persons), and Topco agrees to issue, the following number of shares in Topco on the Unconditional Date, for the purposes of part funding Bidco's acquisition of all the issued and to be issued Ordinary Shares pursuant to the Offer:
 - (i) LGT Funds and Ventiga Members: up to 474,924 A ordinary shares for a total subscription price of £474,924 and up to 22,493,390 preference shares for a total subscription price of £22,493,390;
 - (ii) J. Leon: up to 239,248 B ordinary shares for a total subscription price of £239,248 and up to 11,331,256 preference shares for a total subscription price of £11,331,256;
 - (iii) David Tyerman: 718,770 preference shares for a total subscription price of £718,770; and
 - (iv) Stephen Mugford: 136,914 preference shares for a total subscription price of £136,914;
- (b) as soon as reasonably practicable and in any event prior to the Unconditional Date, the parties undertake to use their reasonable endeavours to negotiate and agree the terms of certain transaction documents which are required in order to document the arrangements set out in the equity term sheet scheduled to the Joint Bidding Deed. Such transactional documents are to be entered into on the Unconditional Date. Failure however to agree the terms of any such documents, or to execute or adopt the same, does not affect the parties' obligations to subscribe for the relevant shares in Topco as set out above, and in such circumstances the equity term sheet scheduled to the Joint Bidding Deed is deemed to govern the parties' respective rights and obligations in respect of Topco and its group. Each of the parties to the Joint Bidding Deed also give certain undertakings to enter into, or procure that the relevant parties enter into, the Tutman LLP Acquisition Agreement on the Unconditional Date;
- (c) the Joint Bidding Deed contains certain undertakings given by David Tyerman and Stephen Mugford in relation to the exercise of their Thesis Options immediately prior to the Offer becoming, or being declared, unconditional in all respects, and undertakings from them to sell their resulting Ordinary Shares to Bidco pursuant to the Offer; and
- (d) the Joint Bidding Deed also contains warranties in relation to the Thesis Group given by each member of the Management Team in favour of the Ventiga Members and J. Leon.

7.1.2 *Senior Facilities Agreement*

On 19 June 2017, Finco (as Borrower) entered into a senior term and revolving facilities agreement (the "**Senior Facilities Agreement**") with, amongst others, the Lenders, the

Security Agent and the Agent for the purpose of financing, in part, the cash consideration payable for Bidco to acquire the shares in Thesis. The amount available from the Lenders to fund such acquisition under the Senior Facilities Agreement is £18,200,000 and this is provided under the term facility A (the "**Facility A Loan**").

Under the terms of the Senior Facilities Agreement, the funds provided under the Facility A Loan are repayable on 1 August 2024. The rate of interest for the Facility A Loan is equal to the aggregate of LIBOR (with a 1% per annum floor) and a margin of 7% per annum (subject to a margin ratchet which may, on and from the first anniversary of the date of the completion of the Acquisition in accordance with the terms of this document, reduce the margin to 6.75% per annum where the gross leverage (the ratio of total debt of the group (being Midco and its subsidiaries (the "**Midco Group**")) to annualised adjusted EBITDA of the Midco Group is equal to or less than 3.25:1). Interest is payable at the end of the relevant interest period, at Finco's option, being one, two or three months or any other period agreed between Finco and the Agent.

The Senior Facilities Agreement contains certain financial covenants to be complied with by the group companies for each period of 12 months ending on or about the last day of the financial year and each period of 12 months ending on or about the last day of each financial quarter (each a "**Relevant Period**") starting with the quarter ending 31 October 2017. The relevant financial covenants applicable to the Midco Group are:

- (a) cash flow cover (the ratio of cashflow to debt service) – not to be less than 1:1;
- (b) adjusted net leverage (ratio of total net debt to annualised adjusted EBITDA) – not be greater than 4.06:1 (as at 31 October 2017) and gradually decreasing for each Relevant Period until it reaches 2.25:1 for the quarter ending 30 April 2019 and thereafter;
- (c) minimum EBITDA – not to be less than £2,500,000; and
- (d) capital expenditure of the group – subject to a carry forward mechanism, not to be more than £1,235,000 for the financial year ending 30 April 2018 and £500,000 for each financial year thereafter.

The Senior Facilities Agreement contains information and accounting undertakings including, but not limited to, delivery to the Agent of annual, quarterly and monthly financial statements, an annual budget, annual presentations, quarterly management briefings, notifications of any defaults and notifications of any litigation, regulatory, arbitration and or administrative proceedings in excess of £250,000.

