

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PART II (EXPLANATORY STATEMENT) OF THIS DOCUMENT COMPRISES AN EXPLANATORY STATEMENT IN COMPLIANCE WITH SECTION 897 OF THE COMPANIES ACT 2006. THIS DOCUMENT CONTAINS A PROPOSAL WHICH, IF IMPLEMENTED, WILL RESULT IN THE CANCELLATION OF THE ADMISSION OF AUGEAN SHARES TO TRADING ON AIM.**

If you are in any doubt about the Offer or the contents of this document or what action you should take, you are recommended to seek your own personal 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 are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser in the relevant jurisdiction.

If you have sold or otherwise transferred all of your Augean Shares, please send this document and the accompanying documents (other than documents or forms personalised to you) at once to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. However, these documents must not be forwarded, distributed or transmitted directly or indirectly (in whole or in part) in, into or from any jurisdiction where to do so would violate the laws of that jurisdiction. If you have sold or otherwise transferred only part of your holding of Augean Shares, you should retain these documents and contact the bank, stockbroker or other agent through whom the sale or transfer was effected. If you have recently purchased or otherwise acquired Augean Shares in certificated form, notwithstanding receipt of this document and any accompanying documents from the transferor, you should contact Augean's registrars, Computershare, on the telephone number set out on page 3 of this document to obtain personalised Forms of Proxy.

The release, publication or distribution of this document and/or the accompanying documents (in whole or in part) in jurisdictions other than the United Kingdom may be restricted by the laws or regulations of those jurisdictions and therefore persons into whose possession this document comes should inform themselves about and observe any such restrictions. Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by law, Augean, MSIP and Bidco disclaim any responsibility or liability for the violation of such restrictions by such persons.

The CVRs and the Loan Notes, if any, issued to the CVR Holders in exchange for the CVRs to be issued pursuant to the Scheme, in each case, are expected to be issued in the United States in reliance upon the exemption from the registration requirements of the US Securities Act, provided by, in the case of the CVRs, Section 3(a)(10) thereof, and in the case of the Loan Notes, Section 3(a)(9) thereof.

Neither this document nor any of the accompanying documents is 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 pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This document is not a prospectus, a prospectus-equivalent document or an exempted document.

---

**Recommended Offer**

**for**

**Augean Plc**

**by**

**Antwerp Management Limited**

**(a newly formed company indirectly owned by funds managed or advised by Morgan Stanley  
Infrastructure Inc., an indirect subsidiary of Morgan Stanley)**

**to be effected by means of a Scheme of Arrangement under  
Part 26 of the Companies Act 2006**

---

This document (including any documents incorporated into it by reference) should be read as a whole and in conjunction with the accompanying Forms of Proxy.

Your attention is drawn to the letter from the Executive Chairman of Augean in Part I (*Letter from the Executive Chairman of Augean*) of this document, which contains the unanimous recommendation of the Augean Board that you vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting. A letter from Rothschild & Co explaining the Scheme appears in Part II (*Explanatory Statement*) of this document and constitutes an explanatory statement in compliance with section 897 of the Companies Act 2006.

Notices of the Court Meeting and the General Meeting, both of which will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW on 9 September 2021, are set out in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document respectively. The Court Meeting will start at 10:30 a.m. and the General Meeting at 10:45 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned).

The action to be taken by Augean Shareholders in relation to the Meetings is set out on pages 12 to 15 and in paragraph 15 of Part II (*Explanatory Statement*) of this document. It is very important that Augean Shareholders use their votes so that the Court can be satisfied that there is a fair and reasonable representation of their views. Augean Shareholders will receive a BLUE Form of Proxy for use in connection with the Court Meeting and a WHITE Form of Proxy for use in connection with the General Meeting.

While it is currently anticipated that the Court Meeting and the General Meeting will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW in a COVID-19 secure manner, it is possible that the evolving COVID-19 pandemic and Government restrictions and guidance in relation to any developments may mean that this is not possible. In light of the uncertainty surrounding the COVID-19 restrictions that may be in place as at the date of Meetings, and in order to protect the health and safety of all stakeholders, the Scheme Shareholders, Augean Shareholders and other attendees (including any duly appointed proxies and/or corporate representatives) are strongly encouraged not to attend the Court Meeting or the General Meeting in person, save for the Chair and anyone else nominated by the Chair in order to establish a quorum or to facilitate the proceedings of the Meetings. Augean remains firmly committed to encouraging shareholder engagement on the business of the Court Meeting and the General Meeting. As such, Augean Shareholders (and any of their duly appointed proxies and/or corporate representatives) will be able to access and follow the business of the relevant meeting remotely via the Virtual Meeting Platform (as explained further below). Whilst Scheme Shareholders (and their duly appointed proxies) can remotely attend and vote at the Court Meeting (even if a proxy appointment is submitted in advance), Augean Shareholders (and their duly appointed proxies) will not be permitted to vote remotely via the Virtual Meeting Platform at the General Meeting (as described below). Accordingly, Augean Shareholders (and their duly appointed proxies) should be aware that, even if they access and follow the business of the General Meeting remotely via the Virtual Meeting Platform, the only means by which they can vote on the business of the General Meeting is in person, by appointing the Chair of the General Meeting as proxy in accordance with the procedures set out in this document or appointing another person as proxy in accordance with the procedures set out in this document to attend the General Meeting in person on their behalf.

Whether or not you intend to be present at the Meetings in person or, in the case of the Court Meeting only, to attend remotely via the Virtual Meeting Platform, please complete and sign each of the Forms of Proxy (or appoint a proxy electronically) in accordance with the instructions printed on them and return them to Augean's Registrar, Computershare Investor Services PLC, as soon as possible and, in any event, so as to be received by Computershare by 10:30 a.m. on 7 September 2021 in respect of the Court Meeting and 10:45 a.m. on 7 September 2021 in respect of the General Meeting. If the BLUE Form of Proxy for the Court Meeting is not returned by the specified time, it may be handed to representatives of Computershare, on behalf of the Chair of the Court Meeting or the Chair of the Court Meeting before the start of that meeting and it will still be valid. Augean Shareholders who hold Augean Shares in CREST may also appoint a proxy through the CREST electronic proxy appointment service by following the instructions set out on pages 13 and 14 of this document. In the case of the General Meeting, however, unless the WHITE Form of Proxy is returned by the time mentioned in the instructions printed on it, it will be invalid. The completion and return of a Form of Proxy will not prevent Augean Shareholders from attending, voting and speaking in person at either the Court Meeting or the General Meeting, or any adjournment thereof, or, in the case of the Court Meeting only, from attending, voting and speaking remotely via the Virtual Meeting Platform, if you so wish and are so entitled.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person, remotely via the Virtual Meeting Platform, or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number representing not less than 75 per cent. in value of those Scheme Shareholders present and voting in person, remotely or by proxy.

At the General Meeting, voting on the Resolution will be by poll and each Augean Shareholder present in person or by proxy will be entitled to one vote for each Augean Share held as at the Voting Record Time. The approval required for the Resolution to be passed is at least 75 per cent. of the votes cast on the Resolution in person or by proxy.

#### **Instructions for accessing the Virtual Meeting Platform**

Scheme Shareholders and Augean Shareholders (together with their respectively duly appointed proxies and/or corporate representatives) will be given the opportunity to: (i) in the case of the Court Meeting, access, follow the business of, attend, submit questions and/or objections remotely in writing via the Virtual Meeting Platform, or orally by telephone, and vote at the Court Meeting remotely via the Virtual Meeting Platform; and (ii) in the case of the General Meeting, access, follow the business of, submit questions remotely in writing via the Virtual Meeting Platform or orally by telephone but not raise objections or vote at the General Meeting (as a result of constraints in the Articles).

Scheme Shareholders and Augean Shareholders can access the Virtual Meeting Platform using a web browser, on any PC or PC equivalent or smartphone device. The web browser must be compatible with the latest browser versions of Chrome, Firefox, Edge and Safari. In order to access or engage with the business of the Meetings, as detailed above, using this method, please go to <https://web.lumiagm.com/>.

Once you have accessed <https://web.lumiagm.com/> from your web browser, you will be asked to enter the Lumi Meeting ID which is 189-384-012. You will then be prompted to enter your Shareholder Reference Number ("SRN") and PIN number.

Your SRN, including any zeros, and your PIN number can be found printed on your Form of Proxy. Access to the Court Meeting via the website will be available from 10:00 a.m. on 9 September 2021, as further detailed below. If you are unable to access your SRN and PIN, please call Computershare between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0370 889 3205 from within the UK or +44 370 889 3205 if calling from outside the UK. Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Offer or the Scheme or give any financial, legal or tax advice.

Scheme Shareholders and Augean Shareholders are strongly encouraged to appoint the Chair of the relevant Meeting as their proxy. If you wish to appoint a person other than the Chair of the Court Meeting as your proxy and for them to attend the Court Meeting remotely please submit your proxy appointment in the usual way and then contact Computershare on 0370 889 3205 from within the UK or +44 370 889 3205 if calling from outside the UK in order to obtain their unique SRN and PIN (which you can then pass on to your duly appointed proxy). This should be done as soon as possible and at least 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the Court Meeting.

Access to the Court Meeting will be available from 10:00 a.m. on 9 September 2021, although the voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders (and their duly appointed proxies and/or corporate representatives) will be permitted to submit questions (remotely in writing via the Virtual Meeting Platform or orally by telephone) to the Augean Directors during the course of the Court Meeting.

The General Meeting will commence at 10:45 a.m. or as soon thereafter as the Court Meeting shall have been concluded or adjourned. As with the Court Meeting, Augean Shareholders (and their duly appointed proxies and/or corporate representatives) will be permitted to submit questions (remotely in writing via the Virtual Meeting Platform or orally by telephone) to the Augean Directors during the course of the General Meeting.

During the Court Meeting and the General Meeting, you must ensure you are connected to the internet at all times in order to access, follow the business of, submit questions, at the Meetings, and, in the case of the Court Meeting only, vote and raise objections, when the Chair of the Court Meeting commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Meetings. The Virtual Meeting Guide contains further information on accessing and engaging with the business of the Meetings remotely via the Virtual Meeting Platform and is available on Augean's website at <https://www.augeanplc.com/offer/>.

The COVID-19 situation is constantly evolving, and the UK Government may change current restrictions or implement further measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the Court Meeting and the General Meeting will be communicated to Scheme Shareholders and Augean Shareholders before the Meetings through Augean's website at <https://www.augeanplc.com/offer/> and by announcement through a Regulatory Information Service.

If you have any questions about this document, the Court Meeting, the General Meeting or on the completion and return of the Forms of Proxy, please call the Shareholder Helpline between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on 0370 889 3205 from within the UK or +44 370 889 3205 if calling from outside the UK. Please note that calls may be monitored or recorded and the Shareholder Helpline cannot provide financial, legal or tax advice or advice on the merits of the Offer or give any financial, legal or tax advice.

### **Questions at the Meetings**

Scheme Shareholders and Augean Shareholders can submit questions on the business of the relevant Meeting in advance by email to [AngelaMcGhin@augeanplc.com](mailto:AngelaMcGhin@augeanplc.com) with the subject line "Court Meeting 2021 Questions"/"General Meeting 2021 Questions" (as relevant), provided that such emails must be received no later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. In addition, for both the Court Meeting and the General Meeting, Scheme Shareholders and Augean Shareholders (and any of their respectively duly appointed proxies and/or corporate representatives) may also submit questions at the relevant Meetings remotely in writing via the Virtual Meeting Platform or orally by telephone. The Virtual Meeting Guide contains further information on accessing and engaging with the business of the Meetings remotely via the Virtual Meeting Platform and is available on Augean's website at <https://www.augeanplc.com/offer/>.

Subject to time limitations, the Chair of the Meetings will ensure that relevant matters relating to the formal business of the relevant Meeting are addressed in the relevant Meeting. Where multiple Augean Shareholders submit questions of a similar nature or theme, the questions will all be read aloud to the relevant Court Meeting or General Meeting for transparency but only one response may be provided to prevent repetition of responses on the same theme.

Certain terms used in this document are defined in Part VIII (*Definitions*) of this document.

Rothschild & Co, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as financial adviser to Augean and for no one else in connection with the matters set out in this document and will not regard any other person as its client in relation to the matters referred to in this document and will not be responsible to anyone other than Augean for providing the protections afforded to clients of Rothschild & Co nor for providing advice in connection with any matter referred to herein. Neither Rothschild & Co nor any of its subsidiaries, branches or affiliates (nor their respective directors, officers, employees or agents) 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 Rothschild & Co in connection with this document, any statement contained herein, the Offer or otherwise.

Singer Capital Markets Advisory LLP, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively as Nominated Adviser and Broker for Augean and for no one else in connection with the matters set out in this document and will not regard any other person as its client in relation to the matters referred to in this document and will not be responsible to anyone other than Augean for providing the protections afforded to its clients, nor for providing advice in relation to the content of this document or any other matter referred to herein. Neither Singer Capital Markets nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Singer Capital Markets in connection with this document, any statement contained herein or otherwise.

Greenhill, which is authorised and regulated by the FCA in the United Kingdom, is acting exclusively for Bidco and MSIP and for no one else in connection with the matters referred to in this document and will not be responsible to anyone other than Bidco and MSIP for providing the protections afforded to clients of Greenhill, nor for providing advice in relation to the matters referred to in this document.

## IMPORTANT NOTICES

This document and the accompanying documents are for information purposes only and are not intended to and do not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or a solicitation of any vote or approval in any jurisdiction, pursuant to the Offer or otherwise, nor shall there be any sale, issuance or transfer of securities of Augean in any jurisdiction in contravention of applicable law. The Offer will be implemented solely pursuant to the terms of this document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document), which contains the full terms and conditions of the Offer, including details of how to vote in respect of the Offer. Any vote in respect of, or other response to, the Offer should be made only on the basis of the information contained in this document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document).

The CVRs and the Loan Notes, if any, issued to the CVR Holders in exchange for the CVRs to be issued pursuant to the Scheme, in each case, are expected to be issued in the United States in reliance upon the exemption from the registration requirements of the US Securities Act, provided by, in the case of the CVRs, Section 3(a)(10) thereof, and in the case of the Loan Notes, Section 3(a)(9) thereof.

This document has been prepared in accordance with English law and the Takeover Code and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England. The statements contained in this document are not to be construed as legal, business, financial or tax advice. If you are in any doubt about the contents of this document, you should consult your own legal adviser, financial adviser or tax adviser for legal, business, financial or tax advice.

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 service of this document shall not give rise to any implication that there has been no change in the facts set out 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 Augean except where otherwise expressly stated. Neither Augean nor Bidco intends, or undertakes any obligation, to update information contained in this document, except as required by applicable law, the Takeover Code or other regulation.

This document does not constitute a prospectus, a prospectus equivalent document or an exempted document.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied upon as having been authorised by Augean, the Augean Directors, Bidco, the Bidco Directors, MSIP, the MSIP Responsible Persons or by Rothschild & Co or Greenhill & Co or any other person involved in the Offer. Neither the delivery of this document nor holding the Meetings, the Scheme Court Hearing, or filing the Court Order shall, under any circumstances, create any implication that there has been no change in the affairs of the Augean Group or the Bidco Group since the date of this document or that the information in, or incorporated into, this document is correct as at any time subsequent to its date.

If the Scheme is approved at the Meetings, an application will be made to the London Stock Exchange for the cancellation of admission to trading of Augean Shares on AIM, to take effect shortly after the Effective Date.

### **Overseas jurisdictions**

The release, publication or distribution of this document, directly or indirectly, in or into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions.

The availability of the Offer (including the CVRs and Loan Notes to be issued under the Offer) to Augean Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant

jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the UK, to vote their Augean Shares with respect to the Scheme at the Court Meeting or the General Meeting, or to appoint another person as proxy may be affected by the laws of the relevant jurisdictions in which they are located.

If the issue of CVRs to any person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such person shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such person under the terms of the Offer will be held by a nominee on behalf of such person, and the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs be forwarded to such person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. This document and any accompanying documents have been prepared for the purposes of complying with English law, AIM Rules and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws of jurisdictions outside of England.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Offer will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws of that jurisdiction and no person may vote in favour of the Offer by any use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Copies of this document and any formal documentation relating to the Offer will not be and must not be, directly or indirectly, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Offer. If the Offer is implemented by way of a Takeover Offer (unless otherwise permitted by applicable law and regulation), the Takeover Offer may not be made directly or indirectly, in or into, or by the use of mails or any means or instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of any Restricted Jurisdiction and the Takeover Offer may not be capable of acceptance by any such use, means, instrumentality or facilities.

The Offer shall be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules and the Registrar of Companies. Further details in relation to Overseas Shareholders are contained in paragraph 14 of Part II (*Explanatory Statement*) of this document.

#### **Additional information for US investors**

The Offer relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under English company law. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Exchange Act. Accordingly, the Offer will be subject to disclosure and procedural requirements and practices applicable in the UK to schemes of arrangement which differ from the disclosure requirements of US tender offer and proxy solicitation rules. However, if, in the future, Bidco exercises the right to implement the Offer by way of a Takeover Offer and determines to extend the offer into the United States, the Offer will be made in compliance with applicable United States laws and regulations, including section 14(e) of the US Exchange Act and Regulation 14E thereunder. Such a takeover would be made in the United States by Bidco and no one else.

The CVRs and the Loan Notes, if any, issued to CVR Holders in exchange for the CVRs to be issued pursuant to the Scheme, in each case, are expected to be issued in the United States in reliance upon the exemption from the registration requirements of the US Securities Act, provided by, in the case of the CVRs, Section 3(a)(10) thereof, and in the case of the Loan Notes, Section 3(a)(9) thereof. Accordingly, the CVRs and the Loan Notes, if any, issued to CVR Holders in exchange for the CVRs to be issued pursuant to the Scheme, in each case, have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States, and, accordingly, may not be offered, sold, resold, delivered, distributed, or otherwise transferred, directly or indirectly, in or into the United States without an exemption from registration under the US Securities Act. This document does not constitute an offer to sell or the solicitation of an offer to buy the CVRs or Loan Notes, nor shall there be any sale of the CVRs or Loan Notes in any state of the United States in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such state.

Scheme Shareholders (whether or not US persons) who are or will be affiliates (within the meaning of the US Securities Act) of Bidco will be subject to certain restrictions on transfers of the CVRs received pursuant to the Scheme and the Loan Notes (if any) to be issued in exchange for the CVRs. Otherwise, the CVRs and the Loan Notes generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities under the Scheme or Loan Notes in exchange for the CVRs (other than affiliates) may resell them without restriction under the US Securities Act. For a description of these and other restrictions on offers, sales and transfers of the CVRs and the Loan Notes and the distribution of this document, and additional information applicable to US Augean Shareholders, see Paragraphs 6 and 14.2 of Part II (*Explanatory Statement*) of this document. None of the securities referred to in this document have been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document.

The financial information included in this document (or, if the Offer is implemented by way of a Takeover Offer, the Offer Document) has been or will have been prepared in accordance with generally accepted accounting principles of the United Kingdom and thus may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

The receipt of cash pursuant to the Offer by a US holder of Augean Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme may be a taxable transaction for US federal income tax purposes. Each Augean Shareholder is therefore urged to consult with legal, tax and financial advisers in connection with making a decision regarding the Offer.

It may be difficult for US Augean Shareholders to enforce their rights and claims arising out of US federal laws, since Bidco and Augean are located in a non-US jurisdiction, and some or all of their officers and directors may be residents of a non-US jurisdiction. US Augean Shareholders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court’s judgement.

### **Forward looking statements**

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

The forward-looking statements contained in this document include statements relating to the expected effects of the Offer on Bidco and Augean, the expected timing and scope of the Offer and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of

forward-looking words such as “plans”, “expects” or “does not expect”, “is expected”, “is subject to”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “should”, “would”, “might” or “will” be taken, occur or be achieved. Although Bidco and Augean believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Augean can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future.

