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FOR IMMEDIATE RELEASE

16 July 2019

KCOM GROUP PUBLIC LIMITED COMPANY

New date for shareholder meetings

On 3 June 2019, the boards of KCOM Group Public Limited Company ("**KCOM**") and MEIF 6 Fibre Limited ("**MEIF 6 Fibre**"), a wholly-owned indirect subsidiary of Macquarie Infrastructure Fund 6 SCSp (an investment fund managed by Macquarie Infrastructure and Real Assets (Europe) Limited), announced that they had reached agreement on the terms of a recommended cash offer pursuant to which MEIF 6 Fibre would acquire the entire issued and to be issued ordinary share capital of KCOM (the "**Acquisition**") for a consideration of 108 pence for each KCOM Scheme Share. It is intended that the Acquisition will be implemented by way of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**").

As a result of the auction procedure announced by the Takeover Panel on 4 July 2019 (the "**Auction Procedure**"), on 11 July 2019 the Court Meeting and General Meeting, which had been convened in order, to approve the Acquisition, were adjourned in order to allow the Auction Procedure to reach its conclusion.

On 12 July 2019 MEIF 6 Fibre announced a revised cash offer of 120.3 pence for each KCOM Scheme Share (the "**Revised Offer**"), which it is intended will be implemented by way of the Scheme. On the same date, KCOM announced that the KCOM Directors recommend unanimously that KCOM Shareholders vote in favour of the Scheme at the Court Meeting and in favour of the General Meeting Resolution to be proposed at the General Meeting, which meetings would be re-convened as soon as reasonably practicable.

New date for KCOM Meetings

KCOM announces today that the KCOM Directors have determined to reconvene the Court Meeting and the General Meeting as follows:

- the Court Meeting will reconvene at 11.00 a.m. on 26 July 2019, at the Kingston Suite, KCOM Stadium, Hull, HU3 6HU (the "**Reconvened Court Meeting**"); and

- the General Meeting will reconvene at 11.15 a.m. on 26 July 2019, at the Kingston Suite, KCOM Stadium, Hull, HU3 6HU (the "**Reconvened General Meeting**").

Notices of the Court Meeting and General Meeting were set out in Appendix 6 and Appendix 7 respectively to the scheme document posted to KCOM Shareholders on 18 June 2019 (the "**Scheme Document**"). No business may be transacted at the Reconvened Court Meeting or the Reconvened General Meeting other than the business which might properly have been transacted at the Court Meeting and General Meeting had such adjournments not taken place.

A summary of the action to be taken by KCOM Scheme Shareholders and a revised timetable of principal events are set out in Appendices 1 and 2 respectively to this announcement.

KCOM Shareholders should note that KCOM does not intend to publish a revised scheme document nor post to KCOM Shareholders written notice of the timing and venue of the Reconvened Court Meeting or the Reconvened General Meeting.

Fractional Entitlements

Pursuant to the Revised Offer, KCOM Scheme Shareholders' cash entitlements under the Scheme will be rounded up to the nearest penny.

KCOM LTIP

As a result of the Revised Offer, KCOM will issue up to 3,618,620 KCOM Shares in respect of the exercise of options or vesting of awards under the KCOM LTIP (having taken into account the exercise by the KCOM Remuneration Committee of applicable discretions).

RECOMMENDATION

As stated in the announcement made by KCOM on 12 July 2019, the KCOM Directors, who have been so advised by Rothschild & Co as to the financial terms of the Revised Offer, consider the terms of the Revised Offer to be fair and reasonable. In providing its advice to the KCOM Directors, Rothschild & Co has taken into account the commercial assessments of the KCOM Directors. Rothschild & Co is providing independent financial advice to the KCOM Directors for the purpose of Rule 3 of the Takeover Code.

Accordingly, the KCOM Directors recommend unanimously that KCOM Shareholders vote in favour of the Scheme at the Reconvened Court Meeting and in favour of the General Meeting Resolution to be proposed at the Reconvened General Meeting.

The KCOM Directors advise KCOM Shareholders to take no action in respect of the USS Offer.

Capitalised terms used but not otherwise defined in this announcement shall have the meaning given to them in the Scheme Document.

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Further Information

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval in any jurisdiction pursuant to any offer or otherwise.