The Senior Facilities Agreement contains certain general undertakings including, but not limited to, obtaining necessary authorisations, compliance with laws, compliance with sanctions, payment of taxes at the prescribed times, preservation of assets, no change in business, restrictions on certain acquisitions, joint ventures, negative pledge, making certain disposals, incurring indebtedness, making dividends and providing loans and guarantees and certain restrictions and information requirements relating specifically to regulated group companies, maintaining insurance and funding pensions as required.

7.1.3 Debenture

On 19 June 2017, Bidco, Midco and Finco entered into the Debenture in favour of the Security Agent under which they have provided security over all of their assets (including the shares of Finco owned by Midco from time to time). The Security Agent is appointed by, amongst other parties, the Lenders to hold the assets subject to the security under the Debenture for their benefit to secure, amongst other obligations, those under the Senior Facilities Agreement. Upon the acquisition by Bidco of the shares in Thesis, such shares will become subject to security granted by Bidco under the Debenture.

7.1.4 *Security Interest Agreements*

On 19 June 2017, Bidco entered into the Bidco Security Interest Agreement in favour of the Security Agent under which it has provided security over substantially all of its assets (subject to certain limitations under Jersey law). The Security Agent is appointed by, amongst other parties, the Lenders to hold the assets subject to the security under the Bidco Security Interest Agreement for their benefit to secure, amongst other obligations, those under the Senior Facilities Agreement.

On 19 June 2017, Midco entered into the Midco Security Interest Agreement in favour of the Security Agent under which it has provided security over the shares in Bidco owned by Midco from time to time, together with related rights in respect of that asset (subject to certain limitations under Jersey law). The Security Agent is appointed by, amongst other parties, the Lenders to hold the assets subject to the security under the Midco Security Interest Agreement for their benefit to secure, amongst other obligations, those under the Senior Facilities Agreement.

7.1.5 *Intercreditor Agreement*

On 19 June 2017, Finco, Topco and the Lender, amongst others, entered into the Intercreditor Agreement. The Intercreditor Agreement provides for, amongst other matters, the subordinated loans made available by Topco to Midco, Midco to Bidco and Finco to Bidco to be subordinated to the claims of the Lenders under the finance documents (including the Senior Facilities Agreement) and provides that amounts due under the subordinated loans may only be repaid to the extent permitted under the Intercreditor Agreement. In addition, the Intercreditor Agreement provides that hedging arrangements which may be entered into by Finco (up to a £1,000,000 cap to the extent such liabilities are in respect of interest rate hedging) should rank in priority to the claims of the Lenders under the senior finance documents.

8 **FINANCING ARRANGEMENTS**

The cash consideration payable to Shareholders pursuant to the Offer will be provided by Bidco indirectly from the subscription for equity under the Joint Bidding Deed and drawdown under the Senior Facilities Agreement. Please refer to paragraph 7.1 of this Appendix III which sets out further information regarding these agreements.

PwC, as financial adviser to Bidco, is satisfied that sufficient resources are available to Bidco to satisfy in full the consideration payable to Shareholders under the terms of the Offer.

9 **SIGNIFICANT CHANGE**

There has been no significant change in the financial or trading position of the Thesis Group since 30 October 2016, being the date to which the Finance section of the Report to Stakeholders Half-Year 2016/2017 was prepared.

10 **RATINGS INFORMATION**

10.1 There are no current ratings or outlooks publicly accorded to Thesis or to any other members of the Thesis Group by rating agencies.

10.2 There are no current ratings or outlooks publicly accorded to Bidco or to any other members of the Bidco Group by ratings agencies.

11 **BASES OF CALCULATIONS AND SOURCES OF INFORMATION**

11.1 Unless otherwise stated, information relating to Thesis has been extracted from:

- (a) the relevant published audited reports and accounts of Thesis; and
- (b) the Finance section of the Report to Stakeholders Half-Year 2016/2017.

- 11.2 Unless otherwise stated, all information relating to funds under management has been stated as at 30 October 2016.
- 11.3 Unless otherwise stated, information relating to the Bidco Group has been provided by the Bidco Directors.
- 11.4 The value of all the issued Ordinary Shares of Thesis is based on:
- (a) 800,000 Ordinary Shares, 926,000 Non-Voting A Shares and 154,000 Non-Voting B Shares in issue as at the Latest Practicable Date; and
 - (b) 50,856 Ordinary Shares in respect of outstanding awards under the Thesis Share Option Plan as at the Latest Practicable Date which may vest and are expected to be exercised as part of the Acquisition.
- 11.5 References in this document to a percentage of Ordinary Shares are based on a number of Ordinary Shares in issue as set out in paragraph 11.4 above.