There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements. These factors include the satisfaction of the Conditions, as well as additional factors, such as: increased competition, the loss of or damage to one or more key customer relationships, changes to customer ordering patterns, delays in obtaining customer approvals for engineering or price level changes, the failure of one or more key suppliers, the outcome of business or industry restructuring, the outcome of any litigation, changes in economic conditions, currency fluctuations, changes in interest and tax rates, changes in raw material or energy market prices, changes in laws, regulations or regulatory policies, developments in legal or public policy doctrines, technological developments, the failure to retain key management, or the timing and success of future acquisition opportunities or major investment projects. Other unknown or unpredictable factors could cause actual results to differ materially from those in the forward-looking statements. Such forward-looking statements should therefore be construed in the light of such factors.

Neither Bidco nor Augean, nor any of their respective associates or directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. You are cautioned not to place undue reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related to future actions and circumstances by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated. Due to the scale of the Augean Group, there may be additional changes to the Augean Group’s operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

Other than in accordance with their legal or regulatory obligations (including under the AIM Rules and the Disclosure and Transparency Rules of the FCA), neither Bidco nor Augean is under any obligation, and Bidco and Augean expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

#### **No profit forecasts, estimates or quantified benefits statements**

No statement in this document is intended as a profit forecast, profit estimate or quantified benefits statement for any period and no statement in this document should be interpreted to mean that earnings or earnings per share for Bidco or Augean, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Bidco or Augean, as appropriate.

#### **Rounding**

Certain figures included in this document have been subjected to rounding adjustments. Accordingly, figures shown in 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 other information provided by Augean Shareholders, persons with information rights and other relevant persons for the receipt of communications from Augean may be provided to Bidco during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

### **Publication on website and availability of hard copies**

In accordance with Rule 26.1 of the Takeover Code, a copy of this document, together with all information incorporated into this document by reference to another source, is and will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, for inspection on Augean's website <https://www.augeanplc.com/offer/> and Bidco's website at <https://www.morganstanley.com/im/ench/intermediary-investor/about-us/investment-teams/real-assets/private-infrastructure-team.html> by no later than 12 noon on the first Business Day following the date of this document. For the avoidance of doubt, neither the contents of these websites nor the contents of any websites accessible from hyperlinks is incorporated into or forms part of this document.

You may request a hard copy of this document and all information incorporated into this document by reference to another source by contacting Augean's registrar, Computershare, between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0370 889 3205 from within the UK or on +44 370 889 3205 if calling from outside the UK or by submitting a request in writing to Computershare, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. Augean Shareholders may also request that all future documents, announcements and information in relation to the Offer should be sent to them in hard copy form. If you have received this document in electronic form, copies of this document and any document or information incorporated by reference into this document will not be provided unless such a request is made.

### **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 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 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, 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 Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://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 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.

### **General**

If the Offer is effected by way of a Takeover Offer, and such Takeover Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the Companies Act so as to acquire compulsorily the remaining Augean Shares in respect of which the Takeover Offer has not been accepted.

Investors should be aware that Bidco may purchase Augean Shares otherwise than under any Takeover Offer or the Scheme, including pursuant to privately negotiated purchases.

### **Date**

The date of publication of this document is 16 August 2021.

## TABLE OF CONTENTS

	<i>Page</i>
IMPORTANT NOTICES	5
ACTION TO BE TAKEN	12
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	16
PART I LETTER FROM THE EXECUTIVE CHAIRMAN OF AUGEAN PLC	18
PART II EXPLANATORY STATEMENT	28
PART III CONDITIONS TO AND CERTAIN FURTHER TERMS OF THE OFFER AND THE SCHEME	43
PART IV THE SCHEME OF ARRANGEMENT	54
THE SCHEME	59
PART V FINANCIAL INFORMATION	63
PART VI UK TAXATION	64
PART VII ADDITIONAL INFORMATION	67
PART VIII DEFINITIONS	84
PART IX NOTICE OF COURT MEETING	93
PART X NOTICE OF GENERAL MEETING	97

## ACTION TO BE TAKEN

**For the reasons set out in this document, the Augean Board unanimously recommends that Augean Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting, as the Augean Directors have irrevocably undertaken to do in respect of their own beneficial holdings of Augean Shares, and that you take the action described below.**

### 1. The documents

Please check that you have received, or can access online, the following:

- a BLUE Form of Proxy for use in respect of the Court Meeting on 9 September 2021;
- a WHITE Form of Proxy for use in respect of the General Meeting on 9 September 2021;
- the Virtual Meeting Guide prepared by Lumi explaining how Augean Shareholders can access and engage in the business of the Meetings remotely via the Virtual Meeting Platform; and
- a reply-paid envelope for use in the UK only for the return of the BLUE Form of Proxy and the WHITE Form of Proxy.

If you have not received hard copies of, or you have not been able to access online, all of these documents, please contact the Shareholder Helpline on the number indicated on page 15.

### 2. Voting at the Court Meeting and the General Meeting

The Scheme will require approval at a meeting of Augean Shareholders convened with the permission of the Court to be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW at 10:30 a.m. on 9 September 2021. Implementation of the Scheme will also require approval of Augean Shareholders of the Resolution relating to the Offer to be proposed at the General Meeting. The General Meeting will be held at the same place as the Court Meeting, at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW at 10:45 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned). Notices of the Court Meeting and the General Meeting, are set out in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document respectively.

Augean Shareholders entitled to attend and vote at the Meetings are entitled to appoint a proxy to exercise all or any of their rights to attend, speak and vote at the Court Meeting and/or the General Meeting. A proxy need not be an Augean Shareholder.

**It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair and reasonable representation of the opinion of Scheme Shareholders. Whether or not you intend to attend the Court Meeting and/or the General Meeting in person or, in the case of the Court Meeting only, via the Virtual Meeting Platform, please sign and return your Forms of Proxy, or deliver your voting instructions by one of the other methods mentioned below, as soon as possible.**

**If the Scheme becomes Effective, it will be binding on all Scheme Shareholders, including any Scheme Shareholders who did not vote to approve the Scheme or who voted against the Scheme at the Court Meeting.**

As set out in the opening pages of this document and in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*), Scheme Shareholders, Augean Shareholders and other attendees (including any duly appointed proxies or corporate representatives) are strongly encouraged not to attend the Court Meeting and the General Meeting in person (save for the Chair and anyone else nominated by the Chair in order to establish a quorum or to facilitate the proceedings of the Meetings) in light of the uncertainty surrounding the COVID-19 restrictions that may be in place as at the date of the Meetings. Augean remains firmly committed to encouraging shareholder engagement on the business of the Court Meeting and the General Meeting. As such, Scheme Shareholders and Augean Shareholders (and their respective duly appointed

proxies and/or corporate representatives) will be able to access and follow the business of the relevant Meeting remotely via the Virtual Meeting Platform.

Further, in respect of both the Court Meeting and the General Meeting, Scheme Shareholders and Augean Shareholders can also submit questions on the business of the relevant Meeting in advance by email to [AngelaMcGhin@augeanplc.com](mailto:AngelaMcGhin@augeanplc.com), with the subject line “Court Meeting 2021 Questions”/“General Meeting 2021 Questions” (as relevant), provided that such emails must be received no later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the relevant Meeting or any adjournment thereof. In addition, for both the Court Meeting and the General Meeting, Scheme Shareholders and Augean Shareholders (and any of their respectively duly appointed proxies and/or corporate representatives) may also: (i) in the case of the Court Meeting, submit questions and/or raise any objections remotely in writing via the Virtual Meeting Platform, or orally by telephone and vote remotely via the Virtual Meeting Platform; and (ii) in the case of the General Meeting, submit questions remotely via the Virtual Meeting Platform, or orally by telephone (but not raise objections or vote at the General Meeting (as a result of constraints in the Articles)). Subject to time limitations, the Chair of the Meetings will ensure that relevant matters relating to the formal business of the relevant Meeting are addressed in the relevant Meeting. Where multiple Augean Shareholders submit questions of a similar nature or theme, the questions will all be read aloud to the relevant Court Meeting or General Meeting for transparency but only one response may be provided to prevent repetition of responses on the same theme. The Chair may also nominate a representative to answer a specific question after the meeting or refer the questioner to Augean’s website.

The appointment of a proxy (online, electronically through CREST or by completing, signing and returning the Forms of Proxy by post or by any other procedure described in this document) will not prevent you from:

- in the case of the Court Meeting, accessing, following the business of, attending, submitting questions and/or objections remotely in writing via the Virtual Meeting Platform, or orally by telephone and voting remotely via the Virtual Meeting Platform; and
- in the case of the General Meeting, accessing, following the business of and submitting questions remotely in writing via the Virtual Meeting Platform, or orally by telephone (but not raise objections or vote at the General Meeting (as a result of constraints in the Articles)),

in each case, if you are entitled to and wish to do so.

The Virtual Meeting Guide contains further information on accessing and engaging with the business of the Meetings remotely via the Virtual Meeting Platform and is available on Augean’s website at <https://www.augeanplc.com/offer/>.

(a) ***Sending Forms of Proxy by post or by hand***

Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them, either (i) by post or, (ii) during normal business hours only, by hand, to Augean’s registrars, Computershare, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, so as to be received as soon as possible and in any event not later than the relevant time set out below:

BLUE Forms of Proxy for the Court Meeting      10:30 a.m. on 7 September 2021

WHITE Forms of Proxy for the General Meeting      10:45 a.m. on 7 September 2021

or, if in either case the Meeting is adjourned, the relevant Form of Proxy should be received not later than 48 hours (excluding non-working days) before the time fixed for the adjourned Meeting.

If the BLUE Form of Proxy for the Court Meeting is not returned by such time, it may be handed to a representative of Computershare, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting, before the start of that Meeting. However, in the case of the General Meeting, the WHITE Form of Proxy must be received by Computershare by the time mentioned above, or it will be invalid.

Augean Shareholders are entitled to appoint a proxy in respect of some or all of their Augean Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Augean Shareholders who wish to appoint more than one proxy in respect of their holding of Augean Shares should contact Computershare for further Forms of Proxy.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below), will not prevent you from:

- in the case of the Court Meeting, attending, speaking and voting in person at the Court Meeting, or remotely via the Virtual Meeting Platform; and
- in the case of the General Meeting, attending, speaking and voting in person at the General Meeting, and accessing, following the business of and submitting written questions via the Virtual Meeting Platform (but not voting at the General Meeting via the Virtual Meeting Platform)

in each case including at any adjournment thereof, if you wish and are entitled to do so.

(b) ***Online appointment of proxies***

As an alternative to completing and returning the printed Forms of Proxy, proxies may be appointed electronically by logging on to the following website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Computershare no later than 10:30 a.m. on 7 September 2021 for the Court Meeting and 10:45 a.m. on 7 September 2021 for the General Meeting or, if in either case the Meeting is adjourned, no later than 48 hours (excluding non-working days) before the time fixed for the adjourned Meeting.

In the case of the Court Meeting only, if you have not appointed a proxy electronically by such time, you may complete the BLUE Form of Proxy and hand it to a representative of Computershare, on behalf of the Chair of the Court Meeting or the Chair of the Court Meeting before the start of the Court Meeting and it will still be valid.

(c) ***Electronic appointment of proxies through CREST***

If you hold Augean Shares in uncertificated form through CREST and wish to appoint a proxy or proxies for the Meetings (or any adjourned Meeting) by using the CREST electronic proxy appointment service, you may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed any voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a “**CREST Proxy Instruction**”) must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by Computershare (participant ID 3RA50) not less than 48 hours (excluding non-working days) before the time fixed for the Court Meeting or the General Meeting (or adjourned Meeting), as applicable. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy

Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Augean may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

### **3. Shareholder Helpline**

**If you have any questions in relation to this document, the Meetings, or the completion and return of the Forms of Proxy, please telephone Computershare between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0370 889 3205 from within the UK or +44 370 889 3205 if calling from outside the UK. Calls to the Shareholder Helpline from outside the UK will be charged at applicable international rates. Different charges may apply to calls from mobile telephones and calls may be recorded and randomly monitored for security and training purposes. The Shareholder Helpline cannot provide advice on the merits of the Offer nor give any financial, legal or tax advice.**

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

*All times shown are London time unless otherwise stated. All dates and times are based on Augean's and Bidco's current expectations and are subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Augean Shareholders by announcement through a Regulatory Information Service, with such announcement being made available on Augean's website at <https://www.augeanplc.com/offer>.*

<i>Event</i>	<i>Expected time/date</i>
Publication of this document	16 August 2021
Latest time for lodging Forms of Proxy for:	
Court Meeting (BLUE form)	10:30 a.m. on 7 September 2021 <sup>(1)</sup>
General Meeting (WHITE form)	10:45 a.m. on 7 September 2021 <sup>(1)</sup>
Voting Record Time	6.00 p.m. on 7 September 2021 <sup>(2)</sup>
<b>Court Meeting</b>	<b>10:30 a.m. on 9 September 2021</b>
<b>General Meeting</b>	<b>10:45 a.m. on 9 September 2021<sup>(3)</sup></b>
<i>The following dates are indicative only and subject to change; please see note (4) below</i>	
Scheme Court Hearing	23 September 2021 <sup>(4)</sup>
Last day of dealings in, and for registration of transfers of, and disablement in CREST of, Augean Shares	24 September 2021 <sup>(4)(5)</sup>
Suspension of listing of, and dealings in, Augean Shares	6.00 p.m. on 24 September 2021 <sup>(4)</sup>
Scheme Record Time	6.00 p.m. on 24 September 2021 <sup>(4)</sup>
<b>Effective Date of the Scheme<sup>(6)</sup></b>	<b>27 September 2021<sup>(4)</sup></b>
Cancellation of admission to trading of Augean Shares on AIM	by 8.00 a.m. on 28 September 2021 <sup>(4)</sup>
Latest date for electronic payment/dispatch of cheques/settlement through CREST in respect of the consideration for the Offer	Within 14 days of the Effective Date
Long Stop Date	11.59 p.m. on 31 December 2021 <sup>(7)</sup>

### Notes:

- (1) The BLUE Form of Proxy for the Court Meeting, if not received by the time stated above (or, if the Court Meeting is adjourned, 48 hours (excluding non-working days) before the adjourned Court Meeting), may be handed to a representative of Computershare, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting, before the start of that Meeting. However, in order to be valid, the WHITE Form of Proxy must be received no later than 10:30 a.m. on 7 September 2021 (or, if the General Meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned Meeting). Please see "Action to be taken" on pages 12 to 15 of this document.
- (2) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned Meeting will be 6:00 p.m. on the date which is two Business Days before the date set for such adjourned Meeting.
- (3) To commence at 10:45 a.m. or, as soon thereafter as the Court Meeting shall have concluded or adjourned.
- (4) These times and dates are indicative only and will depend on, among other things, the date(s) upon which (i) the Conditions are satisfied or (where applicable) waived, (ii) the Court sanctions the Scheme, and (iii) the Court Order sanctioning the Scheme is delivered to the Registrar of Companies. If the expected date of the Scheme Court Hearing is changed, Augean will give adequate notice of the changes by issuing an announcement through a Regulatory Information Service.

- (5) Augean Shares will be disabled in CREST from 6.00 p.m. on 24 September 2021.
- (6) The Scheme will become Effective pursuant to its terms upon the Court Order being delivered to the Registrar of Companies.
- (7) The latest date by which the Scheme must be implemented may be extended by agreement in writing between Augean and Bidco (with the Panel's consent and as the Court may approve, if such consent and/or approval is/are required).

## PART I

### LETTER FROM THE EXECUTIVE CHAIRMAN OF AUGEAN PLC



*(Incorporated and registered in England and Wales with registered number 05199719)*

*Directors:*

Jim Meredith (*Executive Chairman*)  
Mark Fryer (*Executive Director and Group Finance Director*)  
John Rauch (*Executive Director and Chief Operating Officer*)  
John Grant (*Senior Independent Director*)  
Roger McDowell (*Non-Executive Director*)  
Christopher Mills (*Non-Executive Director*)

*Registered Office:*

4 Rudgate Court, Walton, Wetherby,  
West Yorkshire, LS23 7BF

16 August 2021

*To all Augean Shareholders and, for information only persons with information rights*

Dear Shareholder,

#### RECOMMENDED OFFER FOR AUGEAN PLC

#### BY ANTWERP MANAGEMENT LIMITED

**(a newly-formed company indirectly owned by funds managed or advised by Morgan Stanley Infrastructure Inc., an indirect subsidiary of Morgan Stanley)**

#### 1. Introduction

On 30 July 2021 (the “**Announcement Date**”), the Augean Board and the Bidco Board announced that they had reached agreement on the terms of a recommended offer by Bidco for the entire issued, and to be issued, share capital of Augean.

Bidco is a newly-incorporated company indirectly owned by funds managed or advised by Morgan Stanley Infrastructure Inc. (“**MSI**”), an indirect subsidiary of Morgan Stanley, a Delaware, USA corporation (“**Morgan Stanley**”) and part of Morgan Stanley’s global private infrastructure investment platform, Morgan Stanley Infrastructure Partners (“**MSIP**”). Further information relating to Bidco and MSIP can be found in paragraph 4 of Part II (*Explanatory Statement*) of this document and in Part VII (*Additional Information*).

I am writing to you on behalf of the Augean Board to explain the background to, and terms of, the Offer, to encourage you to vote at the Meetings to be held on 9 September 2021 to consider the Scheme, and to explain why the Augean Board is unanimously recommending that Augean Shareholders vote in favour of the resolutions to be put to those Meetings. I draw your attention to the letter from Rothschild & Co set out in Part II (*Explanatory Statement*) of this document which gives details of the Offer, and to the additional information set out in Part VII (*Additional Information*) of this document.

In order to approve the Scheme by which the Offer is intended to be implemented, a sufficient majority of Augean Shareholders will need to vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting. The Court Meeting and the General Meeting are to be held on 9 September 2021. The Court Meeting will start at 10:30 a.m. and the General Meeting at 10:45 a.m. (or as soon thereafter as the Court Meeting shall have been concluded or adjourned). Details of the actions you are asked to take are set out on pages 12 to 15 of this document and paragraph 15 of Part II (*Explanatory Statement*) of this document.

The recommendation of the Augean Directors is set out in paragraph 15 of this Part I (*Letter from the Executive Chairman of Augean Plc*).

## 2. Summary of the terms of the Offer

It is intended that the Offer be implemented by means of a Court-sanctioned scheme of arrangement between Augean and the Scheme Shareholders under Part 26 of the Companies Act, which requires the approval of Augean Shareholders at the Court Meeting and the General Meeting and the sanction of the Court.

Under the terms of the Offer, Scheme Shareholders at the Scheme Record Time will receive:

<b>for each Augean Share held</b>	<b>280 pence in cash from Bidco (the “Cash Consideration”); and</b>
	<b>a contingent entitlement of up to a further 20 pence in Loan Notes by way of a contingent value right linked to the outcome of the Outstanding Tax Claims (a “CVR”)</b>

Together, the Offer represents a total price per share of up to £3.00.

### **In certain circumstances, the CVR will have zero value and no Loan Notes will be issued.**

The Offer, assuming each CVR delivers its maximum value of 20 pence in principal value of Loan Note, values the entire issued and to be issued ordinary share capital of Augean at approximately £314.9 million on a fully diluted basis and represents a premium of approximately:

- 35.9 per cent. to the Company’s daily volume weighted average share price of 220.8 pence per Augean Share for the two-month period ended on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer); and
- 20.7 per cent. to the Closing Price of 248.5 pence per Augean Share on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer).

The Offer, assuming each CVR has zero value and no Loan Notes are issued, values the entire issued and to be issued ordinary share capital of Augean at approximately £293.9 million on a fully diluted basis and represents a premium of approximately:

- 26.8 per cent. to the Company’s daily volume weighted average share price of 220.8 pence per Augean Share for the two-month period ended on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer); and
- 12.7 per cent. to the Closing Price of 248.5 pence per Augean Share on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer).