Important notices relating to financial advisers

N.M. Rothschild & Sons Limited ("Rothschild & Co"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for KCOM and for no one else in relation to the subject matter of this announcement and will not be responsible to anyone other than KCOM for providing the protections afforded to clients of Rothschild & Co or for providing advice in relation to the Acquisition.

Peel Hunt LLP ("Peel Hunt"), which is authorised and regulated in the United Kingdom by the FCA, is acting for KCOM and for no one else in connection with the subject matter of this announcement and will not be responsible to anyone other than KCOM for the protections afforded to its clients or for providing advice in relation to the Acquisition.

Investec Bank plc ("Investec"), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for KCOM and for no one else in relation to the subject matter of this announcement and will not be responsible to anyone other than KCOM for providing the protections afforded to the clients of Investec or for providing advice in relation to the Acquisition.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one 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 pm on the 10th Business Day following the commencement of the Offer Period and, if appropriate, by no later than 3.30 pm 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 one 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 pm 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.

Publication on a website

This announcement and the documents required to be published pursuant to Rule 26 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on KCOM's website at www.kcomplc.com promptly and in any event by no later than 12 noon on the Business Day following the date of this announcement.

Neither the content of the websites referred to in this announcement nor the content of any website accessible from hyperlinks is incorporated into, or forms part of, this announcement.

General

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor, accountant or independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) if you are resident in the United Kingdom or, if not, from another appropriately authorised independent financial adviser.

Appendix 1

ACTION TO BE TAKEN

Detailed instructions on the action to be taken are set out on pages 8 to 10 of the Scheme Document and are summarised below.

KCOM Shareholders who have already submitted Forms of Proxy for the Court Meeting and the General Meeting and do not wish to change their voting instructions, need take no further action as their Forms of Proxy will continue to be valid in respect of the Reconvened Court Meeting and the Reconvened General Meeting.

KCOM Shareholders who have submitted Forms of Proxy for the Court Meeting and/or the General Meeting and who now wish to change their voting instructions, or who have misplaced their Form(s) of Proxy, should contact Link Asset Services on 0800 029 4521.

KCOM Shareholders who have yet to submit either or both of the Forms of Proxy, and whether or not they plan to attend the Reconvened Court Meeting and/or Reconvened General Meeting, are requested to:

1. **COMPLETE AND RETURN THE BLUE FORM OF PROXY, TO BE RECEIVED BY NO LATER THAN 11.00 A.M. (LONDON TIME) ON 24 JULY 2019; and**
2. **COMPLETE AND RETURN THE WHITE FORM OF PROXY, TO BE RECEIVED BY NO LATER THAN 11.15 A.M. (LONDON TIME) ON 24 JULY 2019,**

(or, in the case of a further adjournment if either meeting, not less than 48 hours (excluding any part of a day that is not a Business Day) prior to the time and date set for the adjourned meeting).

KCOM Shareholders should note that forms of proxy or proxy instructions (made electronically or through CREST) submitted in respect of the USS Offer are not valid and do not count in respect of the Acquisition. KCOM Shareholders who wish to appoint a proxy in respect of the Reconvened Court Meeting and/or the Reconvened General Meeting must (if they have not already done so) complete and return the Forms of Proxy or appoint a proxy electronically or through CREST in accordance with the procedures set out in the Scheme Document.

KCOM Shareholders may (instead of completing a Form of Proxy) also appoint a proxy electronically by logging on to the shareholder portal at www.kcom-shares.com. KCOM Shareholders should note that they will require their investor code in order to register for the shareholder portal if they have not already registered. The investor code can be found on share certificates or through contacting KCOM's registrars, Link Asset Services.

The completion and return of the Forms of Proxy (or the appointment of a proxy through CREST or electronically) will not prevent KCOM Shareholders from attending and voting at the Reconvened Court Meeting or the Reconvened General Meeting, or any adjournment thereof, in person should they wish to do so.

Shareholder helpline

KCOM Shareholders who have any questions relating to the Reconvened Court Meeting, the Reconvened General Meeting or the completion and return of the Forms of Proxy should contact KCOM's registrars, Link Asset Services, during business hours on 0800 029 4521 or by writing to shareholderenquiries@linkgroup.co.uk or Link Asset Services, The Registry, 34 Beckenham Road, Beckenham BR3 4TU. Charges for calls to Freephone numbers will vary by provider. Calls from outside of the United Kingdom will be charged at the applicable international rate. Lines will be open between 9.00 a.m. and 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. Calls may be recorded and randomly monitored for security and training purposes. The helpline cannot provide advice on the merits of the Acquisition nor give any financial, legal or tax advice.