12 **OTHER INFORMATION**

- 12.1 Save as disclosed in this document, there are no arrangements in relation to dealings which exist between Thesis or any person acting in concert with Thesis and any other person.
- 12.2 Save as set out in this document, no agreement, arrangement or understanding (including any compensation arrangement) exists between Bidco or any person acting in concert with it and any of the Thesis Directors, or any recent directors, shareholders or recent shareholders of Thesis or any person interested or recently interested in Ordinary Shares, having any connection with, or dependence upon, the Offer.
- 12.3 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Thesis Shares acquired by Bidco in pursuance of the Offer will be transferred to any other person, save that Bidco reserves the right to transfer any such Thesis Shares to any member of the Bidco Group or any investor in Bidco.
- 12.4 Save as disclosed in this document, the total emoluments of the current Thesis Directors will not be affected by the Acquisition or by any other associated transactions.
- 12.5 Evercore has given and has not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear. Evercore is authorised and regulated by the Financial Conduct Authority in the United Kingdom.
- 12.6 PwC has given and not withdrawn its written consent to the issue of this document with the inclusion of the references to its name in the form and context in which they appear. PwC is authorised and regulated by the Financial Conduct Authority in the United Kingdom.
- 12.7 Settlement of the consideration to which each Shareholder is entitled under the Offer will be implemented in full in accordance with the terms of the Offer without any regard to any lien or right of set-off, counter claim or other analogous right of which any member of the Bidco Group may otherwise be, or claim to be, entitled against such Shareholder.
- 12.8 Save as disclosed in this document, the Thesis Directors are not aware of any material change in relation to any material information previously published by or on behalf of Thesis during the Offer Period.
- 12.9 Save as disclosed in this document, the Bidco Directors are not aware of any material change in relation to any material information previously published by or on behalf of Bidco during the Offer Period.
- 12.10 Save as disclosed in this document, no proposal exists in connection with the Acquisition that any payment or other benefit shall be made or given by Bidco to any Thesis Directors as

compensation for loss of office or as consideration for, or in connection with, their retirement from office.

12.11 Save as set out under the heading 'Bidco Confirmation Letter' in paragraph 12 (Offer Related Arrangements) of Part 2 of this document, there are no agreements or arrangements to which Bidco is a party which relate to the circumstances in which it may or may not invoke or seek to invoke a Condition to the Offer.

12.12 Save for the Irrevocable Commitment Letters described in paragraph 4 of this Appendix III, neither Bidco, nor any person acting in concert with Bidco, nor Thesis, nor any person acting in concert with Thesis, has any arrangement (including any indemnity or option arrangement), agreement or understanding, formal or informal, of whatever nature relating to relevant Thesis securities or relevant Topco securities, which may be an inducement to deal or refrain from dealing, with any other person.

13 **FEES AND EXPENSES**

13.1 The aggregate fees and expenses which are expected to be incurred by Bidco in connection with the Acquisition are estimated to amount to approximately £4,205,000 (exclusive of applicable VAT). This aggregate amount comprises of the following (in each case excluding applicable VAT):

- (a) financing arrangements: approximately £1,689,000;
- (b) financial and corporate broking advice: approximately £550,000;
- (c) accounting and tax advice: approximately £165,000;
- (d) legal advice: approximately £820,000;
- (e) other professional services: approximately £714,000; and
- (f) other costs and expenses: approximately £267,000.

13.2 The estimated aggregate fees and expenses expected to be incurred by Thesis in connection with the Acquisition are estimated to amount to approximately £777,500 (exclusive of applicable VAT). This aggregate amount comprises of the following (in each case excluding applicable VAT):

- (a) financial and corporate broking advice: approximately £435,000;
- (b) legal advice: approximately £335,000;
- (c) accounting advice: approximately £Nil;
- (d) other professional services: approximately £Nil; and
- (e) other costs and expenses (including Data Room agent's fees): approximately £7,500.

14 **DOCUMENTS AVAILABLE FOR INSPECTION**

Copies of the following documents will be published on Thesis' website (<http://www.thesis-plc.com/>) whilst the Offer remains open for acceptances:

- (a) the Announcement;
- (b) the Articles;
- (c) Thesis' financial information incorporated by reference;

- (d) a copy of the written consent from Evercore referred to at paragraph 12.5 of this Appendix III;
- (e) a copy of the written consent from PwC referred to at paragraph 12.6 of this Appendix III;
- (f) the Irrevocable Commitment Letters;
- (g) the Joint Bidding Deed;
- (h) the J. Leon Confidentiality Agreement;
- (i) the Ventiga Confidentiality Agreement;
- (j) the Bidco Confirmation Letter;
- (k) the Trustee Confirmation Letter;
- (l) the Senior Facilities Agreement;
- (m) the Debenture;
- (n) the Security Interest Agreements;
- (o) the Intercreditor Agreement; and
- (p) this document, the Form of Acceptance and the Form of Proxy.