Pursuant to the terms of the Offer, Eligible Augean Shareholders will receive one CVR for each Augean Share that they hold. The CVR is intended to enable eligible Scheme Shareholders to share in a portion of the proceeds of the Outstanding Tax Claims. Each CVR will entitle Augean Shareholders to receive up to a further 20 pence in Loan Notes (subject to applicable securities laws and to a minimum holding by the Augean Shareholder of 25 Scheme Shares) at the election of the Augean Shareholder, subject to and in accordance with the terms and conditions of the CVR Deed Poll. The CVRs will be non-transferable other than to certain permitted transferees and no application will be made for the CVRs to be listed or dealt in on any stock exchange. A description of the terms and operation of the CVR and the Loan Notes is set out in paragraph 6 of Part II (*Explanatory Statement*) of this document. Augean Shareholders who hold fewer than 25 Scheme Shares will not receive any CVRs. **Eligible Augean Shareholders are strongly advised to read paragraph 6 of Part II (*Explanatory Statement*) of this document in full.**

**If the net proceeds of the Outstanding Tax Claims are £100,000 or less, no Loan Notes will be issued and, in these circumstances, Augean Shareholders will not receive any additional consideration under the CVR. In these circumstances, the value of the CVR will be zero. Greenhill has not been required**

**to confirm, and has not confirmed, that resources are available to Bidco to satisfy payments under the CVRs or the Loan Notes.**

The Offer is subject to the Conditions set out in Part A of Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document, including the approval of the Scheme at the Court Meeting, the passing of the Resolution at the General Meeting and sanction of the Scheme by the Court. Subject to satisfaction or (where applicable) waiver of the Conditions and to the further terms set out in Part B of Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document, it is expected that the Scheme will become Effective in September 2021. The expected transaction timetable is set out on page 16 of this document.

Further information about the Offer is provided in Part II (*Explanatory Statement*) of this document.

### **3. Background to and reasons for the recommendation**

As Augean announced in its 2020 full year results on 1 March 2021, Augean has built a leading position in multiple niche and attractive hazardous waste markets. During the last five years, Augean has successfully completed its turnaround programme: building a strong leadership and in depth management team, exiting non-core and underperforming businesses and reducing costs by creating a leaner organisation while focussing on development of leading positions in attractive markets with high barriers to entry and Augean is now transitioning to a period of growth.

The Augean Board notes that the historic strategy has delivered growth in adjusted EBITDA of more than 100 per cent. during the last three years but the Augean share price has performed more strongly increasing 755 per cent. since the start of 2018.

The Augean Board believes that an infrastructure investor such as MSIP is ideally placed to highly value Augean's business activities that are both cash generative and offer defensive characteristics.

The terms of the Offer represent a significant premium in cash to Augean's volume-weighted share price over the preceding two months prior to the date of MSIP's announcement that it was considering making an approach to Augean.

The Directors consider that:

- the terms of the Offer are a fair reflection of the current and potential value of Augean whilst allowing Augean Shareholders to maintain an interest in the outcome of the Outstanding Tax Claims;
- the acquisition of Augean by MSIP offers an excellent opportunity for all Augean Shareholders to realise a significant return on their investment and offers liquidity for those shareholders with large shareholdings; and
- the transaction itself is in line with Augean's long-term strategy of maximising returns for shareholders, whilst looking to mitigate risk.

Accordingly the directors of Augean recommend unanimously that Augean Shareholders vote in favour of the Scheme.

The recommendation follows an extensive review by Augean and its advisers of the options available to Augean.

In considering the recommendation of the Offer to Augean Shareholders, the Augean Directors have also noted Bidco's stated intentions as set out in paragraph 6 in Part I (*Letter from the Executive Chairman of Augean*) and welcome the great importance attached by Bidco to the skills, expertise and experience of the existing management and employees of the Augean Group.

The Augean Directors also note the possibility that there will be limited headcount reductions related to a small number of public company-related functions but are pleased to note Bidco's statement that it will work with Augean's management to attempt to reassign individuals involved in these functions where possible. In addition, the Augean Directors welcome Bidco's statements that it has no plans to make any changes to the

location of Augean's places of business in the UK or to redeploy the fixed assets of Augean following the Scheme becoming Effective, that, following the Effective Date, the existing contractual and statutory employment rights, including pension rights, of all management and employees of the Augean Group will be fully safeguarded, and that Bidco envisages that there will be no material change in their conditions of employment or in their balance of the skills and functions.

#### **4. Background to and reasons for the Offer**

MSIP has been following the waste management sector and the broader UK infrastructure market for a number of years and has spent time and resources evaluating the sector in general and Augean in particular.

MSIP is interested in the opportunity to gain exposure to the UK hazardous waste market and views Augean as an attractive company operating in this sector, focussing on the energy from waste, construction, industrial and nuclear end markets. MSIP believes that Augean is a high quality business with a network of strategically located facilities, a well-known and respected brand, and a customer base operating on long-term contracts. MSIP also considers Augean's management team members to be experienced and capable partners to further the future development of the Company.

MSIP has extensive experience investing in a variety of infrastructure and infrastructure-like assets. Within the United Kingdom historically this has included investments in Affinity Water, one of the largest regulated water-only companies in the United Kingdom (by revenue), and Eversholt Rail Group, a leading rolling stock company in the United Kingdom. Furthermore MSIP has a track record of acquiring publicly listed companies and investing in regulated utilities.

Leveraging MSIP's extensive experience, MSIP's team will work closely with management to refine its private company strategy with a long-term perspective to help the Company achieve its full potential and support management in pursuing their strategy. This will include investment in Augean's existing business to accelerate both organic and inorganic growth and to ensure that Augean continues to be a partner of choice to its customers.

#### **5. Irrevocable undertakings and letter of intent**

Bidco has received irrevocable undertakings to vote (or, where applicable, procure voting) in favour of the Scheme at the Court Meeting and to vote (or, where applicable, procure voting) in favour of the Resolution to be proposed at the General Meeting, from all Augean Directors who hold interests in Augean Shares in respect of such beneficial holdings of 4,789,732 Augean Shares (in aggregate, representing approximately 4.56 per cent. of the Augean Shares in issue on the Latest Practicable Date).

In addition to the irrevocable undertakings from the Augean Directors, Bidco has also received irrevocable undertakings from the Harwood Entities to vote, or procure the voting, in favour of the Resolution to be proposed at the General Meeting or, if (subject to the terms of the Co-operation Agreement and with the consent of the Panel) Bidco exercises its right to implement the Offer by way of a Takeover Offer, to accept, or procure the acceptance of such Takeover Offer in respect of a total of 25,100,000 Augean Shares, in aggregate, representing approximately 23.91 per cent. of the Augean Shares in issue on the Latest Practicable Date. The irrevocable undertakings will cease to be binding, inter alia, if any third party announces an offer in accordance with Rule 2.7 of the Code for the entire issued and to be issued ordinary share capital of Augean and the consideration payable for each Augean Share under such proposal represents either: (i) an amount in cash that is at least 7.5 per cent. higher than 280 pence per Augean Share and includes a contingent value right pursuant to which the applicable proportion of any Tax Claim Proceeds payable to shareholders is at least 7.5 per cent. higher than the applicable proportion payable by Bidco under the terms of the CVR Deed Poll and provided that all other terms must be at least equivalent to those offered by Bidco; or (ii) represents an amount in cash that is at least 10 per cent higher than 280 pence per Augean Share (and, for the avoidance of doubt, need not (but may) include an entitlement to a contingent value right). Bidco has the right to match the terms of any such competing offer.

Gresham House Strategic plc has also provided an irrevocable undertaking to vote, or procure the voting, in favour of the Scheme at the Court Meeting and vote, or procure the voting, in favour of the Resolution to be

proposed at the General Meeting or, if (subject to the terms of the Co-operation Agreement and with the consent of the Panel) Bidco exercises its right to implement the Offer by way of a Takeover Offer, to accept, or procure the acceptance of such Takeover Offer in respect of a total of 5,870,604 Augean Shares representing approximately 5.59 per cent. of the Augean Shares in issue on the Latest Practicable Date. The irrevocable undertaking will cease to be binding if any third party announces an offer in accordance with Rule 2.7 of the Code for the entire issued and to be issued ordinary share capital of Augean and the consideration payable for each Augean Share under such proposal represents an amount in cash that is at least 299.60 pence per Augean Share (and, for the avoidance of doubt, need not (but may) include an entitlement to a contingent value right).

Hargreave Hale Limited (on behalf of Marlborough UK Micro-Cap Growth Fund) has provided a non-binding letter of intent to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or in the event that the Offer is implemented by way of a Takeover Offer, to accept or procure acceptance of such Takeover Offer) in respect of 12,500,000 Augean Shares, representing approximately 11.91 per cent. of the Augean Shares in issue on the Latest Practicable Date.

In total, therefore, Bidco has received irrevocable undertakings and a non-binding letter of intent to vote, or procure the voting, in favour of the Scheme at the Court Meeting and vote, or procure the voting, in favour of the Resolution to be proposed at the General Meeting or, if (subject to the terms of the Co-operation Agreement and with the consent of the Panel) Bidco exercises its right to implement the Offer by way of a Takeover Offer, to accept, or procure the acceptance of such Takeover Offer with respect to a total of 48,260,336 Augean Shares, in aggregate, representing approximately 45.97 per cent. of the Augean Shares in issue on the Latest Practicable Date.

Further details of these undertakings and the letter of intent are set out in paragraph 6 of Part VII (*Additional Information*) of this document.

## **6. Intentions of Bidco**

### ***Management and employees***

As set out in paragraph 4 in Part I (*Letter from the Executive Chairman of Augean*) of this document, MSIP is interested in the opportunity to gain exposure to the UK hazardous waste market and views Augean as an attractive company operating in this sector.

Bidco attaches great importance to the skills, expertise and experience of the existing management and employees of the Augean Group. Leveraging MSIP's extensive experience, MSIP's team will work closely with management to refine its private company strategy with a long-term perspective to help the Company achieve its full potential and support management in pursuing their strategy. This will include investment in Augean's existing business to accelerate both organic and inorganic growth and to ensure that Augean continues to be a partner of choice to its customers.

In line with market practice for a public offer process, Bidco completed a short period of confirmatory due diligence on Augean prior to the Announcement Date. Following the Scheme becoming Effective, Bidco intends to review Augean's business and operations. As at the date of this document, the results of the review are uncertain and no firm decisions have been made in relation to specific actions which may be taken.

Bidco expects that this evaluation will be completed within approximately six months from the Effective Date and has not made any decisions in relation to specific actions that may be taken as a result of the review. The purpose of the review will be to validate the assumptions underlying Bidco's investment thesis which have been confirmed through the management meetings held as part of its confirmatory due diligence exercise.

However, based on the due diligence carried out thus far by Bidco, once Augean ceases to be a public listed company (see below), it is possible that there will be limited headcount reductions related to a small number of public company-related functions. Bidco will work with Augean's management to attempt to reassign individuals involved in these functions where possible.

Bidco expects that, upon the Scheme becoming Effective, each of the Non-Executive Directors of the Augean Board will resign from their office as a Director of Augean.

The Board of Bidco also confirms that, upon the Scheme becoming Effective, the existing contractual and statutory employment rights, including pension rights, of all management and employees of the Augean Group will be fully safeguarded, and envisages that there will be no material change in their conditions of employment or in their balance of the skills and functions.

The Augean Group does not operate any defined benefit pension schemes.

#### ***Management incentive arrangements***

Bidco has not entered into, and has not had discussions on proposals to enter into any form of incentivisation arrangements with members of Augean's management, but will have discussions and may enter into such arrangements following the Effective Date and intends to operate annual and long term incentive arrangements.

#### ***Locations, fixed assets and research and development***

Bidco does not have any plans to make any changes to the location of Augean's places of business in the UK, including the location of Augean's headquarters, or to redeploy the fixed assets of Augean following the Scheme becoming Effective, nor does it have any intention to make any changes to Augean's headquarter functions.

Augean does not have a research and development function.

#### ***Trading facilities***

Prior to the Scheme becoming Effective, as noted in paragraph 11 of Part II (*Explanatory Statement*) of this document, it is intended that applications will be made to the London Stock Exchange to cancel the trading in Augean Shares on AIM, to take effect shortly after the Effective Date.

It is intended that Augean be re-registered as a private limited company as soon as practicable following the Effective Date.

**No statements in this paragraph 6 constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.**

### **7. Current Trading and Prospects**

On 1 March 2021, Augean announced its full year results for the period ended 31 December 2020 which included the following outlook statements:

"The Group has set ambitious internal targets for the 2021 year which will undoubtedly be an economically uncertain period for the UK whilst Brexit plays out and the impact of Covid-19 continues; however, with limited direct exposure to EU markets, coupled with a strong start to 2021 trading and a robust pipeline of activity, the Board remains confident in the Group's prospects for the new financial year."

"The Group performed well during 2020, generating £28.0m of cash before non-underlying outflows and was able to marginally grow adjusted profit before tax despite the impact of Covid-19 and the impact on the North Sea business. A pleasing start to trading has been made in the first few weeks of 2021 with results in line with Group expectations. The Board is confident in the prospects of the Group for the full year."

The Company confirms that the current trading is in line with Augean Group expectations for the financial half year ended 30 June 2021.

## 8. CVRs and Loan Notes

### *Background*

Since August 2017, the Augean Group has received assessments (including accrued interest) for uncollected landfill tax where HMRC does not agree with the Augean Group's interpretation of the rate of landfill tax that applies.

In December 2019, the Augean Group paid £40.4 million in full payment of the assessments outstanding at that date, and subsequently paid approximately £1.6 million in respect of a further assessment received after that date. This prevented any further accrual of interest on those assessments. The Augean Group remain of the view that these assessments were not valid and that they have applied the appropriate treatment in respect of levying landfill tax on waste received. Therefore the Augean Group intend to maintain their robust challenge of HMRC's landfill tax assessments.

A number of separate legal challenges have been and are being made and in September 2020, the First Tier Tribunal for Tax had a preliminary hearing as to whether the Augean Group had appropriately interpreted certain elements of the landfill tax law; on 22 June 2021, the First Tier Tribunal found in favour of the Augean Group, giving HMRC 56 days in which to appeal the decision. This decision disposed of a preliminary question of law, rather than disposing of any appeal in relation to any particular assessment or amount of landfill tax.

In December 2020, the Augean Group received a £1.4 million repayment from HMRC relating to overpayment in respect of waste relating to a particular customer which was a small element of the £40.4 million paid in December 2019.

Further, the Augean Group has made certain additional claims for repayment of landfill tax on the basis that certain waste placed in its landfill site as "top fluff" had not been taxably disposed of, but had rather been put to use. As well as providing an additional argument as to the validity of the abovementioned assessments, these "top fluff" claims may result in the recovery of additional amounts of landfill tax by the Augean Group of approximately £1.2 million.

### *General*

Under the terms of the Offer, for each Augean Share held, Eligible Augean Shareholders will be entitled to receive (in addition to the cash consideration offered) a contingent entitlement of up to a further 20 pence in Loan Notes by way of a contingent value right linked to the outcome of the Outstanding Tax Claims (which relate to the matters set out in under the heading "*Background*" above).

**Augean Shareholders should obtain their own independent professional tax advice in relation to the acquisition, holding, transfer and disposal of the CVRs and/or Loan Notes in light of their own particular circumstances.**

**Greenhill, has not been required to confirm, and has not confirmed, that resources are available to Bidco to satisfy payments under the CVRs or the Loan Notes.**

### *CVRs*

Under the terms of the Offer, for each Share that they hold, Eligible Augean Shareholders will be entitled to receive (in addition to the cash offered) a contingent entitlement of up to 20 pence in Loan Notes.

The CVRs have been constituted by the CVR Deed Poll. The CVRs will not represent any equity or ownership interest in Bidco, and accordingly will not confer on the CVR Holders any right to attend, speak at or vote at any meeting of the shareholders of Bidco or right to any dividends or right to any return of capital by Bidco. Bidco shall, following receipt of a Qualifying Tax Repayment (as defined in the CVR Deed Poll), pursuant to the terms of the CVR Deed Poll enter into the Loan Note Instrument and constitute the Loan Notes.

**Pursuant to the terms of the CVR Deed Poll, Augean Shareholders who hold fewer than 25 Scheme Shares (or, if the Offer is implemented by way of a Takeover Offer, Augean Shares to which the**

**Takeover Offer relates) will not receive any CVRs. At the date of this document the Augean Shares are freely transferable and admitted to trading on AIM. Accordingly, Augean Shareholders who are not currently Eligible Augean Shareholders may choose to increase their shareholding to meet the threshold required to receive a CVR.**

Under the terms of the CVR Deed Poll, the principal value of each Loan Note to which a CVR Holder is entitled (“**Loan Note Principal Value**”), and therefore the amount of cash ultimately payable to a Loan Note Holder upon redemption of their Loan Notes, will be an amount equal to each Qualifying Tax Repayment (as defined in the CVR Deed Poll) divided by the number of CVRs that have been issued pursuant to the CVR Deed Poll from time to time. The Loan Note Principal Value is capped at a maximum of 20 pence per Loan Note (and a total aggregate cap of 20 pence for all Loan Notes issued in respect of a single CVR). If the Tax Claim Proceeds arising out of the Outstanding Tax Claims are £100,000 or less no Loan Notes will be issued, and in these circumstances the Augean Shareholders will not receive any additional consideration under the terms of the CVR Deed Poll. In these circumstances, the value of each CVR would be zero. There will be no interest conferred by a CVR in the economic activities of Augean, Bidco or the enlarged group generally.

Bidco has undertaken that the Tax Claim Proceeds (if any) will be transferred to, and thereafter be held in, a separate Ring-fenced Account (as defined in the CVR Deed Poll) until such time as the Loan Notes are redeemed or the CVRs expire in accordance with their terms. No security shall be granted over the funds in the Ring-fenced Account, which shall only be applied in and toward satisfaction of the Loan Notes.

The CVRs will be issued in certificated registered form, and will be non-transferable save for Transfers to Permitted Transferees (as defined in the CVR Deed Poll) and no application has been or will be made to any investment exchange for the CVRs to be listed or dealt in.

The Panel has determined that an estimate of the value of a CVR in accordance with Rule 24.11 will not be included in this document.

### ***Loan Notes***

The Loan Notes will be governed by English law and will be issued with a principal value determined in accordance with the terms of the CVR Deed Poll. The Loan Notes will be issued in certificated registered form, and will be non-transferable save for Transfers to Permitted Transferees (as defined in the Loan Note Instrument) and no application has been or will be made to any investment exchange for the Loan Notes to be listed or dealt in. The Loan Notes will constitute direct, unsecured obligations of Bidco and shall rank *pari passu* with one another, as applicable.

Certificates in respect of the Loan Notes will be issued to each Loan Note Holder (other than Restricted Overseas Persons). If the issue of Loan Notes to any Restricted Overseas Person, or to any person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such Restricted Overseas Person shall not have issued to him Loan Notes or certificates in respect of the Loan Notes and that the Loan Notes which would otherwise have been attributable to such Restricted Overseas Person under the terms of the Offer shall be held by a nominee on behalf of such Restricted Overseas Person, and the cash proceeds (if any) following the redemption of any such Loan Notes be forwarded to such Restricted Overseas Person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Loan Notes will not represent any equity or ownership interest in Bidco, and accordingly will not confer on the Loan Note Holders any right to attend, speak at or vote at any meeting of the shareholders of Bidco, or right to any dividends in respect of Bidco or right to any return of capital by Bidco. The Loan Notes will be issued on the Loan Note Issue Date (as defined in the Loan Note Instrument) with a term which shall end on the date that falls 18 months after the Loan Note Issue Date (the “**Final Redemption Date**”).

The Loan Notes may be redeemed in full at par from the date falling 6 months and 1 day after the Loan Note Issue Date and must be redeemed prior to the Final Redemption Date (subject to any deduction or withholding required by law in respect of any tax).

Bidco intends to procure that following the Scheme becoming Effective, the Outstanding Tax Claims are pursued so as to enable the receipt in full by CVR Holders of their respective portion of the Tax Claim Proceeds.