Appendix 2

AMENDED EXPECTED TIMETABLE OF PRINCIPAL EVENTS

The following amended indicative timetable sets out expected dates for the implementation of the Scheme and replaces that set out on page 12 of the Scheme Document. All times shown are London times.

<u>Event</u>	<u>Time and/or date</u>
Publication of Scheme Document	18 June 2019
Latest time for receipt of Forms of Proxy for:	
Reconvened Court Meeting (BLUE form)	11:00 a.m. on 24 July 2019 ⁽¹⁾
Reconvened General Meeting (WHITE form)	11:15 a.m. on 24 July 2019 ⁽¹⁾
Voting Record Time for the Reconvened Court Meeting and Reconvened General Meeting	10:00 p.m. on 24 July 2019 ⁽²⁾
Reconvened Court Meeting	11:00 a.m. on 26 July 2019
Reconvened General Meeting	11:15 a.m. on 26 July 2019 ⁽³⁾
The following dates are indicative only and subject to change, please see note (4) below	
Court Hearing (to sanction the Scheme)	A date expected to be no later than 14 days after the satisfaction or, where applicable, waiver of the FCA Condition (which is expected to be in Q3 2019) ("D") ⁽⁴⁾
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, KCOM Shares	D + 1 Business Day ⁽⁴⁾
Dealings in KCOM Shares suspended	6.00 p.m. on D + 1 Business Day ⁽⁴⁾
Scheme Record Time	10.00 p.m. on D + 1 Business Day ⁽⁴⁾
Effective Date	D + 2 Business Days ⁽⁴⁾
Cancellation of listing of and admission to trading of KCOM Shares	By 8.00 a.m. on D+3 Business Days ⁽⁴⁾
Latest date for despatch of cheques and/or crediting of CREST accounts for cash consideration due under the Scheme	14 days after the Effective Date
Long Stop Date	31 October 2019 ⁽⁵⁾

Notes:

The Reconvened Court Meeting and the Reconvened General Meeting will both be held at the Kingston Suite, KCOM Stadium, Hull, HU3 6HU.

1. If the BLUE Form of Proxy for the Reconvened Court Meeting is not received by Link Asset Services by 11.00 a.m. on 24 July 2019 (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a Business Day) prior to the time and date set for the adjourned meeting), it may be handed to the Chairman at the Reconvened Court Meeting at any time before the taking of the poll and still be valid. However, the WHITE Form of Proxy for the Reconvened General Meeting must be received by Link Asset Services by 11.15 a.m. on 24 July 2019 (or, in the case of an adjourned meeting, not less than 48 hours (excluding any part of a day that is not a Business Day) prior to the time and date set for the adjourned meeting) in order for it to be valid.
2. If either the Reconvened Court Meeting or the Reconvened General Meeting is further adjourned, the Voting Record Time for the adjourned meeting will be 10.00 p.m. on the day which is two days before the date fixed for the adjourned meeting (excluding any day which is not a Business Day).
3. The Reconvened General Meeting will commence at 11.15 a.m. on 26 July 2019 or, if later, as soon thereafter as the Reconvened Court Meeting has been concluded or adjourned.
4. These times and dates are indicative only and will depend, amongst other things, on the date on which: (i) the Conditions are either satisfied or (if capable of waiver) waived; (ii) the Court sanctions the Scheme (which may not be the same day on which the Court hears KCOM's application); and (iii) the order sanctioning the Scheme is delivered to the Registrar of Companies. The Court Hearing to sanction the Scheme is expected to be held no later than 14 days after the satisfaction or waiver of the FCA Condition. KCOM will give adequate notice of the date and time of the Court Hearing, once known, by issuing an announcement through a Regulatory Information Service and by posting a notice on its website at www.kcomplc.com. Further changes to other times or dates indicated above shall be notified in the same way. All KCOM Shareholders have the right to attend the Court Hearing.
5. This is the latest date by which the Scheme may become effective unless KCOM and MEIF 6 Fibre, with the consent of the Panel and (if required) the approval of the Court, agree in writing a later date.