APPENDIX IV DEFINITIONS

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

"Acceptance Condition" means the condition as to acceptances of the Offer set out in paragraph 1(a) of Section A of Appendix I to this document.

"ACD" means Authorised Corporate Director.

"Acquisition" means the Offer, the Non-Voting Shares Acquisition and the Tutman LLP Acquisition.

"Additional Amount" has the meaning given to it in paragraph 2 of Part 1 of this document.

"Agent" means European Capital Fund Management Limited.

"Announcement" means the announcement of Bidco's firm intention to make the Offer pursuant to Rule 2.7 of the Takeover Code, dated 20 June 2017.

"Articles" means the articles of association of Thesis, as adopted by a special resolution passed on 13 October 2015.

"Authority" means any government or governmental, quasi-governmental, supranational, statutory or regulatory body, court, trade agency, professional association or any other person or body in any jurisdiction.

"Authorisations" means regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions or approvals.

"Beneficial Owners" means the beneficial owners of all of the Ordinary Shares in issue at the date of this document (all of whose Ordinary Shares are registered in the name of the Trustee) pursuant to a deed of appointment dated 7 May 2015 executed by (1) the Trustee and (2) the persons named therein as beneficiaries (the **"Original Beneficiaries"**) and any person in whose favour any Original Beneficiary shall have executed a declaration of trust in respect of any of the Ordinary Shares beneficially owned by such Original Beneficiary.

"Bidco" means Regit Bidco Limited, a company incorporated under the laws of Jersey with registered number 123560 and whose registered office address is at 47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands.

"Bidco Confirmation Letter" means the confirmation and undertaking letter from Bidco to the Independent Directors dated 19 June 2017, as described in paragraph 12 of Part 2 of this document.

"Bidco Directors" means Vincent Smith, Alexander Church, Carl (Nicolás) Gabran and Daniel Mytnik, being directors of Bidco as at the date of this document.

"Bidco Group" means Bidco and its parent undertakings and subsidiary undertakings (which shall, for the purposes of this definition, include Topco and Finco).

"Bidco Security Interest Agreement" means the Jersey law security interest agreements dated 19 June 2017 entered into by Bidco in favour of the Security Agent, as described in paragraph 7.1.4 of Appendix III to this document.

"Business Day" means any day (other than a Saturday, Sunday or public holiday) on which clearing banks in the City of London are generally open for the transaction of normal Sterling banking business.

"CMA" means the Competition and Markets Authority.

"Committed Shares" has the meaning given to it in paragraph 11 of Part 2 of this document.

"Companies Act" means the Companies Act 2006, as amended.

"Company" or **"Thesis"** means Thesis Asset Management plc, a company incorporated in England and Wales with registered number 01802101 and whose registered office is at Exchange Building, St. Johns Street, Chichester, West Sussex, PO19 1UP.

"Compelled Shareholder" has the meaning given to it in paragraph 2 of Part 1.

"Conditions" means the conditions to the Offer set out in Section A of Appendix I to this document.

"Consortium" means J. Leon, the Ventiga Members and the Management Team.

"Dealing Disclosure" has the same meaning as in Rule 8 of the Takeover Code.

"Data Room" means the virtual data room of documentation relating to the Thesis Group as at 11.59 p.m. on 15 June 2017 hosted by Ansarada relevant to and for the Acquisition.

"Debenture" means the English law debenture dated 19 June 2017 entered into by Bidco, Midco and Finco in favour of the Security Agent, as described in paragraph 6 of Appendix III to this document.

"Directors" or **"Thesis Directors"** means the directors of Thesis at the date of this document and any one of them as the context may require.

"Disclosed" means information that has been fairly disclosed (i) in Thesis' annual report and accounts for the year ended 30 April 2016, (ii) in the Data Room, (iii) in writing (including by email) by Thesis to any member of the Bidco Group prior to the date of the Announcement or (iv) in the Announcement.

"Drag Authority" means (i) the appointment of Bidco as an accepting Shareholder's attorney to exercise the Drag Right, (ii) the nomination of Bidco to exercise certain elements of the Drag Right in the event that a Compelled Shareholder fails to accept the Offer and (iii) the assignment of the Drag Right to Bidco, in each case in accordance with paragraph 1.5 of Section C of Appendix III to this document.

