

## SENIOR SECURED NOTES CONSENT SOLICITATION

RNS Number : 3654F  
Ocado Group PLC  
12 July 2019

**THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INSIDE INFORMATION REGARDING OCADO GROUP PLC'S 4.00% SENIOR SECURED NOTES DUE 2024 FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 ("MAR")**

### **Ocado Group plc announces consent solicitation relating to its 4.00% Senior Secured Notes due 2024**

July 12, 2019 - Ocado Group plc ("**Ocado**") today announced that it has commenced a solicitation of consents (the "**Consents**") from registered holders of its 4.00% Senior Secured Notes due 2024 (ISIN XS1634001892 and XS1634001975) (the "**Notes**") to a waiver (the "**Waiver**") with respect to, and amendments (the "**Proposed Amendments**") of, certain restrictive covenants and other provisions contained in the indenture dated as of June 19, 2017 (the "**Indenture**") governing the Notes (the "**Consent Solicitation**"). The Consent Solicitation is being made upon the terms and subject to the conditions set forth in the consent solicitation statement dated July 12, 2019 (the "**Consent Solicitation Statement**"). Defined terms used but not defined in this announcement have the meanings set forth in the Consent Solicitation Statement.

#### ***Background***

On February 27, 2019, the Company, Ocado Holdings Limited ("**OHL**"), Marks and Spencer Holdings Limited ("**M&S Holdings**"), Marks and Spencer Group plc and Marks and Spencer plc entered into a share purchase agreement pursuant to which, subject to the satisfaction or waiver of certain conditions, OHL will dispose 50% of Ocado's U.K. retail business through the disposal of 50% of the entire issued share capital of Ocado Retail Limited ("**ORL**"), which owns Speciality Stores Limited, to M&S Holdings (the "**ORL Sale**"). The ORL Sale is currently expected to complete on August 5, 2019. As a result of the ORL Sale, a 50/50 joint venture will be formed between OHL and M&S Holdings at its completion (ORL after the completion of the ORL Sale is referred to herein as "**JVCo**").

The cash received from the ORL Sale will give the Group the option to develop and grow the Ocado Solutions Limited business, enabling it to continue to expand within the United Kingdom and internationally (subject to its exclusivity commitments, including those described in the Shareholder Circular) and for general corporate purposes.

The ORL Sale and the entry into, and performance of, the transactions contemplated by, the Shareholders' Agreement, the Solutions Agreement, the Operating Agreement, the Sourcing and Branding Agreement and the Shareholder Loan Facility Agreement (each as described in more detail in the Consent Solicitation Statement) and certain other associated arrangements, are referred to herein as the "**Transaction**".

#### ***Rationale for the Consent Solicitation***

The purpose of the Consent Solicitation is to (i) obtain waivers with respect to any breaches of covenants or other provisions in the Indenture, and any related Default and/or Event of Default (each as defined in the Indenture), and the consequences thereof, which may otherwise arise under the Indenture as a result of the Transaction or any other transaction or action ancillary thereto, and (ii) provide certain additional flexibility for the Company and the Restricted Subsidiaries to engage in transactions with JVCo on an ongoing basis. The Waiver and the Proposed Amendments are described in more detail in the Consent Solicitation Statement.

### **Consent Solicitation**

The Consent Solicitation will expire at 4:00 p.m., London time, on July 19, 2019, unless extended or earlier terminated by the Company in its sole discretion (the "**Expiration Time**").

Adoption of the Waiver and the Proposed Amendments requires Consents from holders of a majority in aggregate principal amount of outstanding Notes (the "**Requisite Consents**").

Holders may revoke their Consents prior to the earlier of the Effective Time (as defined below) and the Expiration Time (such date and time, the "**Revocation Deadline**").

If the Requisite Consents are received on or prior to the Expiration Time, the Company expects that it will execute a supplemental indenture (the "**Supplemental Indenture**") with respect to the Indenture (which, once the Requisite Consents have been received, may occur, in the Company's sole discretion, prior to or promptly after the Expiration Time; such time when the Supplemental Indenture is executed, the "**Effective Time**"). The Waiver and the Proposed Amendments will become effective at the Effective Time, but will only become operative not later than shortly before the consummation of the ORL Sale (as defined below) in accordance with the terms of the Solicitation.