## 9. Dividends

If, on or after the Announcement Date and before the Effective Date, any dividend, distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Augean Shares, Bidco reserves the right to reduce the cash consideration payable under the terms of the Offer by the amount of any such dividend, distribution and/or return of capital which is paid or becomes payable by the Company to Augean Shareholders, in which case the relevant eligible Augean Shareholders will be entitled to receive and retain such dividend, distribution and/or return of capital declared, made or paid. If any such dividend or distribution or return of value is paid or made after the date of this document and Bidco exercises its rights described above, any reference in this document to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.

## 10. The Scheme and the Meetings

The Offer is to be implemented by means of a court-sanctioned scheme of arrangement between Augean and the Scheme Shareholders who are on the register of members at the Scheme Record Time, under Part 26 of the Companies Act, although Bidco reserves the right to effect the Offer by way of a Takeover Offer (subject to the Panel's consent and the terms of the Co-operation Agreement). The procedure requires approval by Augean Shareholders at the Court Meeting and General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part IV (*Scheme of Arrangement*) of this document.

The purpose of the Scheme is to provide for Bidco to become the owner of the whole of the issued and to be issued share capital of Augean.

Before the Court's sanction can be sought for the Scheme, the Scheme requires approval by the passing of a resolution at the Court Meeting. The resolution must be approved by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders present and voting, either in person, remotely via the Virtual Meeting Platform, or by proxy, at the Court Meeting. In addition, the Resolution must be passed at the General Meeting to authorise the Directors to implement the Scheme and to deal with certain ancillary matters which require the approval of Augean Shareholders present and voting representing at least 75 per cent. of the votes cast at the General Meeting (either in person or by proxy).

**It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair and reasonable representation of opinion of the Scheme Shareholders. You are therefore strongly advised to sign and return your Forms of Proxy or appoint a proxy or proxies electronically for both the Court Meeting and the General Meeting as soon as possible. Doing so will not prevent you from attending, voting and speaking at the Meetings or any adjournment thereof, if you so wish and are so entitled.**

## 11. Taxation

Your attention is drawn to Part VI (*UK Taxation*) of this document.

**This summary does not constitute tax advice and is intended as a general description only and not a full analysis of all potential UK tax consequences of the Offer. If you are in any doubt as to your tax position, or if you are subject to taxation in any jurisdiction other than the UK, you should consult an appropriate independent professional tax adviser.**

## **12. Overseas Shareholders**

Overseas Shareholders should refer to paragraph 14 of Part II (*Explanatory Statement*) of this document.

## **13. Action to be taken by Augean Shareholders**

Your attention is drawn to pages 12 to 15, and paragraph 15 of Part II (*Explanatory Statement*) of this document, which explain the actions you should take in relation to the Offer and the Scheme.

Details relating to the cancellation of admission to trading of Augean Shares are included in paragraphs 11 and 12 of Part II (*Explanatory Statement*) of this document.

## **14. Further information**

Your attention is drawn to the Explanatory Statement set out in Part II (*Explanatory Statement*) of this document, the full terms of the Scheme set out in Part IV (*The Scheme of Arrangement*), the additional information set out in Part VII (*Additional Information*) and the Notices of the Meetings set out in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document respectively.

**You should read the whole of this document and the accompanying Forms of Proxy and not rely solely on the information contained in this letter or the Explanatory Statement.**

Copies of this document (and all information incorporated into this document by reference to another source) and the Forms of Proxy are and will be available, subject to certain restrictions relating to Overseas Shareholders in Restricted Jurisdictions, for inspection on Augean's website at <https://www.augeanplc.com/offer/>.

## **15. Recommendation**

**The Augean Directors, who have been so advised by Rothschild & Co as to the financial terms of the Offer, consider the terms of the Offer to be fair and reasonable. In providing its advice to the Augean Directors, Rothschild & Co has taken into account the commercial assessments of the Augean Directors.**

**Accordingly, the Augean Board recommends unanimously that Augean Shareholders vote in favour of the Scheme at the Court Meeting and the Resolution at the General Meeting, as the Augean Directors have irrevocably undertaken to do in respect of their own beneficial holdings, of 4,789,732 Augean Shares in aggregate, representing approximately 4.56 per cent. of Augean's issued share capital on the Last Practicable Date (being the latest Business Day before the publication of this document).**

Yours faithfully,

**Jim Meredith**

*Executive Chairman of Augean Plc*

## PART II

### EXPLANATORY STATEMENT

(in compliance with section 897 of the Companies Act 2006)



16 August 2021

*To all Augean Shareholders and, for information only, persons with information rights*

Dear Shareholder,

#### RECOMMENDED OFFER BY ANTWERP MANAGEMENT LIMITED FOR AUGEAN PLC

##### 1. Introduction

On 30 July 2021 (the “**Announcement Date**”), the Augean Board and the Bidco Board announced that they had reached agreement on the terms of a recommended offer by Bidco for the entire issued and to be issued ordinary share capital of Augean, to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (the “**Offer**”).

**Your attention is drawn to the letter from the Executive Chairman of Augean set out in Part I (*Letter from the Executive Chairman of Augean*) of this document, which forms part of this Explanatory Statement. That letter contains, among other things, the unanimous recommendation by the Augean Board to Augean Shareholders to vote in favour of the resolutions to approve and implement the Scheme, and an explanation of the background to and reasons for recommending the Scheme.**

The terms of the Scheme are set out in full in Part IV (*Scheme of Arrangement*) of this document.

Statements made or referred to in this letter regarding Bidco’s reasons for the Offer, information concerning the business of the Bidco Group, the financial effects of the Offer on Bidco and/or intentions or expectations of or concerning the Bidco Group reflect the views of the Bidco Board. Statements made or referred to in this letter regarding the background to and reasons for the recommendation of the Augean Board, information concerning the business of the Augean Group, and/or intentions or expectations of or concerning the Augean Group, reflect the views of the Augean Board.

Augean Shareholders should read the whole of this document before deciding whether or not to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting.

##### 2. Summary of the terms of the Offer

Under the terms of the Offer, which is subject to the satisfaction (or, where applicable, waiver) of the Conditions and to the further terms set out in Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document, Scheme Shareholders at the Scheme Record Time will receive:

**for each Augean Share**

**280 pence in cash from Bidco (the “Cash Consideration”); and**

**a contingent entitlement of up to a further 20 pence in Loan Notes by way of a contingent value right linked to the outcome of the Outstanding Tax Claims (a “CVR”)**

Together, the Offer represents a total price per share of up to £3.00.

**In certain circumstances, the CVR will have zero value and no Loan Notes will be issued.**

The Offer, assuming each CVR delivers its maximum value of 20 pence in principal value of Loan Note, values the entire issued and to be issued ordinary share capital of Augean at approximately £314.9 million on a fully diluted basis and represents a premium of approximately:

- 35.9 per cent. to the Company's daily volume weighted average share price of 220.8 pence per Augean Share for the two-month period ended on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer); and
- 20.7 per cent. to the Closing Price of 248.5 pence per Augean Share on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer).

The Offer, assuming each CVR has zero value and no Loan Notes are issued, values the entire issued and to be issued ordinary share capital of Augean at approximately £293.9 million on a fully diluted basis and represents a premium of approximately:

- 26.8 per cent. to the Company's daily volume weighted average share price of 220.8 pence per Augean Share for the two-month period ended on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer); and
- 12.7 per cent. to the Closing Price of 248.5 pence per Augean Share on 26 May 2021 (being the last Business Day prior to the date of the start of the offer period in relation to the Offer).

Under the terms of the Offer, for each Augean Share held, Augean Shareholders will be entitled to receive (in addition to the cash consideration offered) a contingent entitlement of up to a further 20 pence in Loan Notes by way of a contingent value right linked to the outcome of the Outstanding Tax Claims, as explained in more detail in paragraph 6 of this Part II (*Explanatory Statement*).

If, on or after the Announcement Date and before the Effective Date, any dividend, distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Augean Shares, Bidco reserves the right to reduce the cash consideration payable under the terms of the Offer by the amount of any such dividend, distribution and/or return of capital which is paid or becomes payable by the Company to Augean Shareholders, in which case the relevant eligible Augean Shareholders will be entitled to receive and retain such dividend, distribution and/or return of capital declared, made or paid.

The Offer is subject to the Conditions set out in Part A of Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document, including the approval of the Scheme at the Court Meeting, the passing of the Resolution at the General Meeting and sanction of the Scheme by the Court. Subject to satisfaction or (where applicable) waiver of the Conditions and to the further terms set out in Part B of Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document, it is expected that the Scheme will become Effective in September 2021.

### **3. Information on Augean**

Augean is a specialist waste and resource management group serving the hazardous waste management sector, the oil and gas industry and nuclear and radioactives sector operating at locations across the UK. Its subsidiary company, Augean North Sea Services, specialises in the development of innovative solutions to manage all waste streams derived from North Sea exploration, production and decommissioning activities. Augean provides a wide range of services through its treatment, transfer, industrial services, landfill disposal, recovery and recycling capability.

Augean is a public limited company registered in England and Wales. The Augean Shares are currently admitted to trading on AIM.

### **4. Information on MSIP and Bidco**

#### ***MSIP***

Established in 2006, Morgan Stanley's global private infrastructure investment platform, MSIP, is a global platform for private infrastructure investments. It employs an established, disciplined process to invest in and manage a diverse portfolio of infrastructure assets predominantly in OECD countries. Its focus sectors

include power generation and utilities, natural gas, transportation, and digital infrastructure. The MSIP team possesses considerable infrastructure investing and asset management experience. MSIP has a large and diverse team of professionals with offices across the globe.

### ***Bidco***

Bidco is a newly incorporated company, formed on behalf of, and which is indirectly owned by, funds managed or advised by MSI, which is an indirect subsidiary of Morgan Stanley, and part of Morgan Stanley's global private infrastructure investment platform, MSIP, which forms part of Morgan Stanley Investment Management, for the purpose of implementing the Offer.

Bidco has not traded since its date of incorporation, nor has it entered into any obligations other than in connection with the Offer.

The current directors of Bidco are Alberto Donzelli, Annelies Van Zutphen and Louise Grydbeck.

## **5. Financing of the Offer**

The consideration payable to Augean Shareholders pursuant to the Offer will be financed by a combination of equity to be invested by North Haven Infrastructure Partners III (AIV-C) LP, a fund managed by MSI, and debt to be provided via a £135,000,000 term loan and £20,000,000 revolving loan facility made available under the Senior Facilities Agreement.

Further details on these financing agreements are set out in paragraph 10.20 of Part VII (*Additional Information*) of this document.

In accordance with Rule 24.8 of the Takeover Code, Greenhill, as financial adviser to MSI and Bidco, is satisfied that sufficient resources are available to Bidco to enable it to satisfy in full the Cash Consideration payable to Augean Shareholders in connection with the Offer.

**Greenhill, has not been required to confirm, and has not confirmed, that resources are available to Bidco to satisfy payments under the CVRs or the Loan Notes and Augean Shareholders will be at risk if, for any reason, Bidco is not in a position to meet its obligations in respect of the CVRs and/or Loan Notes.**

## **6. CVRs and Loan Notes**

### ***Background***

Since August 2017, the Augean Group has received assessments (including accrued interest) for uncollected landfill tax where HMRC does not agree with the Augean Group's interpretation of the rate of landfill tax that applies.

In December 2019, the Augean Group paid £40.4 million in full payment of the assessments outstanding at that date, and subsequently paid approximately £1.6 million in respect of a further assessment received after that date. This prevented any further accrual of interest on those assessments. The Augean Group remain of the view that these assessments were not valid and that they have applied the appropriate treatment in respect of levying landfill tax on waste received. Therefore the Augean Group intend to maintain their robust challenge of HMRC's landfill tax assessments.

A number of separate legal challenges have been and are being made and in September 2020, the First Tier Tribunal for Tax had a preliminary hearing as to whether the Augean Group had appropriately interpreted certain elements of the landfill tax law; on 22 June 2021, the First Tier Tribunal found in favour of the Augean Group, giving HMRC 56 days in which to appeal the decision. This decision disposed of a preliminary question of law, rather than disposing of any appeal in relation to any particular assessment or amount of landfill tax.

In December 2020, the Augean Group received a £1.4 million repayment from HMRC relating to overpayment in respect of waste relating to a particular customer which was a small element of the £40.4 million paid in December 2019.

Further, the Augean Group has made certain additional claims for repayment of landfill tax on the basis that certain waste placed in its landfill site as “top fluff” had not been taxably disposed of, but had rather been put to use. As well as providing an additional argument as to the validity of the abovementioned assessments, these “top fluff” claims may result in the recovery of additional amounts of landfill tax by the Augean Group of approximately £1.2 million.

### **General**

Under the terms of the Offer, for each Augean Share held, Eligible Augean Shareholders will be entitled to receive (in addition to the cash consideration offered) a contingent entitlement of up to a further 20 pence in Loan Notes by way of a contingent value right linked to the outcome of the Outstanding Tax Claims (which relate to the matters set out in under the heading “*Background*” above).

**Augean Shareholders should obtain their own independent professional tax advice in relation to the acquisition, holding, transfer and disposal of the CVRs and/or Loan Notes in light of their own particular circumstances.**

**Greenhill, has not been required to confirm, and has not confirmed, that resources are available to Bidco to satisfy payments under the CVRs or the Loan Notes.**

### **CVRs**

Under the terms of the Offer, for each Share that they hold, Eligible Augean Shareholders will be entitled to receive (in addition to the cash offered) a contingent entitlement of up to 20 pence in Loan Notes.

The CVRs have been constituted by the CVR Deed Poll. The CVRs will not represent any equity or ownership interest in Bidco, and accordingly will not confer on the CVR Holders any right to attend, speak at or vote at any meeting of the shareholders of Bidco or right to any dividends or right to any return of capital by Bidco. Bidco shall, following receipt of a Qualifying Tax Repayment (as defined in the CVR Deed Poll), pursuant to the terms of the CVR Deed Poll enter into the Loan Note Instrument and constitute the Loan Notes.

**Pursuant to the terms of the CVR Deed Poll, Augean Shareholders who hold fewer than 25 Scheme Shares (or, if the Offer is implemented by way of a Takeover Offer, Augean Shares to which the Takeover Offer relates) will not receive any CVRs. At the date of this document the Augean Shares are freely transferable and admitted to trading on AIM. Accordingly, Augean Shareholders who are not currently Eligible Augean Shareholders may choose to increase their shareholding to meet the threshold required to receive a CVR.**

Under the terms of the CVR Deed Poll, the principal value of each Loan Note to which a CVR Holder is entitled (“**Loan Note Principal Value**”), and therefore the amount of cash ultimately payable to a Loan Note Holder upon redemption of their Loan Notes, will be an amount equal to each Qualifying Tax Repayment (as defined in the CVR Deed Poll) divided by the number of CVRs that have been issued pursuant to the CVR Deed Poll from time to time. The Loan Note Principal Value is capped at a maximum of 20 pence per Loan Note (and a total aggregate cap of 20 pence for all Loan Notes issued in respect of a single CVR) . If the Tax Claim Proceeds arising out of the Outstanding Tax Claims are £100,000 or less no Loan Notes will be issued, and in these circumstances the Augean Shareholders will not receive any additional consideration under the terms of the CVR Deed Poll. In these circumstances, the value of each CVR would be zero. There will be no interest conferred by a CVR in the economic activities of Augean, Bidco or the enlarged group generally.

Bidco has undertaken that the Tax Claim Proceeds (if any) will be transferred to, and thereafter be held in, a separate Ring-fenced Account (as defined in the CVR Deed Poll) until such time as the Loan Notes are redeemed or the CVRs expire in accordance with their terms. No security shall be granted over the funds in the Ring-fenced Account, which shall only be applied in and toward satisfaction of the Loan Notes.

The CVRs will be issued in certificated registered form, and will be non-transferable save for Transfers to Permitted Transferees (as defined in the CVR Deed Poll) and no application has been or will be made to any investment exchange for the CVRs to be listed or dealt in.

The Panel has determined that an estimate of the value of a CVR in accordance with Rule 24.11 will not be included in this document.

### ***Loan Notes***

The Loan Notes will be governed by English law and will be issued with a principal value determined in accordance with the terms of the CVR Deed Poll. The Loan Notes will be issued in certificated registered form, and will be non-transferable save for Transfers to Permitted Transferees (as defined in the Loan Note Instrument) and no application has been or will be made to any investment exchange for the Loan Notes to be listed or dealt in. The Loan Notes will constitute direct, unsecured obligations of Bidco and shall rank *pari passu* with one another, as applicable.

Certificates in respect of the Loan Notes will be issued to each Loan Note Holder (other than Restricted Overseas Persons). If the issue of Loan Notes to any Restricted Overseas Person, or to any person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such Restricted Overseas Person shall not have issued to him Loan Notes or certificates in respect of the Loan Notes and that the Loan Notes which would otherwise have been attributable to such Restricted Overseas Person under the terms of the Offer shall be held by a nominee on behalf of such Restricted Overseas Person, and the cash proceeds (if any) following the redemption of any such Loan Notes be forwarded to such Restricted Overseas Person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Loan Notes will not represent any equity or ownership interest in Bidco, and accordingly will not confer on the Loan Note Holders any right to attend, speak at or vote at any meeting of the shareholders of Bidco, or right to any dividends in respect of Bidco or right to any return of capital by Bidco. The Loan Notes will be issued on the Loan Note Issue Date (as defined in the Loan Note Instrument) with a term which shall end on the date that falls 18 months after the Loan Note Issue Date (the “**Final Redemption Date**”).

The Loan Notes may be redeemed in full at par from the date falling 6 months and 1 day after the Loan Note Issue Date and must be redeemed prior to the Final Redemption Date (subject to any deduction or withholding required by law in respect of any tax).

Bidco intends to procure that following the Scheme becoming Effective, the Outstanding Tax Claims are pursued so as to enable the receipt in full by CVR Holders of their respective portion of the Tax Claim Proceeds.

### **7. Augean Directors and the effect of the Scheme on their interests**

Details of the interests of the Augean Directors in the share capital of Augean are set out in paragraph 9 of Part VII (*Additional Information*) of this document. Augean Shares held by the Augean Directors will be subject to the Scheme.

Particulars of the service contracts (including termination provisions) and letters of appointment of the Augean Directors are set out in paragraph 7 of Part VII (*Additional Information*) of this document.

Bidco has received irrevocable undertakings from each of the Augean Directors who hold interests in Augean Shares to vote (or, if applicable, procure the vote) in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting, in respect of an aggregate of 4,789,732 Augean Shares, representing, in aggregate, approximately 4.56 per cent. of Augean’s ordinary issued share capital on the Last Practicable Date.

The effect of the Scheme on the interests of the Augean Directors does not differ from the effect of the Scheme on the interests of other persons.

## **8. Description of the Scheme and the Meetings**

### **8.1 *The Scheme***

The Offer is to be implemented by means of a court-sanctioned scheme of arrangement between Augean and the Scheme Shareholders who are on the register of members at the Scheme Record Time, under Part 26 of the Companies Act, although Bidco reserves the right to effect the Offer by way of a Takeover Offer (subject to the Panel's consent and the terms of the Co-operation Agreement). The procedure requires approval by Augean Shareholders at the Court Meeting and General Meeting, and sanction of the Scheme by the Court. The Scheme is set out in full in Part IV (*Scheme of Arrangement*) of this document.

The purpose of the Scheme is to provide for Bidco to become the owner of the whole of the issued and to be issued share capital of Augean. This is to be achieved by transferring the Scheme Shares held by Augean Shareholders to Bidco, in consideration for which Bidco will pay cash, depending on the outcome of the Outstanding Tax Claims, and issue Loan Notes on the basis set out in this Part II (*Explanatory Statement*).

### **8.2 *Augean Shareholder Meetings***

Before the Court's sanction can be sought for the Scheme, the Scheme requires approval by the passing of a resolution at the Court Meeting. The resolution must be approved by a majority in number representing not less than 75 per cent. in value of the Scheme Shareholders present and voting, either in person, remotely via the Virtual Meeting Platform, or by proxy, at the Court Meeting. In addition, the Resolution must be passed at the General Meeting to authorise the Directors to implement the Scheme and to deal with certain ancillary matters which require the approval of Augean Shareholders present and voting representing at least 75 per cent. of the votes cast at the General Meeting (either in person, or remotely via the Virtual Meeting Platform, or by proxy). The General Meeting will be held immediately after the Court Meeting. Notices of the Court Meeting and the General Meeting are set out in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document, respectively.