"Drag Authority Condition" means the condition regarding the Drag Authority as set out in paragraph 1(b) of Section A of Appendix I to this document.

"Drag Notice" means the 'Offer Notice' (as defined in the Articles) which may be served on Compelled Shareholders in the event that the Acceptance Condition is declared satisfied, in accordance with Article 14 of the Articles.

"Drag Right" means all the rights and powers of Accepting Shareholders (as defined in the Articles) set out in Article 14 of the Articles, including but not limited to the right to exercise the 'Offer Option' (as defined in the Articles) and to nominate any person in the circumstances set out in Article 14.8 to be the agent and attorney of a defaulting Compelled Shareholder to take all necessary steps and to execute all necessary documents on his behalf.

"EBITDA" means earnings before interest, tax, depreciation and amortisation. EBITDA for the financial year ended 30 April 2016 was £4.3 million.

"EUMR" means Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings.

"Evercore" means Evercore Partners International LLP, Rule 3 Adviser to the board of Thesis.

"Facility A Loan" has the meaning given to it in paragraph 7.1.2 of Appendix III to this document.

"FCA" means the Financial Conduct Authority.

"FCA Change of Control Approval Condition" means the condition regarding the approval of the FCA as set out in paragraph 1(d) of Section A of Appendix I to this document.

"Finco" means Regit Finco Limited, a company incorporated under the laws of England and Wales with registered number 10700999 and whose registered office address is at 32 Hampstead High Street, London, United Kingdom, NW3 1JQ.

"First Closing Date" means 21 July 2017, being the date which falls 21 days after the posting of this document.

"First Payment Date" means the date on or following the Unconditional Date on which Bidco makes the first payment of the Offer consideration to Shareholders who have validly accepted the Offer on or before the Unconditional Date (and not, for the avoidance of doubt, any later date of any subsequent payments of Offer consideration to Shareholders who accept the Offer after the Unconditional Date).

"Form of Acceptance" means the form of acceptance and authority relating to the Offer accompanying this document.

"Form of Proxy" means the form of proxy for use at the General Meeting.

"FSMA" means the Financial Services and Markets Act 2000, as amended.

"General Meeting" means the general meeting of Thesis (or any adjournment thereof) convened pursuant to Rule 16 of the Takeover Code at which the Resolution will be proposed, notice of which is set out in Appendix V to this document.

"Headline Value" means the estimated aggregate consideration to be paid to the Shareholders for all issued and to be issued Ordinary Shares (based on the aggregate consideration to be paid for each Ordinary Share as set out in paragraph 2 of Part 1 of this document), the Non-Voting A Shareholder for all issued Non-Voting A Shares and the Non-Voting B Shareholder for all issued Non-Voting B Shares.⁸

"Immediate Relations" means, in relation to a director, his spouse or civil partner and any child or step-child of his under the age of 18 years.

"Incentive Arrangements" means the equity participation arrangements in relation to Topco (or its subsidiaries) by way of subscription for D ordinary shares in Topco (or Subsidiary Performance Shares), being made available to the Management Team and certain executives of the Thesis Group, as more particularly in paragraph 9 of Part 1 of this document.

"Independent Directors" means Anthony Edwards, Anne Gilbert, Michael Hughes and Stephen Richards, each a director of Thesis.

"Independent Shareholders" all Shareholders other than any member of the Management Team who holds Ordinary Shares.

"Intercreditor Agreement" means the intercreditor agreement dated 19 June 2017 entered into by, amongst others, Finco, Topco and the Lender, as described in paragraph 7.1.5 of Appendix III to this document.

"Interested Persons" means, in relation to a director, his Immediate Relations and other persons (including, without limit, bodies corporate) whose interests that director is taken or treated as having by virtue of the application of Part 22 of the Companies Act.

"Irrevocable Commitment Letters" means the irrevocable commitment letters executed by certain Beneficial Owners in favour of Bidco in respect of an aggregate 232,302 Ordinary Shares, as described in paragraph 11 of Part 2 of this document and further details of which are set out in paragraph 5 of Appendix III to this document.

"J. Leon" means J. Leon & Company Limited, a company incorporated under the laws of England and Wales with registered number 00236976 whose registered address is at 32 Hampstead High Street London NW3 1JQ.

⁸ On the assumption that the First Payment Date is 7 August 2017. If the First Payment Date is before or after such date, the maximum aggregate consideration will be less or more than such amount as a result of the daily amount accruing and being payable only up until (and including) such First Payment Date.

