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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

## **Workspace Group PLC ("Workspace" or the "Company")**

### **RESULTS OF PLACING**

6 June 2018

Workspace is pleased to announce the successful completion of the placing of ordinary shares announced earlier today (the "**Placing**").

A total of 16,320,062 new ordinary shares of 100 pence each in the equity capital of the Company (the "**Placing Shares**") have been placed by Merrill Lynch International ("**BofA Merrill Lynch**") and Liberum Capital Limited ("**Liberum**") at a price of 1,100 pence per Placing Share (the "**Placing Price**"), raising gross proceeds of approximately £179.5 million. The Placing Shares being issued represent approximately 9.96 per cent. of Workspace's issued ordinary share capital prior to the Placing.

The Placing Price of 1,100 pence each represents a discount of 0.9 per cent. to the middle market price at the time at which the Company and BofA Merrill Lynch and Liberum agreed the Placing Price. The net placing price of approximately 1,081 pence per Placing Share to be received by the Company after expenses directly attributable to the Placing represents a discount of approximately 2.8 per cent. to the middle market price at the time at which the Company agreed the Placing Price.

The Placing Shares will, when issued, be credited as fully paid and rank *pari passu* with the existing ordinary shares of 100 pence each in the equity capital of the Company, including in respect of the right to receive all future dividends and distributions declared, made or paid. This includes the final dividend of 18.55 pence in respect of the year ended 31 March 2018, which will be paid by the Company on 3 August 2018 to all shareholders on the register as at 6 July 2018 (subject to shareholder approval being obtained at the forthcoming Annual General Meeting of the Company).

Application will be made to the Financial Conduct Authority ("**FCA**") for admission of the Placing Shares to the premium listing segment of the Official List and to the London Stock Exchange (the "**LSE**") for admission to trading of the Placing Shares on the LSE's Main Market for listed securities (together "**Admission**"). It is expected that Admission will take place at 8:00 a.m. on 8 June 2018 and that dealings in the Placing Shares on the LSE's main market for listed securities will commence at the same time.

Jamie Hopkins, Chief Executive Officer of Workspace, commented:

*"We are delighted to have received strong support from our investors for this placing. It will allow us to continue to invest in new assets and our existing project pipeline, alongside funding the recent acquisitions of Centro Buildings in Camden, to drive both rental income growth and uplifts in capital value. With strong demand for our flexible offer and inspiring spaces, we believe we are well positioned to take advantage of further opportunities to meet that demand and generate superior value for shareholders."*

BofA Merrill Lynch and Liberum acted as joint bookrunners and joint sponsors in respect of the Placing.

### **Smaller related party transactions**

Certain funds in which Mr S N Roditi or connected parties have a voting or beneficial interest together constitute a related party for the purposes of Chapter 11 of the Listing Rules of the FCA (the "**Listing Rules**"). These funds have committed to subscribe for 6,000,000 Placing Shares for a total consideration of £66.0 million.

Old Mutual Global Investors Limited is a related party for the purposes of Chapter 11 of the Listing Rules. Old Mutual Global Investors Limited has committed to subscribe for 2,052,227 Placing Shares for a total consideration of £22.6 million.

These both constitute smaller related party transactions under Listing Rule 11.1.10R. BofA Merrill Lynch and Liberum, in accordance with Listing Rule 11.1.10R 2(b), have jointly confirmed that the terms of the proposed Placing with such parties are fair and reasonable as far as the shareholders of the Company are concerned.

For further information, please contact:

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## **IMPORTANT INFORMATION**

This Announcement has been issued by and is the sole responsibility of the Company.

The information contained within this Announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation. Upon the publication of this Announcement via a regulatory information service, this inside information is now considered to be in the public domain. The person responsible for arranging the release of this Announcement on behalf of the Company is Carmelina Carfora (Company Secretary).