Save as set out in this document, all holders of Augean Shares whose names appear on the register of members of Augean at the Voting Record Time, or, if any such Meeting is adjourned, on the register of members at 6.00 p.m. on the date which is two days (excluding non-working days) before the date set for such adjourned Meeting, will be entitled to attend and vote at the Court Meeting and the General Meeting, in respect of the Augean Shares registered in their name at the relevant time.

#### **(a) *The Court Meeting***

The Court Meeting has been convened with the permission of the Court for 10:30 a.m. on 9 September 2021 for Scheme Shareholders to consider and, if thought fit, approve the Scheme.

At the Court Meeting, voting will be by poll and each Scheme Shareholder present in person, remotely via the Virtual Meeting Platform, or by proxy will be entitled to one vote for each Scheme Share held as at the Voting Record Time. The approval required at the Court Meeting is a majority in number representing not less than 75 per cent. in value of those Scheme Shareholders present and voting in person, remotely or by proxy.

It is important that, for the Court Meeting in particular, as many votes as possible are cast, so that the Court may be satisfied that there is a fair and reasonable representation of opinion of the Scheme Shareholders. You are therefore strongly advised to sign and return your Forms of Proxy or appoint a proxy or proxies electronically for both the Court Meeting and the General Meeting as soon as possible. Doing so will not prevent you from attending, voting and speaking at the Meetings or any adjournment thereof, if you so wish and are so entitled.

Due to the length of time anticipated to be required to calculate the results of the poll, the result of the vote at the Court Meeting will be announced by Augean via a Regulatory Information Service as soon as practicable after the Court Meeting.

(b) *The General Meeting*

The General Meeting has been convened for 10:45 a.m. on 9 September 2021 or as soon after that time as the Court Meeting has been concluded or adjourned, for Augean Shareholders to consider and, if thought fit, pass the Resolution necessary to implement the Scheme and certain related matters.

The Resolution is proposed to approve:

- (i) giving the Augean Board the authority to take all necessary action to carry the Scheme into effect;
- (ii) amending the Articles as described in paragraph 8.4 (below) of this Part II (*Explanatory Statement*); and
- (iii) the re-registration of Augean as a private limited company.

At the General Meeting, voting on the Resolution will be by poll and each Augean Shareholder present in person, or by proxy (but not via the Virtual Meeting Platform) will be entitled to one vote for each Augean Share held as at the Voting Record Time. The approval required for the Resolution to be passed is at least 75 per cent. of the votes cast on the Resolution (in person or by proxy).

Due to the length of time anticipated to be required to calculate the results of the poll, the result of the vote at the General Meeting will be announced by Augean via a Regulatory Information Service as soon as practicable after the General Meeting.

### 8.3 *Scheme Court Hearing*

Under the Companies Act, the Scheme requires the sanction of the Court. The hearing by the Court to sanction the Scheme is currently expected to be held in September 2021, subject to the prior satisfaction or waiver of the other Conditions set out in Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document. Augean will give notice of any change to the date of the Scheme Court Hearing by issuing an announcement through a Regulatory Information Service.

Bidco has agreed in the Co-operation Agreement that it will undertake to the Court to be bound by the Scheme and to execute and do, or procure the execution or doing, of all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purposes of giving effect to the Scheme.

Following sanction of the Scheme by the Court, the Scheme will become Effective in accordance with its terms upon a copy of the Court Order being delivered to the Registrar of Companies. This is presently expected to occur in September 2021, subject to satisfaction (or, where applicable, waiver) of the Conditions.

Upon the Scheme becoming Effective, it will be binding on all Scheme Shareholders, irrespective of whether or not they attended or voted in favour of, or against, the Scheme at the Court Meeting or in favour of, or against, or abstained from voting on the Resolution at the General Meeting.

If the Scheme does not become Effective on or before the Long Stop Date, it will lapse and the Offer will not proceed.

### 8.4 *Amendments to the Articles*

It is proposed, as part of the Resolution to be proposed at the General Meeting, that the Articles be amended to ensure that any Augean Shares issued after the Voting Record Time in respect of the Court Meeting and on or prior to the Scheme Record Time will be subject to the Scheme. It is also proposed to amend the Articles so that any Augean Shares issued to any person other than Bidco and/or its nominees after the Scheme Record Time will be automatically acquired by Bidco on the same terms

as the Offer (other than terms as to timings and formalities). These provisions of the Articles (as amended) will avoid any person (other than Bidco and/or its nominees) holding Augean Shares after the Effective Date.

Paragraph (b) of the Resolution set out in the notice of the General Meeting in Part X (*Notice of General Meeting*) of this document seeks the approval of Augean Shareholders for such amendments.

#### 8.5 ***Re-registration of Augean as a private company***

It is also proposed, as part of the Resolution to be proposed at the General Meeting, that, subject to and conditional upon the Scheme becoming Effective, pursuant to section 97 of the Companies Act 2006, Augean be re-registered as a private limited company with the name Augean Limited as soon as practicable following the Effective Date.

Paragraph (c) of the Resolution set out in the notice of the General Meeting in Part X (*Notice of General Meeting*) of this document seeks the approval of Augean Shareholders for such re-registration.

#### 8.6 ***Entitlement to vote at the Meetings***

Save as set out in this document, each Augean Shareholder who is entered in Augean's register of members at the Voting Record Time will be entitled to:

- in the case of the Court Meeting: attend, speak and vote in person at the Court Meeting or via the Virtual Meeting Platform; and
- in the case of the General Meeting: attend, speak and vote in person at the General Meeting, and access, follow the business of and submit written questions via the Virtual Meeting Platform (but not to vote at the General Meeting via the Virtual Meeting Platform).

If either Meeting is adjourned, only those Augean Shareholders on the register of members at 6.00 p.m. on the day which is two days (excluding non-working days) before the adjourned meeting will be entitled to attend and vote.

While it is currently anticipated that the Court Meeting and the General Meeting will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW in a COVID-19 secure manner, it is possible that the evolving COVID-19 pandemic and Government restrictions and guidance in relation to any developments may mean that this is not possible. In light of the uncertainty surrounding the COVID-19 restrictions that may be in place as at the date of Meetings, and in order to protect the health and safety of all stakeholders, the Scheme Shareholders, Augean Shareholders and other attendees (including any duly appointed proxies and/or corporate representatives) are strongly encouraged not to attend the Court Meeting or the General Meeting in person, save for the Chair and anyone else nominated by the Chair in order to establish a quorum or to facilitate the proceedings of the Meetings. Augean remains firmly committed to encouraging shareholder engagement on the business of the Court Meeting and the General Meeting. As such, Augean Shareholders (and any of their duly appointed proxies and/or corporate representatives) will be able to access and follow the business of the relevant Meeting remotely via the Virtual Meeting Platform.

In respect of the Court Meeting only, Scheme Shareholders (including their duly appointed proxies) will also be permitted to attend, raise any objections and vote at the Court Meeting remotely via the Virtual Meeting Platform (even if a proxy appointment is submitted in advance). However, Augean Shareholders (and their duly appointed proxies) will not be permitted to vote remotely at the General Meeting via the Virtual Meeting Platform (due to constraints in the Articles), even if they are following the business of the General Meeting remotely via the Virtual Meeting Platform. Augean Shareholders who wish to vote on the business of the General Meeting must therefore do so in person, by appointing the Chair of the General Meeting as their proxy or by appointing another person as their proxy to attend the General Meeting in person on their behalf.

Each eligible Augean Shareholder is entitled to appoint a proxy or proxies to attend and, on a poll, to vote instead of him or her. Augean Shareholders and Scheme Shareholders are strongly encouraged

to appoint the Chair of the relevant Meeting as their proxy. If you wish to appoint a person other than the Chair of the relevant Meeting as your proxy and for them to attend the Court Meeting remotely and/or to follow the General Meeting remotely via the Virtual Meeting Platform on your behalf, please see the Virtual Meeting Guide for more information. Please note, however, that in the case of the General Meeting, if you appoint a person other than the Chair of the General Meeting as your proxy, while your proxy will be able to access and follow the business of the General Meeting remotely via the Virtual Meeting Platform, they will not be permitted to vote remotely at the General Meeting via the Virtual Meeting Platform (due to constraints in the Articles). The only means by which you may vote on the business of the General Meeting is in person, or by appointing the Chair of the General Meeting as your proxy in accordance with the procedures set out in this document, or by appointing another person as your proxy in accordance with the procedures set out in this document to attend the General Meeting in person on your behalf.

The completion and return of a Form of Proxy or the appointment of a proxy or proxies electronically shall not prevent an Augean Shareholder from: (i) in the case of the Court Meeting, attending, voting and speaking in person, or remotely via the Virtual Meeting Platform; and (ii) in the case of the General Meeting, attending, speaking and voting in person at the General Meeting, and accessing, following the business of and submitting written questions via the Virtual Meeting Platform, and in each case at any adjournment thereof if such shareholder wishes and is entitled to do so.

If you are in any doubt as to whether or not you are permitted to vote at the Meetings, please call the Shareholder Helpline between 8.30 a.m. and 5.30 p.m Monday to Friday (except public holidays in England and Wales) on 0370 889 3205 (free from landlines in the UK) or +44 370 889 3205 (from outside the UK, international rates apply). Please note that calls may be monitored or recorded and the Shareholder Helpline cannot provide financial, legal or tax advice or advice on the merits of the Offer.

Further information on the actions to be taken is set out on pages 12 to 15 (*Action to be taken*) of this document.

#### 8.7 ***Modifications to the Scheme***

The Scheme contains a provision for Augean and Bidco jointly to consent (on behalf of all persons concerned) to any modification of, or addition to, the Scheme or to any condition which the Court may approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It would be for the Court to decide, in its discretion, whether or not a further meeting of Scheme Shareholders should be held in those circumstances.

In accordance with the Takeover Code, modifications or revisions to the Scheme may only be made: (i) more than 14 days prior to the date of the Meetings (or, in the case of adjournment(s), not later than 48 hours (excluding non-working days) before the time fixed for the adjourned Meeting(s)) or (ii) at a later date, with the consent of the Panel. The implementation of the Offer by way of a Takeover Offer as an alternative to the Scheme is not a modification or revision for the purposes of this paragraph.

### 9. **Conditions to the Offer**

The Conditions to the Offer are set out in full in Part III (*Conditions to and certain further terms of the Offer and the Scheme*) of this document. In summary, the Offer is conditional upon, among other things:

- (i) the approval of the Scheme by a majority in number of the Scheme Shareholders who are present and vote, whether in person or by proxy, at the Court Meeting and who represent 75 per cent. or more in value of the Augean Shares voted by those Scheme Shareholders;
- (ii) the Resolution required to approve and implement the Scheme being duly passed by 75 per cent. or more of votes cast at the General Meeting;

- (iii) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Augean and Bidco); and
- (iv) the delivery of a copy of the Court Order to the Registrar of Companies.

## **10. Offer-related arrangements**

Summaries of the offer-related arrangements entered into in connection with the Offer are set out in paragraph 9 of Part VII (*Additional Information*) of this document.

## **11. Cancellation of admission to trading of Augean Shares and re-registration**

It is intended that dealings in Augean Shares will be suspended at 6.00 p.m. on the Business Day before the Effective Date. No transfers of Augean Shares will be registered after 6.00 p.m. on that date. It is further intended that, prior to the Scheme becoming Effective, an application will be made to the London Stock Exchange for the cancellation of admission to trading of Augean Shares on AIM, to take effect shortly after the Effective Date. Share certificates in respect of the Augean Shares will cease to be valid from the Effective Date. Augean Shareholders are free to retain them for their records or, alternatively, can destroy them following the Effective Date. In addition, entitlements held within the CREST system to the Augean Shares will be cancelled on the Effective Date.

It is intended that Augean will be re-registered as a private company with effect as soon as practicable following the Effective Date under the relevant provisions of the Companies Act.

## **12. Settlement**

### **Payment of the Cash Consideration**

Subject to the Scheme becoming Effective, settlement of the Cash Consideration to which any holder of Scheme Shares is entitled will be effected not later than 14 days after the Effective Date in the manner set out below.

#### **12.1 *Cash Consideration where Scheme Shares are held in uncertificated form (that is, in CREST)***

Where, at the Scheme Record Time, a holder of Scheme Shares holds such shares in uncertificated form, settlement of the Cash Consideration will be effected through CREST by the creation of an assured payment obligation in favour of the appropriate CREST account through which the relevant Augean Shareholder holds such uncertificated shares.

Notwithstanding the above, Bidco reserves the right to settle all or part of such Cash Consideration in the manner set out in paragraph 12.2 below of this Part II (*Explanatory Statement*) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this paragraph 12.1.

#### **12.2 *Cash Consideration where Scheme Shares are held in certificated form (that is, not in CREST)***

Where, at the Scheme Record Time, a holder of Scheme Shares holds such shares in certificated form settlement of the Cash Consideration due pursuant to the Scheme will be effected by cheque. All cheques will be in pounds sterling drawn on the branch of a UK clearing bank. Payments made by cheque will be payable to the Augean Shareholder(s) concerned. Payments will not be sent via CHAPS or BACS.

Cheques will be despatched by first class post (or by such other method as may be approved by the Panel) to the address appearing on the Augean share register at the Scheme Record Time (or, in the case of joint holders, to the address of that joint holder whose name stands first in the said register in respect of such joint holding).

### 12.3 *CVRs*

The CVRs will be issued in certificated registered form to each Scheme Shareholder as at the Scheme Record Time (other than Scheme Shareholders resident in Restricted Jurisdictions), and the names of such holders entered on the register of CVRs.

If the issue of CVRs to any Scheme Shareholder who is a Restricted Overseas Person, or a person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such Scheme Shareholder shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such Scheme Shareholder under the terms of the Offer and the CVR will be held by a nominee on behalf of such Scheme Shareholder. The cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of the CVRs held by the nominee will be forwarded to the relevant Scheme Shareholder following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Certificates for the CVRs will be sent by first class post (or international standard post if overseas) as soon as practicable after the Effective Date, and, in any event, no later than 14 days thereafter to Scheme Shareholders at the address appearing in Augean's register of members at the Scheme Record Time or, in the case of joint holders, to the holder whose name appears first in such register in respect of the joint holding concerned.

**Pursuant to the terms of the CVR Deed Poll, Augean Shareholders who hold fewer than 25 Scheme Shares (or, if the Offer is implemented by way of a Takeover Offer, Augean Shares to which the Takeover Offer relates) will not receive any CVRs.**

### 12.4 *General*

All documents and remittances sent through the post will be sent at the risk of the person(s) entitled thereto.

Save with the consent of the Panel, settlement of the consideration to which any Augean Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms set out in this Part II (*Explanatory Statement*) without regard to any lien, right of set off, counterclaim or analogous right to which Bidco may otherwise be, or claim to be, entitled against any Augean Shareholder.

## 13. **Taxation**

Augean Shareholders should read Part VI (*UK Taxation*) of this document which contains a general description of the UK tax consequences of the Offer. This general description does not constitute tax advice and does not purport to be a full analysis of all potential UK tax consequences of the Offer. If Augean Shareholders are in any doubt as to their tax position, they should contact an appropriate professional adviser immediately.

Augean Shareholders who are or may be subject to tax outside the UK should also consult an appropriate independent professional adviser as to the tax consequences of the Offer.

## 14. **Overseas Shareholders**

### 14.1 *General*

The availability of the Scheme and the Offer (including the CVRs and Loan Notes to be issued under the Offer) to Overseas Shareholders may be affected by the laws of the relevant jurisdictions in which they are located. Overseas Shareholders should inform themselves about and should observe any applicable legal or regulatory requirements. It is the responsibility of all Overseas Shareholders to satisfy themselves as to the full compliance of the laws of the relevant jurisdiction in connection therewith, including the obtaining of any governmental, exchange control or other consents which

may be required, or the compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes due in such jurisdiction.

The release, publication or distribution of this document and/or accompanying documents, directly or indirectly, in, into or from jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the UK, to vote their Audean Shares with respect to the Scheme at the Court Meeting or the General Meeting, or to appoint another person as proxy may be affected by the laws of the relevant jurisdictions in which they are located.

If the issue of CVRs to any person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such person shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such person under the terms of the Offer will be held by a nominee on behalf of such person, and the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs be forwarded to such person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Offer disclaim any responsibility or liability for the violation of such restrictions by any person. This document and any accompanying documents have been prepared for the purposes 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 had been prepared in accordance with the laws of jurisdictions outside of England.

Unless otherwise determined by Bidco or required by the Takeover Code, and permitted by applicable law and regulation, the Offer will not be made available, directly or indirectly, in, into or from a Restricted Jurisdiction or any other jurisdiction where to do so would violate the laws of that jurisdiction and no person may vote in favour of the Offer by any use, means, instrumentality or form within a Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction. Accordingly, copies of this document will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

#### 14.2 *Additional information for US investors*

The CVRs and the Loan Notes, if any, issued to CVR Holders in exchange for the CVRs to be issued pursuant to the Scheme, in each case have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and, accordingly, may not be offered, sold, resold, delivered, distributed, or otherwise transferred, directly or indirectly, in or into the United States without an exemption from registration under the US Securities Act. This document does not constitute an offer to sell or the solicitation of an offer to buy the CVRs or Loan Notes, nor shall there be any sale of the CVRs or Loan Notes in any state of the United States in which such offer, solicitation or sale would be unlawful prior to qualification under the securities laws of any such state.

Scheme Shareholders (whether or not US persons) who are or will be affiliates (within the meaning of the US Securities Act) of Bidco will be subject to certain restrictions on transfers of the CVRs received pursuant to the Scheme and the Loan Notes (if any) to be issued in exchange for the CVRs. Otherwise, the CVRs and the Loan Notes generally should not be treated as “restricted securities” within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities

under the Scheme or Loan Notes in exchange for the CVRs (other than affiliates) may resell them without restriction under the US Securities Act.

None of the securities referred to in this document have been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have such authorities passed upon or determined the adequacy or accuracy of the information contained in this document. Any representation to the contrary is a criminal offence in the United States.

## **15. Action to be taken**

### **15.1 *Sending Forms of Proxy by post or by hand***

Augean Shareholders will receive a BLUE Form of Proxy for the Court Meeting and a WHITE Form of Proxy for the General Meeting. Please complete and sign the Forms of Proxy in accordance with the instructions printed on them and return them, either (i) by post or (ii) during normal business hours only, by hand to Augean's registrars Computershare, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, so as to be received as soon as possible and, in any event, not later than 10:30 a.m. and 10:45 a.m., respectively on 7 September 2021 (or, in the case of adjournment(s), not later than 48 hours (excluding non-working days) before the time fixed for the adjourned Meeting(s)). If the BLUE Form of Proxy for the Court Meeting is not received by the above time, it may be handed to a representative of Computershare, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting before the start of the Court Meeting and it will still be valid. However, in the case of the General Meeting, the WHITE Form of Proxy must be received by the time mentioned above, or it will be invalid.

Augean Shareholders are entitled to appoint a proxy in respect of some or all of their Augean Shares and may also appoint more than one proxy, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such holder. Augean Shareholders who wish to appoint more than one proxy in respect of their holding of Augean Shares should contact Computershare for further Forms of Proxy.

Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described below), will not prevent you from: (i) in the case of the Court Meeting, attending, speaking and voting in person, or remotely via the Virtual Meeting Platform; and (ii) in the case of the General Meeting, attending, speaking and voting in person at the General Meeting, and accessing, following the business of and submitting written questions via the Virtual Meeting Platform, or in each case any adjournment thereof, if you wish and are entitled to do so.