"J. Leon Confidentiality Agreement" means the agreement dated 23 December 2016 entered into between J. Leon and Thesis, as described in paragraph 12 of Part 2 of this document.

"J. Leon Responsible Persons" means the persons described in paragraph 2.5 of Appendix III to this document.

"Joint Bidding Deed" means the agreement dated 19 June 2017 entered into between Topco, Midco, Bidco, each of the LGT Funds, each of the Ventiga Members, J. Leon and each member of the Management Team, as described in paragraph 6 of Part 2 and paragraph 7.1.1 of Appendix III to this document.

"Latest Practicable Date" means close of business on 29 June 2017, being the latest practicable date before publication of this document.

"Lenders" means European Capital UK SME Debt SARL and European Capital Private Debt SARL.

"Letter of Instruction" means:

- (a) in the case of Beneficial Owners who have executed Irrevocable Commitment Letters, a letter of instruction addressed to the Trustee in the form agreed with Bidco and reflecting the commitments of such Beneficial Owners in the Irrevocable Commitment Letters executed by them; or
- (b) in the case of Beneficial Owners who have not executed Irrevocable Commitment Letters, the letter of instruction addressed to the Trustee which will accompany this document for use by such Beneficial Owners.

"LGT Capital Partners" means LGT Capital Partners (Ireland) Limited, a company incorporated under the laws of Ireland with registered number 396995 whose registered address is at Third Floor, 30 Herbert Street, Dublin 2, Ireland.

"LGT Funds" means Crown Co-investment Opportunities plc, Crown Europe Small Buyouts IV plc, Crown Global Opportunities VI plc and Crown Premium Private Equity VI Master S.C.S. Sicav-FIS, being the private equity funds advised by LGT Capital Partners which will invest indirectly in Topco to fund part of the Acquisition.

"Listing Rules" means the rules and regulations made by the FCA in its capacity as the UKLA, and contained in the UKLA's publication of the same name.

"Management Arrangements" means the Incentive Arrangements and the arrangements being made available to the Management Team to be issued C ordinary shares, D ordinary and preference shares in Topco in consideration of the sale of their 45 per cent. interest in Tutman LLP as part of the Tutman LLP Acquisition and to subscribe for additional preference shares in Topco by reinvesting part of their proceeds of sale of their Ordinary Shares (arising on exercise of their Thesis Options) pursuant to the Offer, as more particularly described in paragraph 9 of Part 1 of this document.

"Management Arrangements Condition" means the condition as to approval by the Independent Shareholders of the Management Arrangements in accordance with the requirements of Rule 16 of the Takeover Code set out in paragraph 1(c) of Section A of Appendix I.

"Management Team" means David Tyerman, Stephen Mugford and Sarah Noone.

"Midco" means Regit Holdco Limited, a company incorporated under the laws of Jersey with registered number 123561 and whose registered office address is at 47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands.

"Midco Group" has the meaning given to it in paragraph 7.1.2 of Appendix III to this document.

"Midco Security Interest Agreement" means the Jersey law security interest agreements dated 19 June 2017 entered into by Midco in favour of the Security Agent, as described in paragraph 7.1.4 of Appendix III to this document.

"Non-Executive Directors" means Anthony Edwards, Anne Gilbert, Michael Hughes and Stephen Richards.

"Non-Voting A Shares" means the existing 926,000 unconditionally allotted and issued fully paid non-voting A ordinary shares of £1 each in the capital of Thesis.

"Non-Voting A Shareholder" means Rhealisation LLP, being the registered holder of the Non-Voting A Shares.

"Non-Voting B Shares" means the existing 154,000 unconditionally allotted and issued fully paid non-voting B ordinary shares of £1 each in the capital of Thesis.

"Non-Voting B Shareholder" means Rhealisation Enterprises Limited, being the registered holder of the Non-Voting B Shares.

"Non-Voting Shares Acquisition" means the acquisition of the Non-Voting Shares by Bidco pursuant to Article 16 of the Articles.

"Non-Voting Shares" means the Non-Voting A Shares and the Non-Voting B Shares.

"Non-Voting Shareholders" means the holders of Non-Voting Shares.

"Notice of General Meeting" means the notice of the General Meeting as set out in Appendix V to this document.

"Offer" means the recommended cash offer being made by Bidco for the Ordinary Shares (including any Ordinary Shares allotted or issued pursuant to the exercise of existing Thesis Options) in accordance with Part 28 of the Companies Act on the terms and subject to the Conditions set out in this document and the Form of Acceptance and, where the context so requires, any subsequent revision, variation extension or renewal of such offer.