This Announcement and the information contained in it is restricted and is not for publication, release or distribution, in whole or in part, directly or indirectly, in, into or from the United States (including its territories and possessions, any state of the United States and the District of Columbia, together the "**United States**"), Australia, Canada, Hong Kong, Japan, Singapore or the Republic of South Africa or any other state or jurisdiction in which such publication, release or distribution would be unlawful, restricted or unauthorised (each a "**Restricted Territory**"). This Announcement is for information purposes only and does not constitute an offer to sell or issue, or the solicitation of an offer to buy, acquire or subscribe for shares in the capital of the Company in any Restricted Territory or any other state or jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. Any failure to comply with these restrictions may constitute a violation of the securities laws of such jurisdictions. Subject to certain exemptions, the securities referred to in this Announcement may not be offered or sold in any Restricted Territory or for the account or benefit of any national resident or citizen of any Restricted Territory. The Placing Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered, sold or transferred, directly or indirectly, within the United States except pursuant to registration under the Securities Act or an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. The Placing Shares are being offered and sold in the United States only to a limited number of "qualified institutional buyers" ("**QIBs**") in reliance on Rule 144A under the Securities Act or another exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and are being offered and sold outside the United States in offshore transactions in accordance with Regulation S under the Securities Act.

The offer and sale of Placing Shares referred to herein has not been and will not be registered under the applicable securities laws of any Restricted Territory. Subject to certain exceptions, the Placing Shares referred to herein may not be offered or sold in any Restricted Territory or to, or for the account or benefit of, any national, resident or citizen of any Restricted Territory.

No public offering of the shares referred to in this Announcement is being made in the United Kingdom, any Restricted Territory or elsewhere.

All offers of the Placing Shares will be made pursuant to an exemption under the Prospectus Directive (as defined below) from the requirement to produce a prospectus. This Announcement is being distributed to persons in the United Kingdom only in circumstances in which section 21(1) of the Financial Services and Markets Act 2000, as amended ("**FSMA**") does not apply. Members of the public are not eligible to take part in the Placing. This Announcement and the terms and conditions set out herein are for information purposes only and are directed only at persons whose ordinary activities involve them acquiring, holding, managing and disposing of investments (as principal or agent) for the purposes of their business and who have professional experience in matters relating to investments and are: (a) persons in member states of the European Economic Area who are qualified investors (within the meaning of article 2(1)(e) of the EU Prospectus Directive (which means Directive 2003/71/EC as amended, and includes the 2010 PD Amending Directive (Directive 2010/73/EU) to the extent implemented in the relevant member state) (the "**Prospectus Directive**") ("**Qualified Investors**"); (b) in the United Kingdom, Qualified Investors who are also persons who (i) have professional experience in matters relating to investments falling within article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc") of the Order; or (iii) are persons to whom it may otherwise be lawfully communicated; and (c) QIBs to the extent that such persons are located in the United States (all such persons together being referred to as "**Relevant Persons**"). This Announcement and the terms and conditions set out herein must not be acted on or relied on by persons who are not Relevant Persons. Persons distributing this Announcement must satisfy themselves that it is lawful to do so. Any investment or investment activity to which this Announcement and the terms and conditions set out herein relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

No representation or warranty, express or implied, is or will be made as to, or in relation to, and no responsibility or liability whatsoever is or will be accepted by Liberum or BofA Merrill Lynch or by any of their respective directors, officers, employees, advisers, affiliates or agents (the "**Affiliates**") as to or in relation to, the truth, accuracy, sufficiency or completeness of this Announcement (or whether any information has been omitted from the Announcement) or any other written, visual, electronic or oral information made available to or publicly available to any interested party or its advisers, and any liability therefore or for any loss howsoever arising from any use of this Announcement or its contents or otherwise arising in connection herewith is expressly disclaimed. No reliance may be placed by any person for any purpose on the information contained in this Announcement, which is subject to change, or its accuracy, fairness or completeness. BofA Merrill Lynch, which is authorised by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, and Liberum, which is authorised and regulated by the Financial Conduct Authority in the United Kingdom, are each acting solely for the

Company and no one else in connection with the Placing and each of BofA Merrill Lynch and Liberum will not regard any other person as their respective clients in relation to the Placing and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for providing advice in relation to the Placing and/or any other matter referred to in this Announcement. Apart from the responsibilities and liabilities, if any, which may be imposed on BofA Merrill Lynch and Liberum by the FSMA or by the regulatory regime established under it, neither BofA Merrill Lynch nor Liberum nor any of their respective Affiliates accepts any responsibility whatsoever for the contents of the information contained in this Announcement or for any other statement made or purported to be made by or on behalf of BofA Merrill Lynch or Liberum or any of their respective Affiliates in connection with the Company, the Placing Shares or the Placing. BofA Merrill Lynch and Liberum and each of their respective Affiliates accordingly disclaim all and any liability whether arising in tort, contract or otherwise (save as referred to above) in respect of any statements or other information contained in this Announcement.