### **15.2 *Electronic appointment of proxies through CREST***

If you hold your Augean Shares in uncertificated form (i.e. in CREST) you may vote using the CREST voting service in accordance with the procedures set out in the CREST Manual (please also refer to the accompanying notes to the notices of the Meetings set out in Part IX (*Notice of Court Meeting*) and Part X (*Notice of General Meeting*) of this document respectively). Proxies submitted via CREST (under CREST participant ID 3RA50) must be received by Augean's Registrar, Computershare by no later than 10:30 a.m. on 7 September 2021 in the case of the Court Meeting and by no later than 10:45 a.m. on 7 September 2021 in the case of the General Meeting or, in the case of any adjournment, by no later than 48 hours (excluding any part of a day that is not a working day) before the time fixed for the holding of the adjourned Meeting.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "**CREST Proxy Instruction**") must be properly authenticated in accordance with the specifications of Euroclear and must contain the information required for such instructions as described in the CREST Manual. The message (regardless of whether it constitutes the appointment of a proxy or an amendment to the instructions given to a previously appointed proxy), must, in order to be valid, be transmitted so as to be received by Computershare (participant ID 3RA50) not less than 48 hours (excluding non-working days) before the time fixed for the Court Meeting or General Meeting (or adjourned Meeting), as applicable. For this purpose, the time of

receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers, should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed any voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

Augean may treat as invalid a CREST Proxy Instruction in the circumstances set out in the CREST Regulations.

(a) *Online appointment of proxies*

As an alternative to completing and returning the printed Forms of Proxy, Augean Shareholders entitled to attend and vote at the Meetings may appoint a proxy electronically by logging on to the following website: [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and entering the Shareholder Reference Number and PIN number shown on their Forms of Proxy. For an electronic proxy appointment to be valid, the appointment must be received by Computershare no later than 10:30 a.m. on 7 September 2021 for the Court Meeting and 10:45 a.m. on 7 September 2021 for the General Meeting or, if in either case the Meeting is adjourned, no later than 48 hours (excluding non-working days) before the time fixed for the adjourned Meeting(s). Full details of the procedure to be followed to appoint a proxy electronically are given on the website.

In the case of the Court Meeting only, if you have not appointed a proxy electronically by such time you may complete the BLUE Form of Proxy and hand it to a representative of Computershare, on behalf of the Chair of the Court Meeting, or to the Chair of the Court Meeting before the start of the Court Meeting and it will still be valid.

(b) *Attendance at the Meetings*

**It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of Scheme Shareholder opinion. Whether or not you intend to attend the Court Meeting and/or the General Meeting in person, or, the case of the Court Meeting only, remotely via the Virtual Meeting Platform, you are therefore strongly urged to complete and return both of your Forms of Proxy as soon as possible.**

Scheme Shareholders and Augean Shareholders (and any of their duly appointed proxies and/or corporate representatives) will be able to access, follow the business of, attend, submit questions remotely in writing via the Virtual Meeting Platform, or orally by telephone, and vote in person, at the General Meeting in the same way as for the Court Meeting but not be able to raise objections or vote at the General Meeting via the Virtual Meeting Platform or orally by telephone (as a result of constraints in the Articles).

The appointment of a proxy will not prevent you from: (i) in the case of the Court Meeting, accessing, following the business of, attending, submitting questions and/or objections remotely in writing via the Virtual Meeting Platform, or orally by telephone, and voting in person, or remotely via the Virtual Meeting Platform; and (ii) in the case of the General Meeting, attending, speaking and voting in person at the General Meeting, and accessing,

following the business of and submitting written questions via the Virtual Meeting Platform, at the Meetings if you wish and are entitled to do so.

Please see the Virtual Meeting Guide for further information.

(c) *Shareholder Helpline*

If you have any questions in relation to this document, the Meetings, or the completion and return of the Forms of Proxy, please telephone Computershare between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0370 889 3205 from within the UK or +44 370 889 3205 if calling from outside the UK. Different charges may apply to calls from mobile telephones and calls may be randomly monitored for security and training purposes. The Shareholder Helpline cannot provide advice on the merits of the Offer or give any financial, legal or tax advice.

**16. Further information**

The terms of the Scheme are set out in full in Part IV (*Scheme of Arrangement*) of this document. Your attention is also drawn to the further information contained in this document, all of which forms part of this Part II (*Explanatory Statement*), and, in particular, to the Conditions set out in Part A of Part III (*Conditions to and certain further terms of the Offer and the Scheme*), and the additional information set out in Part VII (*Additional Information*) of this document.

Yours truly

**Robert Barnes**

For and on behalf of N.M. Rothschild & Sons Limited

**PART III**

**CONDITIONS TO AND CERTAIN FURTHER TERMS  
OF THE OFFER AND THE SCHEME**

**Part A: Conditions to the Scheme and the Offer**

1. The Offer will be conditional upon the Scheme becoming Effective, subject to the provisions of the Takeover Code, on or before the Long Stop Date or such later date (if any) as Bidco and Augean may, with the consent of the Panel, agree and (if required) as the Court may approve, or the Panel may require.

***Scheme approval***

2. The Scheme is conditional upon:
  - (a)
    - (i) approval of the Scheme at the Court Meeting by a majority in number of the Scheme Shareholders present and voting (and entitled to vote), either in person or by proxy, representing 75 per cent. or more in value of the Scheme Shares held by those Scheme Shareholders;
    - (ii) the Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting (being 1 October 2021) or such later date (if any) as Bidco and Augean may agree and (if required) the Court may allow;
  - (b)
    - (i) all resolutions in connection with or required to approve and implement the Scheme as set out in the notice of the General Meeting (including, without limitation, the Resolution) being duly passed by the requisite majority at the General Meeting; and
    - (ii) the General Meeting being held on or before the 22nd day after the expected date of the General Meeting (being 1 October 2021) or such later date (if any) as Bidco and Augean may agree and (if required) the Court may allow; and
  - (c)
    - (i) the sanction of the Scheme by the Court without modification, or with modification on terms acceptable to Bidco and Augean and the delivery of a copy of the Court Order to the Registrar of Companies; and
    - (ii) the Scheme Court Hearing being held on or before the 22nd day after the expected date of the Scheme Court Hearing (being 15 October 2021) or such later date (if any) as Bidco and Augean may agree and the Panel and (if required) the Court may allow.

***General conditions***

3. In addition, Bidco and Augean have agreed that the Offer is conditional upon the following Conditions and, accordingly, the Court Order shall not be delivered to the Registrar of Companies unless the following Conditions (as amended, if appropriate) have been satisfied or, where relevant, waived:

***Official authorisations, regulatory clearances and third party clearances***

- (A) the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, association, institution, any entity owned or controlled by any relevant government or state, or any other body or person whatsoever in any jurisdiction (each a “**Third Party**”) of any termination right, right of pre-emption, first refusal or similar right (which is material in the context of the Wider Augean Group taken as a whole) arising as a result of or in connection with the Offer including, without limitation, its implementation and financing or the

proposed direct or indirect acquisition of any shares or other securities in, or control or management of, Augean by Bidco or any member of the Wider Bidco Group;

- (B) all necessary filings or applications having been made in connection with the Offer and all statutory or regulatory obligations in any jurisdiction having been complied with in connection with the Offer or the acquisition by any member of the Wider Bidco Group of any shares or other securities in, or control of, Augean and all authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals reasonably deemed necessary or appropriate by Bidco or any member of the Wider Bidco Group for or in respect of the Offer including without limitation, its implementation and financing or the proposed direct or indirect acquisition of any shares or other securities in, or control of, Augean or any member of the Wider Augean Group by any member of the Wider Bidco Group having been obtained in terms and in a form satisfactory to Bidco from all appropriate Third Parties or persons with whom any member of the Wider Augean Group has entered into contractual arrangements and all such material authorisations, orders, grants, recognitions, determinations, confirmations, consents, licences, clearances, permissions, exemptions and approvals necessary or appropriate to carry on the business of any member of the Wider Augean Group which is material in the context of the Bidco Group or the Augean Group as a whole or of the financing of the Offer remaining in full force and effect and all filings necessary for such purpose having been made and there being no notice or intimation of any intention to revoke or not to renew any of the same at the time at which the Offer becomes otherwise Effective and all necessary statutory or regulatory obligations in any jurisdiction having been complied with;
- (C) no Third Party having given notice of a decision to take, institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference (and, in each case, not having withdrawn the same), or having enacted, made or proposed any statute, regulation, decision or order, or change to published practice or having taken any other steps, and there not continuing to be outstanding any statute, regulation, decision or order, which in each case would or might reasonably be expected to:
- (i) require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture by any member of the Wider Bidco Group or any member of the Wider Augean Group of all or any portion of their respective businesses, assets or property or impose any limitation on the ability of any of them to conduct their respective businesses (or any of them) or to own any of their respective assets or properties or any part thereof which, in any such case, is material in the context of the Wider Bidco Group or the Wider Augean Group in either case taken as a whole;
  - (ii) require, prevent or delay the divestiture by any member of the Wider Bidco Group of any shares or other securities in Augean;
  - (iii) impose any material limitation on, or result in a delay in, the ability of any member of the Wider Bidco Group directly or indirectly to acquire or to hold or to exercise effectively any rights of ownership in respect of shares or loans or securities convertible into shares or any other securities (or the equivalent) in any member of the Wider Augean Group or the Wider Bidco Group or to exercise voting or management control over any such member;
  - (iv) otherwise adversely affect the business, assets, profits or prospects of any member of the Wider Bidco Group or of any member of the Wider Augean Group to an extent which is material in the context of the Wider Bidco Group or the Wider Augean Group in either case taken as a whole;
  - (v) make the Scheme or the Offer or, in each case, its implementation or the acquisition or proposed acquisition by Bidco or any member of the Wider Bidco Group of any shares or other securities in, or control of Augean void, illegal, and/or unenforceable under the laws of any jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, delay or otherwise interfere with the same, or impose additional conditions or obligations with respect thereto;

- (vi) require any member of the Wider Bidco Group or the Wider Augean Group to offer to acquire any shares or other securities (or the equivalent) or interest in any member of the Wider Augean Group or the Wider Bidco Group owned by any third party;
- (vii) impose any limitation on the ability of any member of the Wider Augean Group to co-ordinate its business, or any part of it, with the businesses of any other members which is adverse to and material in the context of the Wider Augean Group taken as a whole or in the context of the Offer; or
- (viii) result in any member of the Wider Augean Group ceasing to be able to carry on business under any name under which it presently does so, and all applicable waiting and other time periods (including any extensions thereof) during which any such Third Party could institute, implement or threaten any action, proceeding, suit, investigation, enquiry or reference or any other step under the laws of any jurisdiction in respect of the Scheme or the Offer or the acquisition or proposed acquisition of any Augean Shares having expired, lapsed or been terminated;

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

- (D) save as Disclosed, there being no provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Augean Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, or any circumstance which in consequence of the Offer or the proposed acquisition of any shares or other securities (or equivalent) in Augean or because of a change in the control or management of Augean or otherwise, would or might reasonably be expected to result in any of the following to an extent which is material and adverse in the context of the Wider Augean Group, or the Wider Bidco Group, in either case taken as a whole, or in the context of the Offer:
  - (i) any moneys borrowed by or any other indebtedness or liabilities (actual or contingent) of, or grant available to any such member, being or becoming repayable or capable of being declared repayable immediately or earlier than their or its stated maturity date or repayment date or the ability of any such member to borrow moneys or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
  - (ii) any such agreement, arrangement, licence, permit or instrument or the rights, liabilities, obligations or interests of any such member thereunder being terminated or adversely modified or affected or any obligation or liability arising or any action being taken or arising thereunder;
  - (iii) any asset or interest of any such member being or failing to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged or could cease to be available to any such member otherwise than in the ordinary course of business;
  - (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property, assets or interest of any such member;
  - (v) the rights, liabilities, obligations or interests of any such member, or the business of any such member with, any person, firm, company or body (or any arrangement or arrangements relating to any such interest or business) being terminated, adversely modified or affected;
  - (vi) the value of any such member or its financial or trading position or prospects being prejudiced or adversely affected;
  - (vii) any such member ceasing to be able to carry on business under any name under which it presently does so; or
  - (viii) the creation or acceleration of any liability, actual or contingent, by any such member (including any material tax liability or any obligation to obtain or acquire any material authorisation, notice, waiver, concession, agreement or exemption from any Third Party or any

person) other than trade creditors or other liabilities incurred in the ordinary course of business or in connection with the Offer,

and, no event having occurred which, under any provision of any agreement, arrangement, licence, permit or other instrument to which any member of the Wider Augean Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, would or might reasonably be expected to result in any of the events or circumstances as are referred to in subparagraphs (i) to (viii) of this Condition;

***Certain events occurring since 31 December 2020***

- (E) save as Disclosed, no member of the Wider Augean Group having, since 31 December 2020:
- (i) save as between Augean and wholly-owned subsidiaries of Augean or for Augean Shares issued under or pursuant to the exercise of options and vesting of awards granted under the Augean Share Schemes, issued or agreed to issue, authorised or proposed the issue of additional shares of any class;
  - (ii) save as between Augean and wholly-owned subsidiaries of Augean or for the grant of options and awards and other rights under the Augean Share Schemes, issued or agreed to issue, authorised or proposed the issue of securities convertible into shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
  - (iii) other than to another member of the Augean Group, prior to completion of the Offer, recommended, declared, paid or made any dividend or other distribution payable in cash or otherwise or made any bonus issue;
  - (iv) save for intra- Augean Group transactions, merged or demerged with any body corporate or acquired or disposed of or transferred, mortgaged or charged or created any security interest over any assets or any right, title or interest in any asset (including shares and trade investments) or authorised or proposed or announced any intention to propose any merger, demerger, disposal, transfer, mortgage, charge or security interest, in each case, other than in the ordinary course of business and, in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;
  - (v) save for intra- Augean Group transactions, made or authorised or proposed or announced an intention to propose any change in its loan capital in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;
  - (vi) issued, authorised or proposed the issue of, or made any change in or to, any debentures or (save for intra- Augean Group transactions), save in the ordinary course of business, incurred or increased any indebtedness or become subject to any contingent liability;
  - (vii) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, save in respect to the matters mentioned in subparagraphs (i) or (ii) above, made any other change to any part of its share capital in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;
  - (viii) save for intra- Augean Group transactions, implemented, or authorised, proposed or announced its intention to implement, any reconstruction, merger, demerger, amalgamation, scheme, commitment or other transaction or arrangement otherwise than in the ordinary course of business;
  - (ix) entered into or varied or authorised, proposed or announced its intention to enter into or vary any contract, transaction or commitment (whether in respect of capital expenditure or otherwise) which is of a long term, onerous or unusual nature or magnitude or which involves or could involve an obligation of such a nature or magnitude other than in the ordinary course of business, in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;

- (x) (other than in respect of a member which is dormant and was solvent at the relevant time) taken any corporate action or steps or had any legal proceedings started or threatened against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up, dissolution or reorganisation or for the appointment of a receiver, administrative receiver, administrator, manager, trustee or similar officer of all or any part of its assets or revenues or any analogous proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed, in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;
- (xi) entered into any contract, transaction or arrangement which would be restrictive on the business of any member of the Wider Augean Group or the Wider Bidco Group other than of a nature and extent which is normal in the context of the business concerned;
- (xii) waived or compromised any claim otherwise than in the ordinary course of business which is material in the context of the Wider Augean Group taken as a whole;
- (xiii) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xiv) been unable, or admitted in writing that it is unable, to pay its debts or commenced negotiations with one or more of its creditors with a view to rescheduling or restructuring any of its indebtedness, or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease carrying on all or a substantial part of its business;
- (xv) entered into any contract, commitment, arrangement or agreement otherwise than in the ordinary course of business or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or proposed to, effect any of the transactions, matters or events referred to in this Condition 3(E);
- (xvi) made or agreed or consented to any change to:
  - (a) the terms of the trust deeds constituting the pension scheme(s) established by any member of the Wider Augean Group for its directors, employees or their dependents;
  - (b) the contributions payable to any such scheme(s) or to the benefits which accrue or to the pensions which are payable thereunder;
  - (c) the basis on which qualification for, or accrual or entitlement to, such benefits or pensions are calculated or determined; or
  - (d) the basis upon which the liabilities (including pensions) of such pension schemes are funded, valued or made,in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;
- (xvii) proposed, agreed to provide or modified the terms of any of the Augean Share Schemes or other benefit constituting a material change relating to the employment or termination of employment of a material category of persons employed by the Wider Augean Group or which constitutes a material change to the terms or conditions of employment of any senior employee of the Wider Augean Group, save as agreed by the Panel (if required) and by Bidco, or entered into or changed the terms of any contract with any director or senior executive;
- (xviii) taken (or agreed or proposed to take) any action which requires, or would require, the consent of the Panel or the approval of Augean Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code;
- (xix) entered into or varied in a material way the terms of, any contract, agreement or arrangement with any of the directors or senior executives of any members of the Wider Augean Group; or

- (xx) waived or compromised any claim which is material in the context of the Wider Augean Group taken as a whole, otherwise than in the ordinary course.

***No adverse change, litigation or regulatory enquiry***

(F) save as Disclosed, since 31 December 2020:

- (i) no adverse change or deterioration having occurred in the business, assets, financial or trading position or profits or operational performance of any member of the Wider Augean Group which, in any such case, is material in the context of the Wider Augean Group taken as a whole and no circumstances have arisen which would or might reasonably be expected to result in such adverse change or deterioration;
- (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings to which any member of the Wider Augean Group is or may become a party (whether as a plaintiff, defendant or otherwise) and no enquiry, review or investigation by, or complaint or reference to, any Third Party or other investigative body against or in respect of any member of the Wider Augean Group having been instituted, announced, implemented or threatened by or against or remaining outstanding in respect of any member of the Wider Augean Group which in any such case has had or might reasonably be expected to have an adverse effect on the Wider Augean Group taken as a whole or in the context of the Offer;
- (iii) no contingent or other liability of any member of the Wider Augean Group having arisen or become apparent to Bidco or increased which has had or might reasonably be expected to have an adverse effect on the Wider Augean Group taken as a whole; or in the context of the Offer
- (iv) no enquiry or investigation by, or complaint or reference to, any Third Party having been threatened, announced, implemented, instituted by or remaining outstanding against or in respect of any member of the Wider Augean Group which in any case is material in the context of the Wider Augean Group taken as a whole;
- (v) no member of the Wider Augean Group having conducted its business in breach of any applicable laws and regulations and which is material in the context of the Wider Augean Group as a whole or material in the context of the Offer; and
- (vi) no steps having been taken which are likely to result in the withdrawal, cancellation, termination or modification of any licence or permit held by any member of the Wider Augean Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which has had, or would reasonably be expected to have, an adverse effect on the Wider Augean Group taken as a whole;

***No discovery of certain matters***

(G) save as Disclosed, Bidco not having discovered:

- (i) that any financial, business or other information concerning the Wider Augean Group as contained in the information publicly disclosed at any time by or on behalf of any member of the Wider Augean Group is materially misleading, contains a material misrepresentation of fact or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the Announcement Date by disclosure either publicly or otherwise to Bidco or its professional advisers, in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole;
- (ii) that any member of the Wider Augean Group or partnership, company or other entity in which any member of the Wider Augean Group has a significant economic interest and which is not a subsidiary undertaking of Augean, is subject to any liability (contingent or otherwise), which is not disclosed in the annual report and accounts of Augean for the year ended 31 December 2020 in each case, to the extent which is material in the context of the Wider Augean Group taken as a whole; or