"Offer Period" means the period commencing on the date of the Announcement and ending on the date that the Offer becomes or is declared wholly unconditional as to acceptances or the date on which the Offer lapses or is withdrawn (or such other date as the Panel may decide).

"Opening Position Disclosure" has the same meaning as in Rule 8 of the Takeover Code.

"Ordinary Shares" means the existing unconditionally allotted or issued and fully paid voting ordinary shares of £1 each in the capital of Thesis (which does not include the Non-Voting Shares).

"Panel" means the Panel on Takeovers and Mergers.

"pounds" or **"Sterling"**, **"£"**, **"pence"** means the lawful currency of the United Kingdom.

"PwC" means PricewaterhouseCoopers LLP, financial adviser to Bidco.

"Receiving Agent" means Neville Registrars Limited, in its capacity as receiving agent for the purposes of the Offer.

"Regulatory Information Service" or **"RIS"** means any of the services set out in Appendix I to the Listing Rules.

"Relevant Period" has the meaning given to it in paragraph 7.1.2 of Appendix III to this document.

"Resolution" means the ordinary resolution to be proposed to the Independent Shareholders at the General Meeting in accordance with the requirements of Rule 16 of the Takeover Code for the purposes of considering and, if thought fit, approving the Management Arrangements.

"Restricted Jurisdiction" means any jurisdiction where local laws or regulations may result in significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Shareholders in that jurisdiction.

"Rule 3 Adviser" means the advisor appointed in accordance with Rule 3 of the Takeover Code.

"SDRT" means UK stamp duty reserve tax.

"Security Agent" means European Capital Fund Management Limited.

"Security Interest Agreements" means the Bidco Security Interest Agreement and the Midco Security Interest Agreement.

"Senior Facilities Agreement" means the senior facilities agreement dated 19 June 2017 entered into between Finco (as borrower), the Lenders and the Security Agent, as described in paragraph 7.1.2 of Appendix III to this document.

"Shareholders" means holders of Ordinary Shares.

"subsidiary", "subsidiary undertaking", "associated undertaking" and "undertaking" have the meanings ascribed to them under the Companies Act.

"Subsidiary Performance Shares" means shares in members of the Bidco Group which certain executives of the Thesis Group may be invited to subscribe for, as detailed in paragraph 6 of Part 2 of this document.

"Takeover Code" means the City Code on Takeovers and Mergers.

"Third Party" or "Third Parties" means any central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, administrative, fiscal or investigative body, court, trade agency, association, institution, environmental body, employee representative body or any other body or person whatsoever in any jurisdiction.

"Thesis Group" means Thesis and its subsidiary undertakings (which shall, for the purposes of this definition, include Tutman LLP).

"Thesis Options" means options to acquire Ordinary Shares granted under or pursuant to the Thesis Share Option Plan.

"Thesis Option Holders" means participants who hold Thesis Options pursuant to the Thesis Share Option Plan.

"Thesis Shares" means the Ordinary Shares and Non-Voting Shares.

"Thesis Share Option Plan" means the Thesis EMI Share Option Plan 2016.

"Topco" means Regit Topco Limited, a company incorporated under the laws of Jersey with registered number 123559 and whose registered office address is at 47 Esplanade, St Helier, Jersey, JE1 0BD, Channel Islands.

"Trustee" means Thomas Eggar Trust Corporation Limited.

"Trustee Confirmation Letter" means the letter dated 19 June 2017 from the Trustee to Bidco, as described in paragraph 11 of Part 2 of this document.

"Tutman entities" means Tutman LLP and Tutman Ltd.

"Tutman LLP" means TUTMAN LLP, a limited liability partnership incorporated under the laws of England and Wales with registered number OC369415, whose registered address is at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP.

"Tutman LLP Acquisition" means the proposed acquisition by Tutman Ltd and Thesis of the 45 per cent. interest in Tutman LLP held by the Management Team, as detailed in paragraph 2 of Part 1 of this document.

“Tutman LLP Acquisition Agreement” means the agreement to be entered into between Tutman Ltd, Thesis, Topco, Tutman LLP and each member of the Management Team in relation to the Tutman LLP Acquisition, as described in paragraph 6 of Part 2 of this document.

“Tutman Ltd” means Thesis Unit Trust Management Limited, a limited liability company incorporated under the laws of England and Wales with registered number 03508646, whose registered address is at Exchange Building, St John's Street, Chichester, West Sussex PO19 1UP.

“Unconditional Date” means the date on which the Offer becomes or is declared unconditional in all respects.

“UK” or **“United Kingdom”** means United Kingdom of Great Britain and Northern Ireland.