The distribution of this Announcement and the offering of the Placing Shares in certain jurisdictions may be restricted by law. No action has been taken by the Company, BofA Merrill Lynch or Liberum that would permit an offering of such shares or possession or distribution of this Announcement or any other offering or publicity material relating to such shares in any jurisdiction where action for that purpose is required. Persons into whose possession this Announcement or other information referred to herein comes are required by the Company, BofA Merrill Lynch and Liberum to inform themselves about, and to observe, such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The information in this Announcement may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution, reproduction, or disclosure of this information in whole or in part is unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

This Announcement contains (or may contain) certain forward-looking statements with respect to certain of the Company's current expectations and projections about future events. These statements, which sometimes use words such as "aim", "anticipate", "believe", "intend", "plan", "estimate", "expect" and words of similar meaning, reflect the directors' beliefs and expectations and involve a number of risks, uncertainties and assumptions that could cause actual results and performance to differ materially from any expected future results or performance expressed or implied by the forward-looking statement. Statements contained in this Announcement regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The information contained in this Announcement is subject to change without notice and, except as required by applicable law, the Company does not assume any responsibility or obligation to update publicly or review any of the forward-looking statements contained in it. Each of BofA Merrill Lynch and Liberum and their respective Affiliates expressly disclaims any obligation or

undertaking to update, review or revise any forward-looking statement contained in this Announcement whether as a result of new information, future developments or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Announcement. No statement in this Announcement is or is intended to be a profit forecast or profit estimate or to imply that the earnings of the Company for the current or future financial years will necessarily match or exceed the historical or published earnings of the Company. The price of shares and the income from them may go down as well as up and investors may not get back the full amount invested on disposal of the shares.

The Placing Shares to be issued pursuant to the Placing will not be admitted to trading on any stock exchange other than the LSE. The date of Admission may be influenced by things such as market conditions. There is no guarantee that Admission will occur and you should not base your financial decisions on the Company's intentions in relation to Admission at this stage. Acquiring investments to which this Announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This Announcement does not constitute a recommendation concerning the Placing. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Placing for the person concerned.

Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this Announcement.

#### **Note to Investors that are US Taxpayers**

The Company believes that there is a substantial risk that it is a "passive foreign investment company" ("**PFIC**") within the meaning of Section 1297 of the U.S. Internal Revenue Code of 1986, as amended, for US federal income tax purposes. The determination of PFIC status for any year is very fact-specific. Special US federal income tax rules apply to US persons owning stock of a PFIC and adverse tax consequences may apply. Investors subject to US tax should seek their own tax advice accordingly.

#### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that such Placing Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target**

**Market Assessment**"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Placing. Furthermore, it is noted that, notwithstanding the Target Market Assessment, BofA Merrill Lynch and Liberum will only procure investors who meet the criteria of professional clients and eligible counterparties.

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

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

### **About Workspace Group PLC**

Workspace is focused on helping businesses perform at their very best. The Workspace Advantage is our unique customer offer and is open to all – we provide inspiring, flexible work spaces with super-fast technology in dynamic London locations. Established in 1987, and listed on the London Stock Exchange since 1993, Workspace owns and manages 3.7 million sq. ft. of business space across 66 London properties which it lets directly to customers. We are home to thousands of businesses including some of the fastest growing and established brands across a wide range of sectors.

The way businesses work is changing. That's why we continually invest in providing the technology infrastructure that enables our customers to think and move fast, and alongside their working environment, is tailored to each individual business.

Workspace (WKP) is a FTSE 250 listed Real Estate Investment Trust (REIT) and a member of the European Public Real Estate Association (EPRA).