- (iii) any information which affects the import of any information disclosed at any time by or on behalf of any member of the Wider Augean Group and which is material in the context of the Wider Augean Group taken as a whole;
- (H) save as Disclosed, Bidco not having discovered that:
- (i) any past or present member of the Wider Augean Group has failed to comply with any and/or all applicable legislation or regulation, of any jurisdiction with regard to the use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission of any waste or hazardous substance or any substance likely to impair the environment or harm human health or animal health or otherwise relating to environmental matters or the health and safety of humans, or that there has otherwise been any such use, treatment, handling, storage, carriage, disposal, spillage, release, discharge, leak or emission (whether or not the same constituted a non-compliance by any person with any such legislation or regulations, and wherever the same may have taken place) any of which storage, carriage, disposal, spillage, release, discharge, leak or emission would be likely to give rise to any liability (actual or contingent) or cost on the part of any member of the Wider Augean Group and which is material in the context of the Wider Augean Group taken as a whole;
  - (ii) there is, or is likely to be, for any reason whatsoever, any liability (actual or contingent) of any past or present member of the Wider Augean Group to make good, remediate, repair, reinstate or clean up any property or any controlled waters now or previously owned, occupied, operated or made use of or controlled by any such past or present member of the Wider Augean Group (or on its behalf) or by any person for which a member of the Wider Augean Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest, under any environmental legislation, regulation, notice, circular or order of any Third Party and which is material in the context of the Wider Augean Group taken as a whole or the Offer;
  - (iii) circumstances exist (whether as a result of the making of the Offer or otherwise) which would be reasonably likely to lead to any Third Party instituting, or whereby any member of the Wider Bidco Group or any present or past member of the Wider Augean Group would be likely to be required to institute, an environmental audit or take any other steps which would in any such case be reasonably likely to result in any liability (whether actual or contingent) to improve, modify existing or install new plant, machinery or equipment or carry out changes in the processes currently carried out or make good, remediate, repair, re-instate or clean up any land or other asset currently or previously owned, occupied or made use of by any past or present member of the Wider Augean Group (or on its behalf) or by any person for which a member of the Wider Augean Group is or has been responsible, or in which any such member may have or previously have had or be deemed to have had an interest which is material in the context of the Wider Augean Group taken as a whole or the Offer; or
  - (iv) circumstances exist whereby a person or class of persons would be likely to have any claim or claims in respect of any product or process of manufacture or materials used therein currently or previously manufactured, sold or carried out by any past or present member of the Wider Augean Group which claim or claims would be likely, materially and adversely, to affect any member of the Wider Augean Group and which is material in the context of the Wider Augean Group taken as a whole or the Offer; and

***Anti-corruption, economic sanctions, criminal property and money laundering***

- (I) save as Disclosed, Bidco not having discovered that:
- (i) any:
    - (a) past or present member, director, officer or employee of the Wider Augean Group is or has at any time engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or

- any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule or regulation concerning improper payments or kickbacks; or
- (b) any person that performs or has performed services for or on behalf of the Wider Augean Group is or has at any time engaged in any activity, practice or conduct in connection with the performance of such services which would constitute an offence under the Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977 or any other applicable anti-corruption or anti-bribery law, rule or regulation or any other applicable law, rule, or regulation concerning improper payments or kickbacks; or
- (ii) any asset of any member of the Wider Augean Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition) or proceeds of crime under any other applicable law, rule, or regulation concerning money laundering or proceeds of crime or any member of the Wider Augean Group is found to have engaged in activities constituting money laundering under any applicable law, rule, or regulation concerning money laundering; or
  - (iii) any past or present member, director, officer or employee of the Wider Augean Group, or any other person for whom any such person may be liable or responsible, is or has engaged in any conduct which would violate applicable economic sanctions or dealt with, made any investments in, made any funds or assets available to or received any funds or assets from:
    - (a) any government, entity or individual in respect of which US, UK or European Union persons, or persons operating in those territories, are prohibited from engaging in activities or doing business, or from receiving or making available funds or economic resources, by US, UK or European Union laws or regulations, including the economic sanctions administered by the United States Office of Foreign Assets Control, or HMRC; or
    - (b) any government, entity or individual targeted by any of the economic sanctions of the United Nations, the United States, the United Kingdom, the European Union or any of its member states, save that this shall not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable blocking law; or
  - (iv) any past or present member, director, officer or employee of the Wider Augean Group, or any other person for whom any such person may be liable or responsible:
    - (a) has engaged in conduct which would violate any relevant anti-terrorism laws, rules, or regulations, including but not limited to the U.S. Anti-Terrorism Act;
    - (b) has engaged in conduct which would violate any relevant anti-boycott law, rule, or regulation or any applicable export controls, including but not limited to the Export Administration Regulations administered and enforced by the U.S. Department of Commerce or the International Traffic in Arms Regulations administered and enforced by the U.S. Department of State;
    - (c) has engaged in conduct which would violate any relevant laws, rules, or regulations concerning human rights, including but not limited to any law, rule, or regulation concerning false imprisonment, torture or other cruel and unusual punishment, or child labour; or
    - (d) is debarred or otherwise rendered ineligible to bid for or to perform contracts for or with any government, governmental instrumentality, or international organisation or found to have violated any applicable law, rule, or regulation concerning government contracting or public procurement; or
  - (v) any member of the Wider Augean Group is or has been engaged in any transaction which would cause Bidco to be in breach of any law or regulation upon its Offer of Augean, including

but not limited to the economic sanctions of the United States Office of Foreign Assets Control, or HMRC, or any other relevant government authority.

For the purposes of these Conditions the “**Wider Augean Group**” means Augean and its subsidiary undertakings, associated undertakings and any other undertaking in which Augean and/or such undertakings (aggregating their interests) have a significant interest and the “**Wider Bidco Group**” means Bidco and those funds managed or advised by MSI and each of Bidco’s and such funds’ respective parent undertakings, subsidiary undertakings, associated undertakings and any other undertaking in which Bidco, such funds and/or such undertakings (aggregating their interests) have a significant interest and for these purposes subsidiary undertaking and undertaking have the meanings given by the Companies Act, associated undertaking has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraphs 19(1)(b) of Schedule 6 to those regulations which shall be excluded for this purpose, and significant interest means a direct or indirect interest in 20 per cent or more of the total voting rights conferred by the equity share capital (as defined in section 548 of the Companies Act).

## **Part B: Waiver and Invocation of the Conditions**

1. Bidco reserves the right to waive, in whole or in part, all or any of the Conditions set out in Part A of this Part III (*Conditions to and certain further terms of the Offer and the Scheme*), except for Conditions (2)(a)(i), (2)(b)(i) and (2)(c)(i), which cannot be waived. The Offer is subject to the satisfaction (or waiver, if permitted) of the Conditions set out in Part III (*Conditions to and certain further terms of the Offer and the Scheme*).
2. The Scheme will not become Effective unless the Conditions have been fulfilled or (if capable of waiver) waived by Bidco or, where appropriate, have been determined by Bidco to be or remain satisfied by no later than the date referred to in Condition 1 of Part A (subject to the rules of the Takeover Code and where applicable the consent of the Panel).
3. Bidco shall be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as satisfied any of Conditions 3(A) to (I) (inclusive) of Part A by a date earlier than the latest date specified above for the fulfilment of the relevant Condition, notwithstanding that the other Conditions to the Offer may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any such Condition(s) may not be capable of fulfilment.
4. Under Rule 13.5(a) 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.
5. Bidco may only invoke a condition that is subject to Rule 13.5(a) with the consent of the Panel and any condition that is subject to Rule 13.5(a) may be waived by Bidco.
6. Conditions (2)(a)(i), (2)(b)(i), (2)(c)(i) (Scheme approval) and, if applicable, any acceptance condition if the Offer is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Takeover Code.
7. Bidco reserves the right to elect to implement the Offer by way of a Takeover Offer as an alternative to the Scheme (subject to the Panel's consent and the terms of the Co-operation Agreement). In such event, the Offer will be implemented on the same terms and conditions (subject to appropriate amendments including (without limitation) the inclusion of an acceptance condition set at 75 per cent. of the Augean Shares (or such other percentage as Bidco and Augean may, subject to the rules of the Takeover Code and the terms of the Co-operation Agreement and with the consent of the Panel, decide) of the Augean Shares and any amendments required by, or deemed appropriate by, Bidco under applicable law, so far as applicable) as those which would apply to the Scheme. Further, if sufficient acceptances of such Takeover Offer are received and/or sufficient Augean Shares are otherwise acquired, it is the intention of Bidco to apply the provisions of the Companies Act to acquire compulsorily any outstanding Augean Shares to which such Takeover Offer relates.
8. If Bidco is required by the Panel to make an offer or offers for Augean Shares under the provisions of Rule 9 of the Takeover Code, Bidco may make such alterations to the Conditions as are necessary to comply with the provisions of that Rule.
9. Each of the Conditions shall be regarded as a separate Condition and shall not be limited by reference to any other Condition.
10. The Offer is governed by the laws of England and Wales and is subject to the jurisdiction of the English courts and to the Conditions set out above. The Scheme is subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange, the AIM Rules and the Registrar of Companies.
11. The Augean Shares will be acquired pursuant to the Offer with full title guarantee, fully paid and free from all liens, equities, charges, encumbrances, options, rights of pre-emption and any other third party rights and interests of any nature whatsoever and together with all rights now or hereafter attaching or accruing to them, including 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 or value (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date.

12. If, on or after the Announcement Date and before the Effective Date, any dividend, distribution and/or other return of capital is declared, made or paid or becomes payable in respect of the Augean Shares, Bidco reserves the right to reduce the cash consideration payable under the terms of the Offer by the amount of any such dividend, distribution and/or return of capital which is paid or becomes payable by the Company to Augean Shareholders, in which case the relevant eligible Augean Shareholders will be entitled to receive and retain such dividend, distribution and/or return of capital declared, made or paid. If any such dividend or distribution or return of value is paid or made after the Announcement Date and Bidco exercises its rights described above, any reference in this document to the consideration payable under the Scheme shall be deemed to be a reference to the consideration as so reduced. Any exercise by Bidco of its rights referred to in this paragraph shall be the subject of an announcement and, for the avoidance of doubt, shall not be regarded as constituting any revision or variation of the terms of the Scheme.
13. The Offer is not being made, directly or indirectly, in, into or from, or by use of the mails of, or by any means of instrumentality (including, but not limited to, facsimile, e-mail or other electronic transmission, telex or telephone) of interstate or foreign commerce of, or of any facility of a national, state or other securities exchange of, any Restricted Jurisdiction or any other jurisdiction if to do so would constitute a violation of the laws of that jurisdiction.
14. The availability of the Offer (including the CVRs and Loan Notes to be issued under the Offer) to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves about and observe any applicable requirements. Further information in relation to Overseas Shareholders is contained in paragraph 14 of Part II (*Explanatory Statement*) of this document.
15. The CVRs and the Loan Notes, if any, issued to the CVR Holders in exchange for the CVRs to be issued pursuant to the Scheme, in each case, have not been and will not be registered under the US Securities Act or under the securities laws of any state or other jurisdiction of the United States and, accordingly, may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States without an exemption from registration under the US Securities Act, including the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(9) and 3(a)(10) thereof, as applicable.
16. If the issue of CVRs to any person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such person shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such person under the terms of the Offer will be held by a nominee on behalf of such person, and the cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of such CVRs be forwarded to such person following redemption of the Loan Notes (after deduction of fees and other costs and expenses).

## PART IV

### THE SCHEME OF ARRANGEMENT

IN THE HIGH COURT OF JUSTICE

CR-2021-001198

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES COMPANIES COURT (ChD)

IN THE MATTER OF AUGEAN PLC

-AND-

IN THE MATTER OF THE COMPANIES ACT 2006

---

#### SCHEME OF ARRANGEMENT

(under Part 26 of the Companies Act 2006)

between

AUGEAN PLC

and

THE HOLDERS OF ITS SCHEME SHARES

(as each is hereinafter defined)

---

#### PRELIMINARY

(A) In this Scheme, unless inconsistent with the subject or context, the following expressions have the following meanings:

“Agreed Costs Amount”	a fixed sum of one million pounds (£1,000,000) exclusive of any VAT in respect of such amount not recoverable by Augean or any member of the Augean Group;
“Announcement Date”	30 July 2021;
“Augean Directors”	the directors of Augean as at the date of the Scheme Document;
“Augean Group”	Augean and its subsidiaries and subsidiary undertakings from time to time;
“Augean Shareholders”	the registered holders of Augean Shares from time to time;
“Augean Shares”	the ordinary shares of £0.10 each in the capital of the Company from time to time;
“Bidco”	Antwerp Management Limited, a private limited company incorporated in England and Wales with registered number 13507270 whose registered office is at Suite 1, 3rd Floor 11-12 St James’s Square, London, United Kingdom, SW1Y 4LB;
“Bidco Directors”	Alberto Donzelli, Annelies Van Zutphen and Louise Grydbeck;
“Bidco Group”	North Haven Infrastructure Partners III (AIC-C) LP and its direct and indirect subsidiaries including, following the Offer becoming Effective, the Augean Group;

<b>“Business Day”</b>	any day (other than a Saturday, Sunday or public or bank holiday in the UK, USA and Netherlands) on which banks in London, New York and Amsterdam are open for business;
<b>“Cash Consideration”</b>	the cash amount of 280 pence per Scheme Share, payable by Bidco to the Scheme Shareholders on the register of members of the Company at the Scheme Record Time pursuant to the Scheme;
<b>“certificated” or “in certificated form”</b>	a share or other security which is not in uncertificated form (that is, not in CREST);
<b>“Companies Act”</b>	the Companies Act 2006 (as amended, modified, consolidated, re-enacted or replaced from time to time);
<b>“Company”</b>	Augean Plc, a company incorporated in England and Wales with registered number 5199719;
<b>“Court”</b>	the High Court of Justice of England and Wales;
<b>“Court Meeting”</b>	the meeting of Scheme Shareholders (including any adjournment thereof), convened with the permission of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving this Scheme (with or without modification);
<b>“CREST”</b>	the relevant system to facilitate the transfer of title to shares in uncertificated form (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations);
<b>“CVR(s) or Contingent Value Rights”</b>	the contingent value rights constituted by the CVR Deed Poll issued to holders of Scheme Shares;
<b>“CVR Deed Poll”</b>	the deed poll dated 30 July 2021 executed by Bidco under which the CVRs have been constituted;
<b>“CVR Holder”</b>	means a person who is for the time being entered in the Register as a holder of CVRs and <b>“CVR Holders”</b> shall be construed accordingly;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (S.I. 2001 No. 3755) (as amended from time to time);
<b>“Effective Date”</b>	the date on which this Scheme becomes effective;
<b>“Eligible Augean Shareholders”</b>	<p>(a) holders of Scheme Shares, where the Offer is implemented by way of a Scheme; or</p> <p>(b) holders of such Augean Shares where the Offer is implemented by way of a Takeover Offer who validly accept the Takeover Offer,</p> <p>in each case which would, assuming a maximum pay-out under the CVRs for each Augean Share held of 20 pence, provide an aggregate anticipated entitlement of at least £5.00;</p>
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited;

<b>“Excluded Shares”</b>	<ul style="list-style-type: none"> <li>(a) any Augean Shares beneficially owned by Bidco or any other member of the Bidco Group;</li> <li>(b) any Augean Shares held in treasury by the Company; and</li> <li>(c) any other Augean Shares which Bidco and Augean agree will not be subject to the Scheme;</li> </ul>
<b>“General Meeting”</b>	the general meeting of Augean Shareholders (including any adjournment thereof) to be convened in connection with the Scheme;
<b>“holder”</b>	a registered holder (including any person(s) entitled by transmission);
<b>“Last Practicable Date”</b>	the close of business on 13 August 2021 (being the last practicable date prior to publication of the Scheme Document);
<b>“Loan Notes”</b>	the loan notes to be constituted, in certain circumstances, by the Loan Note Instrument and to be issued to the CVR Holders in accordance with the terms of the CVRs;
<b>“Offer”</b>	the proposed offer for the entire issued and to be issued share capital of Augean by Bidco, to be effected by this Scheme;
<b>“Outstanding Tax Claims”</b>	<p>means any amounts paid by way of landfill tax (including interest and penalties thereon) that may be paid or repaid to Augean or any member of the Augean Group in consequence of:</p> <ul style="list-style-type: none"> <li>(a) the appeals of Augean or its subsidiaries in relation to landfill tax, including without limitation the appeals of Augean North Limited and Augean South Limited proceeding before the First Tier Tribunal with case reference numbers TC/2018/07241, TC/2019/05264, TC/2019/01281, TC/2020/03692, TC/2021/00631 and TC/2021/02366; and</li> <li>(b) the requests for review of assessments or any subsequent appeals that may be made by Augean or its subsidiaries in respect of any assessment for landfill tax received by Augean or its subsidiaries as at the Announcement Date, to the extent it has been paid by Augean or any member of the Augean Group prior to the Announcement Date, including without limitation the assessments dated 27 October 2017, 29 January 2018, 27 April 2018, 30 July 2018, 24 August 2017, 24 November 2017, 28 February 2018, 30 May 2018 and 31 August 2018 which are under review by HMRC; and</li> </ul> <p>any claim for repayment interest payable by HMRC, for repayment of penalties or for recovery of costs in connection with the matters referred to in paragraphs (a) to (b) above;</p>

<b>“Overseas Shareholders”</b>	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Registrars”</b>	Computershare Investor Services PLC or Computershare, the Company’s registrars;
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Augean Shareholders in that jurisdiction;
<b>“Restricted Overseas Person”</b>	means an Overseas Shareholder who has not, by or prior to a Loan Note Issue Date (as defined in the Loan Note Instrument), been able to satisfy Bidco in their absolute discretion, that the receipt of Loan Notes is exempt from or not subject to the registration or other legal or regulatory requirements or restrictions of the relevant jurisdiction;
<b>“Scheme”</b>	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court;
<b>“Scheme Court Hearing”</b>	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act;
<b>“Scheme Document”</b>	the circular to the Augean Shareholders published by the Company on 16 August 2021 in connection with this Scheme;
<b>“Scheme Record Time”</b>	6.00 p.m. on the Business Day immediately after the date of the Scheme Court Hearing;
<b>“Scheme Shareholder”</b>	a holder of Scheme Shares from time to time;
<b>“Scheme Shares”</b>	all Augean Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the document;</li> <li>(b) (if any) issued after the date of the document and prior to the Voting Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,</li> </ul> excluding any Excluded Shares;
<b>“subsidiary”</b>	has the meaning given in section 1159 of the Companies Act 2006;
<b>“subsidiary undertaking”</b>	has the meaning given in section 1162 of the Companies Act 2006;

- |   |  |
|---|--|
| <b>“Takeover Code”</b>                              | the City Code on Takeovers and Mergers, as issued from time to time or on behalf of the Panel;   |
| <b>“UK” or “United Kingdom”</b>                     | the United Kingdom of Great Britain and Northern Ireland;  |
| <b>“uncertificated” or “in uncertificated form”</b> | a share or other security recorded on the relevant register as being held in uncertificated form and title to which may, by virtue of the CREST Regulations, be transferred by means of CREST; and |
| <b>“Voting Record Time”</b>                         | 6.00 p.m. on the day which is two Business Days prior to the date of the Court Meeting or any adjournment thereof (as the case may be).  |
- (B) As at the Last Practicable Date, the issued ordinary share capital of the Company was £10,497,192 divided into 104,971,924 ordinary shares of 10 pence each (excluding ordinary shares held in treasury) all of which are credited as fully paid. As at the Last Practicable Date, the Company does not hold any ordinary shares in treasury.
- (C) Bidco was incorporated on 13 July 2021 under the laws of England and Wales as a private company limited by shares with registered number 13507270 for the purpose of carrying out the Offer.
- (D) As at the Last Practicable Date, none of the companies in the Bidco Group held any Augean Shares.
- (E) Bidco has agreed to appear by Counsel (either individually or jointly with Augean) on the hearing to sanction this Scheme and to submit to be bound by and undertake to the Court to be bound by this Scheme and to execute and do, or procure to be executed and done, all such documents, acts or things as may be necessary or desirable to be executed or done by it or on its behalf for the purpose of giving effect to this Scheme.
- (F) References to times are to London time.
- (G) References to £ and pence are to the lawful currency of the United Kingdom.
- (H) References to clauses are to clauses of this Scheme.