“UKLA” means the FCA in its capacity as the competent authority for listing under FSMA.

“Ventiga” means Ventiga Capital Partners LLP, a limited liability partnership incorporated under the laws of England and Wales with registered number OC399253, whose registered address is at 1 Berkeley Street, London W1J 8DJ.

“Ventiga Confidentiality Agreement” means the agreement dated 23 December 2016 entered into between Ventiga and Thesis, as described in paragraph 12 of Part 2 of this document.

“Ventiga Members” means the persons described in paragraph 2.3 of Appendix III to this document.

“Voting Record Time” means 6.00 p.m. on 19 July 2017.

Unless otherwise stated, all times referred to in this document are references to the time in London.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

APPENDIX V
NOTICE OF GENERAL MEETING

THESIS ASSET MANAGEMENT PLC

(Registered in England and Wales with company number 01802101)

NOTICE IS HEREBY GIVEN that a general meeting of Thesis Asset Management plc ("**Thesis**") will be held at the offices of Irwin Mitchell LLP, Thomas Eggar House, Friary Lane, Chichester PO19 1UF on 21 July 2017 at 11.00 a.m. for the purpose of considering and, if thought fit, passing the following resolution which will be proposed as an ordinary resolution (the "**Resolution**"). Voting on the Resolution will be by way of a poll (rather than on a show of hands) by the Independent Shareholders (as defined in the offer document to shareholders of Thesis dated 30 June 2017, of which notice of the meeting at which this Resolution is to be proposed forms part (the "**Offer Document**")) for the purposes of Rule 16 of the City Code on Takeovers and Mergers (the "**Takeover Code**").

ORDINARY RESOLUTION

THAT, the Management Arrangements, summarised in the Offer Document, are hereby approved in, or substantially in, such form for the purposes of Rule 16 of the Takeover Code (and capitalised terms used in this Resolution are as defined in the Offer Document).

By order of the Board

Michael Paul Camps
Company Secretary

30 June 2017

Registered office:

Exchange Building
St. Johns Street
Chichester
West Sussex
PO19 1UP

Notes:

1. *Terms defined in the document of which this notice forms a part shall have the same meaning when used in this notice.*
2. *Voting at the General Meeting will be conducted on a poll and not a show of hands.*
3. *Shareholders are entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote on their behalf at the General Meeting, and a form of proxy which may be used to make such appointment and give proxy instructions accompanies this notice. A proxy need not be a shareholder of Thesis. Details of how to appoint the Chairman of the meeting or another person as a proxy are set out in the notes to the form of proxy. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.*
4. *A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. If a voting indication is given, your proxy will be obliged to vote in accordance with that indication. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.*
5. *If you wish to attend the meeting in person, please arrive at the venue for the meeting by no later than 10.45 a.m. Please bring the attendance card attached to the form of proxy which accompanies this notice of meeting with you to the meeting, to enable Thesis to register your attendance.*
6. *A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder.*
7. *To be valid any form of proxy and any power of attorney or other authority under which the proxy is appointed (or a notarially certified copy of such power or authority), must be received by post or (during normal business hours only) by hand at Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, B63 3DA no later than 11.00 a.m. on 19 July 2017, or 48 hours before the time of any adjourned meeting (excluding any day that is not a Business Day). If the form of proxies are not so lodged they shall not be valid.*
8. *If you do not have a form of proxy and believe that you should have one, or if you require additional forms, please contact Neville Registrars Limited on +44 (0)121 585 1131 (lines are open 9.00 a.m. to 5.00 p.m. (Monday to Friday). Should you wish to appoint more than one proxy, please photocopy the form indicating on each copy the name of the proxy you wish to appoint, the number of ordinary shares in respect of which the proxy is appointed and the way in which you wish them to vote on the resolution proposed. You should send all pages to Neville Registrars Limited at Neville House, 18 Laurel Lane, Halesowen, B63 3DA.*
9. *The return of a completed form of proxy will not prevent a shareholder attending the General Meeting and voting in person if he/she wishes to do so.*
10. *If you submit more than one valid proxy appointment in respect of the same share or shares, the appointment received last before the latest time for the receipt of proxies will take precedence.*
11. *In the case of joint holders of shares in Thesis, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which names of the joint holders appear in Thesis' register of members in respect of the joint holding.*
12. *Any corporation which is a member of Thesis can appoint one or more representatives to exercise its powers as a member, provided that they do not do so in relation to the same shares.*
13. *To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.*
14. *A copy of this notice can be found on Thesis' website, <http://www.thesis-plc.com/>.*