If (i) the Requisite Consents have been received at or before the Expiration Time and have not been validly revoked before the Revocation Deadline, (ii) the Supplemental Indenture has been executed, (iii) the ORL Sale has been consummated, and (iv) the other conditions set forth in the Consent Solicitation Statement have been satisfied or waived by the Company, the Company will pay or cause to be paid to each holder who has delivered (and not subsequently validly revoked) a valid Consent a cash payment equal to £2.50 per £1,000 principal amount of Notes in respect of which such Consent has been delivered (the "**Consent Fee**").

It is expected that any Consent Fee will be paid to holders not later than promptly after the completion of the ORL Sale (which is currently expected to occur on August 5, 2019). As a result, there may be a significant delay between the Expiration Time and the date on which the holders will receive the Consent Fee.

In the event that the Requisite Consents are not obtained prior to the Expiration Time or if the Consent Solicitation is terminated, the Waiver and the Proposed Amendments will not become operative and no Consent Fee will be paid to holders of the Notes, and the Company intends to redeem the Notes in accordance with their terms (which would be funded using part of the proceeds of the ORL Sale).

Goldman Sachs International is acting as the solicitation agent (the "**Solicitation Agent**") and Lucid Issuer Services Limited is acting as the tabulation and information agent (the "**Tabulation and Information Agent**") in connection with the Consent Solicitation. Copies of the Consent Solicitation Statement are available by contacting the Tabulation and Information Agent at +44 20 7704 0880 or [ocado@lucid-is.com](mailto:ocado@lucid-is.com). Questions regarding the Consent Solicitation should be directed to the Solicitation Agent at +44 20 7552 6157 or [liabilitymanagement.eu@gs.com](mailto:liabilitymanagement.eu@gs.com).

This announcement shall not constitute an offer to sell, a solicitation to buy or an offer to purchase or sell any securities. The Consent Solicitation is being made only pursuant to the Consent Solicitation Statement and only in such jurisdictions as is permitted under applicable law.

This announcement is released by Ocado Group plc and contains inside information regarding the Notes for the purposes of MAR, encompassing information relating to the Consent Solicitation, the Waiver and Proposed Amendments described above.

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***Forward-looking statements***

This announcement includes forward-looking statements. All statements, other than statements of historical fact, included in this announcement regarding the financial condition of the Company and its subsidiaries (together, the "**Group**"), the Transaction, the transactions between the Company or other members of the Group and JVCo, or regarding future events or prospects are forward-looking statements.

The Company's estimates and forward-looking statements are mainly based on its current expectations and estimates on projections of future events and trends, which affect or may affect its businesses and results of operations. Although the Company believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to a number of risks, uncertainties and assumptions and are made in light of information currently available to it. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may differ materially from those predicted in their forward-looking statements and from past results, performance or achievements. All forward-looking statements contained in this announcements are qualified in their entirety by this cautionary statement.

There is no intention to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable law. All subsequent written or oral forward-looking statements attributable to the Company, the Group or persons acting on their behalf, are also expressly qualified in their entirety by the cautionary statements contained throughout this announcement. As a result of these risks, uncertainties and assumptions, holders should not place undue reliance on these forward-looking statements.

***Disclaimer***

This announcement must be read in conjunction with the Consent Solicitation Statement. This announcement and the Consent Solicitation Statement contain important information which must be read carefully before any decision is made with respect to the Consent Solicitation. Holders who are in doubt as to the impact of the Waiver and the Proposed Amendments in connection with the Consent Solicitation (including any tax consequences) are urged to seek their own

independent advice. The Solicitation Agent, the Tabulation and Information Agent and the Trustee have not made and will not make any assessment of the merits of the Consent Solicitation or of the impact of the Consent Solicitation on the interests of the holders either as a class or as individuals.

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