## THE SCHEME

### 1. Transfer of scheme shares

- (a) On the Effective Date, Bidco (or such of its nominee(s) as are agreed between Bidco and the Company) shall acquire all of the Scheme Shares, fully paid-up with full title guarantee, and free from all liens, equities, charges, encumbrances and other interests.
- (b) For such purposes, the Scheme Shares shall be transferred to Bidco (or such of its nominee(s) as are agreed between Bidco and the Company) by means of a stock transfer form or other form of transfer or instrument or instruction of transfer and to give effect to such transfers any person may be appointed by the Company as attorney and/or agent and/or otherwise and shall be authorised as such attorney and/or agent and/or otherwise on behalf of the relevant holder of Scheme Shares to execute and deliver as transferor such form of transfer or other instrument or instruction of transfer (whether as a deed or otherwise) of such Scheme Shares and every form, instrument or instruction of transfer so executed shall be as effective as if it had been executed by the holder or holders of the Scheme Shares thereby transferred. Such instrument, form of transfer or instruction of transfer shall be deemed to be the principal instrument of transfer and the equitable or beneficial interest in the Scheme Shares shall only be transferred to Bidco and/or its nominee(s), together with the legal interest in such Scheme Shares, pursuant to such instruction, form or instrument of transfer.
- (c) With effect from the Effective Date and until the register of members of the Company is updated to reflect the transfer of the Scheme Shares to Bidco (and/or such of its nominee(s) as are agreed between Bidco and the Company) pursuant to clause 1(b):
  - (i) each Scheme Shareholder irrevocably appoints Bidco and/or its nominee(s) as its attorney and/or agent and/or otherwise to:
    - (A) sign on behalf of such Scheme Shareholder such documents, and do such things, as may in the opinion of one or more of the attorneys be necessary or desirable in connection with the exercise of any votes or other rights or privileges attaching to the relevant Scheme Shares; and
    - (B) without limiting the generality of clause 1(c)(i)(A), exercise on its behalf or refrain from exercising (in place of and to the exclusion of the relevant Scheme Shareholder) any voting rights attached to its Scheme Shares and any or all rights and privileges attaching to its Scheme Shares, to sign any consent to short notice of a general or separate class meeting and to attend and/or execute a form of proxy in respect of its Scheme Shares appointing any person nominated by Bidco to attend general and separate class meetings of the Company and authorises the Company and/or its agents to send to Bidco any notice, circular, warrant or other document or communication which may be required to be sent to it as a member of the Company, such that from the Effective Date, no Scheme Shareholder shall be entitled to exercise any voting rights attached to the Scheme Shares or any other rights or privileges attaching to the Scheme Shares; and
  - (ii) each Scheme Shareholder irrevocably undertakes: (i) not to exercise any votes or any other rights attaching to the relevant Scheme Shares without the consent of Bidco; and (ii) not to appoint a proxy or representative for or to attend any general meeting or separate class meeting of the Company.

### 2. Consideration for the transfer of Scheme Shares

- (a) In consideration of the transfer of the Scheme Shares to Bidco, Bidco shall, subject to the remaining provisions of this Scheme, pay or procure that there shall be paid to or for the account of each Scheme Shareholder (as appearing in the register of members of Augean at the Scheme Record Time) 280 pence in cash per Scheme Share held by the Scheme Shareholder at the Scheme Record Time.
- (b) Eligible Augean Shareholders on the register of members of Augean at the Scheme Record Time will (subject to clause 4) also be issued CVRs within 14 days of the Effective Date. The CVRs will not

represent any equity or ownership interest in Bidco, and accordingly will not confer on the CVR Holders any right to attend, speak at or vote at any meeting of the shareholders of Bidco or right to any dividends or right to any return of capital by Bidco. Pursuant to the terms of the Offer, Eligible Augean Shareholders will receive one CVR for each Augean Share that they hold. The CVR is intended to enable eligible Scheme Shareholders to share in a portion of the proceeds of the Outstanding Tax Claims. Each CVR will entitle Augean Shareholders to receive up to a further 20 pence in Loan Notes (subject to applicable securities laws) at the election of the Augean Shareholder, subject to and in accordance with the terms and conditions of the CVR Deed Poll. The CVRs will be non-transferable other than to certain permitted transferees and no application will be made for the CVRs to be listed or dealt in on any stock exchange. **Scheme Shareholders who, at the relevant time, hold fewer than 25 Scheme Shares will not receive any CVRs.**

- (c) If prior to the Effective Date, any dividend, distribution or other return of capital or value is announced, declared, made or paid by Augean or becomes payable by Augean in respect of Scheme Shares, Bidco reserves the right to reduce the Cash Consideration payable under the terms of the Scheme at such date by an amount up to the amount of such dividend, distribution or other return of capital or value. If any such dividend, distribution or other return of capital or value occurs, any reference in this Scheme to the Cash Consideration payable under the Scheme will be deemed to be a reference to the Cash Consideration as so reduced and Scheme Shareholders will be entitled to receive and retain the amount by reference to which the Cash Consideration has been so reduced. The exercise of such rights shall not be regarded as constituting any revision or variation of the terms of the Scheme.
- (d) To the extent that any dividend, distribution nor other return of capital or value is announced, declared, paid or made or becomes payable by Augean in respect of Scheme Shares and it is:
  - (i) transferred pursuant to the Scheme on a basis which entitles Bidco to receive and retain it or
  - (ii) cancelled, the Cash Consideration payable under the Scheme shall not be subject to change in accordance with clause (c).

### **3. Settlement**

#### ***Settlement shall be effected as follows***

- (a) Where, immediately prior to the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in certificated form, settlement of any Cash Consideration to which the Scheme Shareholder is entitled shall be settled by Bidco by cheque. Cheques shall be despatched as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date.
- (b) Where, immediately prior to the Scheme Record Time, a Scheme Shareholder holds Scheme Shares in uncertificated form, settlement of any Cash Consideration to which the Scheme Shareholder is entitled shall be paid by means of CREST by Bidco procuring that Euroclear is instructed to create an assured payment obligation in favour of the Scheme Shareholder's payment bank in respect of the Cash Consideration due to them as soon as practicable after the Effective Date, and in any event within 14 days of the Effective Date, in accordance with the CREST assured payment arrangements, provided that Bidco reserves the right to make such payment by cheque as set out in clause 3(a) if, for reasons outside its reasonable control, it is not able to effect settlement in accordance with this clause 3(b) or if to do so would incur additional costs.
- (c) Subject to clause 4 below, the CVRs will be issued in certificated registered form to each Scheme Shareholder who is an Eligible Augean Shareholder appearing on the register of members at the Scheme Record Time. Bidco shall procure that the CVRs to which Scheme Shareholders are entitled shall be issued and certificates for the CVRs be despatched as soon as practicable after the Effective Date and, in any event, within 14 days of the Effective Date.
- (d) As from the Effective Date, each holding of Scheme Shares credited to any stock account in CREST shall be disabled and all Scheme Shares will be removed from CREST in due course.

- (e) All deliveries of notices, certificates and/or cheques required to be made under this Scheme shall be made by sending the same by first class post (or by such other method as may be approved by the Panel), addressed to the person entitled thereto, to the address appearing in the register of members of the Company or, in the case of joint holders, to the address of the holder whose name stands first in such register in respect of the joint holding concerned at such time.
- (f) All cheques shall be in pounds sterling and drawn on a United Kingdom clearing bank and shall be made payable to the Scheme Shareholder concerned or, in the case of joint holders, to the holder whose name stands first in the register of members of the Company in respect of the joint holding concerned at the Scheme Record Time and the encashment of any such cheque or the creation of any such assured payment obligation as is referred to in clause 3(a) and clause 3(b) shall be a complete discharge to Bidco for the moneys represented thereby.
- (g) None of the Company, Bidco or their respective agents or nominees shall be responsible for any loss or delay in the transmission of the cheques sent to Scheme Shareholders in accordance with this clause 3, which shall be posted at the risk of the Scheme Shareholder concerned.

#### **4. Overseas Shareholders**

- (a) The provisions of clauses 2 and 3 shall be subject to any prohibition or condition imposed by law.
- (b) Without prejudice to the generality of the foregoing:
  - (i) if the issue of CVRs to any Scheme Shareholder who is a Restricted Overseas Person, or a person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such Scheme Shareholder shall not have issued to him the CVRs or certificates in respect of the CVRs and that the CVRs which would otherwise have been attributable to such Scheme Shareholder under the terms of the Offer and the CVR will be held by a nominee on behalf of such Scheme Shareholder. The cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of the CVRs held by the nominee will be forwarded to the relevant Scheme Shareholder following redemption of the Loan Notes (after deduction of fees and other costs and expenses);
  - (ii) the Bidco Directors may, in their absolute discretion, refuse to register the transfer of a CVR to a purported transferee if the Bidco Directors reasonably suspect that such transferee is resident in a Restricted Jurisdiction;
  - (iii) If the issue of CVRs to any Scheme Shareholder who is a Restricted Overseas Person, or a person who is reasonably believed to be an Restricted Overseas Person, would or may infringe the laws of a jurisdiction outside England and Wales or would or may require any governmental or other consent or any registration, filing or other formality which cannot be complied with, or compliance with which would be unduly onerous, Bidco may, at its discretion, determine that such CVR Holder shall not have issued to him the Loan Notes or certificates in respect of the Loan Notes and that the Loan Notes which would otherwise have been attributable to such CVR Holder under the terms of the Offer and the CVR will be held by a nominee on behalf of such CVR Holder. The cash proceeds (if any) following the issue and redemption of any Loan Notes issued under the terms of the CVRs held by the nominee will be forwarded to the relevant CVR Holder following redemption of the Loan Notes (after deduction of fees and other costs and expenses); and/or
  - (iv) the Bidco Directors may, in their absolute discretion, refuse to register the transfer of a Loan Note to a purported transferee if the Bidco Directors reasonably suspect that such transferee is resident in a Restricted Jurisdiction.

## **5. Certificates in respect of Scheme Shares**

With effect from the Effective Date:

- (a) all certificates representing Scheme Shares shall cease to be valid as documents of title to the shares represented thereby and every holder thereof shall be bound at the request of the Company to deliver up such certificates(s) to the Company or to destroy the same;
- (b) Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form;
- (c) following the cancellation of the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form, the Registrars shall be authorised to materialise entitlements to such Scheme Shares; and
- (d) subject to the completion of such transfers, forms, instruments or instructions as may be required in accordance with clause 1(b) and the payment of any UK stamp duty thereon, the Company shall make appropriate entries in the register of members of the Company to reflect the transfer of the Scheme Shares to Bidco and/or its nominee(s).

## **6. Mandates**

All mandates to the Company in force at the Scheme Record Time relating to Scheme Shares shall, as from the Effective Date, cease to be valid.

## **7. Effective time**

- (a) This Scheme shall become effective as soon as a copy of the order of the Court under Part 26 of the Companies Act sanctioning the Scheme shall have been delivered to the Registrar of Companies for registration.
- (b) Unless this Scheme shall become effective on or before 11.59 p.m. on 31 December 2021 or such later date, if any, as the Company and Bidco may agree (with the Panel's consent) and the Court may allow, this Scheme shall never become effective.

## **8. Modification**

The Company and Bidco may jointly consent on behalf of all persons concerned to any modification of or addition to this Scheme or to any condition which the Court may approve or impose. Any such modification or addition shall require the consent of the Panel where such consent is required under the Takeover Code.

## **9. Governing law**

This Scheme is governed by English law and is subject to the jurisdiction of the English courts. The rules of the Takeover Code apply to this Scheme.

16 August 2021

## **PART V**

### **FINANCIAL INFORMATION**

#### **Part A: Financial Information Relating to Augean**

The following sets out financial information in respect of Augean as required by Rule 24.3 of the Takeover Code. The documents referred to below, the contents of which have previously been announced through a Regulatory Information Service, are incorporated into this document by reference pursuant to Rule 24.15 of the Takeover Code:

- the audited accounts of Augean for the financial year ended 31 December 2020 are set out on pages 32 to 75 (both inclusive) in the 2020 Augean Annual Report available from Augean's website at <https://www.augeanplc.com/wp-content/uploads/2020-Augean-Annual-Report.pdf>; and
- the audited accounts of Augean for the financial year ended 31 December 2019 are set out on pages 28 to 73 (both inclusive) in the 2019 Augean Annual Report available from Augean's website at <https://www.augeanplc.com/wp-content/uploads/2019-Annual-Report.pdf>.

#### **Part B: Financial Information Relating to Bidco**

As Bidco was incorporated on 13 July 2021 for the purposes of the Offer, no financial information is available or has been published in respect of it. Bidco has not traded since its date of incorporation, has paid no dividends and has not entered into any obligations other than those described in this document in connection with the Offer and the financing of the Offer. No financial information is available or has been published in respect of Bidco.

Bidco has no material assets or liabilities other than those described in this document in connection with the Offer and the financing of the Offer. Following the Scheme becoming Effective, the earnings, assets and liabilities of Bidco will include the consolidated earnings, assets and liabilities of the Augean Group.

There are no current ratings or outlooks publicly accorded to Bidco.

#### **Part C: No incorporation of website information**

Save as expressly referred to herein, neither the content of Augean's website, nor the content of any website accessible from hyperlinks on Augean's website, is incorporated into, or forms part of, this document.

## PART VI

### UK TAXATION

The following is a general guide to certain limited aspects of the UK tax treatment of the Scheme, and acquiring, holding and disposing of the CVRs and Loan Notes and does not purport to be a complete analysis of all the potential UK tax considerations relating thereto. The comments set out below do not constitute tax advice and are based on current UK tax law as applied in England and Wales and HM Revenue & Customs (“HMRC”) published practice (which may not be binding on HMRC) as at the date of this document, both of which are subject to change, possibly with retrospective effect.

It applies only to Scheme Shareholders (a) who are resident for tax purposes in the UK at all relevant times and, in the case of individuals, to whom “split year” treatment does not apply and who are domiciled for tax purposes only in the UK (except insofar as express reference is made to the treatment of non-UK residents); (b) who hold their Scheme Shares in as an investment (other than in an individual savings account or a self-invested personal pension); and (c) who are the absolute beneficial owners thereof (“UK Holders”).

The discussion does not address all possible tax consequences relating to an investment in any relevant shares. Certain categories of shareholders, including those carrying on certain financial activities (including market makers, brokers, dealers, intermediaries and persons connected with depository arrangements or clearance services), those subject to specific tax regimes or benefiting from certain reliefs and exemptions, those connected with the Company, and those for whom the shares are employment-related securities may be subject to special rules and this summary does not apply to such shareholders.

Shareholders or prospective shareholders who are resident or otherwise subject to taxation in a jurisdiction outside the UK, or who are in any doubt about their tax position, should consult their own professional advisers immediately.

#### **Taxation of Chargeable Gains**

##### ***Introduction***

Under the Scheme, UK Holders will be entitled to receive in respect of each Scheme Share held at the Scheme Record Time:

1. 280 pence in cash; plus
2. a contingent entitlement of up to 20 pence in Loan Notes by way of a contingent value right linked to the outcome of the Outstanding Tax Claims.

The tax treatment of each UK Holder under the scheme for the purposes of the UK taxation of chargeable gains will depend on the individual circumstances of that UK Holder and on the form of consideration received.

##### ***UK Holders receiving cash under the Scheme***

To the extent a UK Holder receives cash from BidCo in respect of his or her (or its) Scheme Shares, that UK Holder will be treated as making a part disposal of Scheme Shares which may, depending on the UK Holder’s individual circumstances (including the UK Holder’s base cost in his or her (or its) holding of Scheme Shares, and the availability of any exemptions, reliefs or allowable losses), give rise to a liability to UK tax on capital gains (in the case of UK Holders who are individuals) or UK corporation tax on chargeable gains (in the case of UK Holders within the charge to UK corporation tax).

Subject to any available reliefs or allowances, gains arising on a disposal of Scheme Shares by an individual should be subject to UK capital gains tax at the rate of 10 per cent. or 20 per cent. depending on the individual’s personal circumstances, including other taxable income and gains in the relevant tax year.

The capital gains tax annual exempt amount (£12,300 for the 2021/22 tax year) may be available to individual UK Holders to offset against chargeable gains realised on the disposal of their Scheme Shares.

For UK Holders within the charge to UK corporation tax (but which do not qualify for the substantial shareholding, or any other, exemption in respect of their Scheme Shares), a gain on the disposal of Scheme Shares will be subject to corporation tax on chargeable gains in respect of the disposal.

### ***UK Holders receiving CVRs***

The Company considers that each CVR should be treated as an earn-out right for the purposes of section 138A of the Taxation of Chargeable Gains Act 1992 (“TCGA”). On this basis, to the extent that a UK Holder receives CVRs in exchange for his or her (or its) Scheme Shares and does not hold (either alone or together with persons connected with him or her (or it)) more than 5 per cent of, or of any class of, shares in or debentures of the Company, that UK Holder will not be treated as having made a disposal of Scheme Shares. Instead, the CVRs should be treated as the same asset as those Scheme Shares, and as acquired at the same time and for the same consideration as those shares.

UK Holders who, alone or together with connected persons, hold more than 5 per cent of, or of any class of shares in or debentures, of the Company may be eligible for the treatment described in the preceding paragraph only if the transaction is effected for bona fide commercial reasons and does not form part of a scheme or arrangements of which the main purpose, or one of the main purposes, is avoidance of a liability to capital gains tax or corporation tax pursuant to section 137 of the TCGA 1992. Such UK Holders are advised that no clearance has been sought from HMRC under section 138 of the TCGA that section 137 will not apply to prevent the treatment described in the preceding paragraph.

The treatment above will not apply if a UK Holder makes an election under section 138A(2A) of the TCGA. Any such election may be made: (a) by a UK Holder within the charge to UK capital gains tax, at any time on or before the first anniversary of the 31st January immediately following the end of the tax year in which the Effective Date occurs; and (b) by a UK Holder within the charge to UK corporation tax on chargeable gains, at any time within the period of two years from the end of the accounting period of that UK Holder in which the Effective Date occurs. In these circumstances, the UK Holder should be treated as making a part disposal of Scheme Shares for a consideration equal to the market value of the CVRs at the Effective Date. This may, depending on the UK Holder’s individual circumstances (including the UK Holder’s base cost in his or her (or its) holding of Scheme Shares, and the availability of any exemptions, reliefs or allowable losses), give rise to a liability to UK tax on capital gains (in the case of UK Holders who are individuals) or UK corporation tax on chargeable gains (in the case of UK Holders within the charge to UK corporation tax) – see above.

### ***Apportionment of base cost***

It is intended that further information will be provided to Scheme Shareholders in relation to the appropriate apportionment methodology, taking account of the market value of each CVR, as soon as reasonably practicable after the Effective Date.

### **Tax Treatment of holdings of CVRs/Loan Notes**

#### ***Future disposal of CVRs***

A disposal of CVRs by UK Holders before the issue date for the Loan Notes may, depending on their individual circumstances (including the availability of any exemptions, reliefs and allowable losses), give rise to a liability to UK tax on chargeable gains or an allowable loss for the purposes of UK tax on chargeable gains.

#### ***Conversion of CVRs into Loan Notes***

##### ***UK Holders within the charge to Capital Gains Tax***

The Loan Notes should constitute non-qualifying corporate bonds in the hands of UK Holders within the charge to UK capital gains tax. To the extent, therefore, that such a UK Holder receives Loan Notes in respect of his or her (or its) CVRs and has not made an election under section 138A(2A) of the TCGA, that UK Holder should not be treated as having made a disposal of their CVRs. Instead, the Loan Notes should be regarded as the same asset as the CVRs and as acquired at the same time and for the same consideration as those CVRs.

Where an election has been made by such a UK Holder under section 138A(2A), that UK Holder will be treated as making a disposal of their CVRs for a consideration equal to the market value of the Loan Notes issued to them. This may, depending on the UK Holder's individual circumstances, give rise to a liability to UK tax on capital gains.

#### *UK Holders within the charge to Corporation Tax*

The Loan Notes should constitute qualifying corporate bonds in the hands of UK Holders within the charge to UK corporation tax. To the extent, therefore, that such a UK Holder receives Loan Notes in respect of his or her (or its) CVRs and has not made an election under section 138A(2A) of the TCGA, that UK Holder should be regarded as having made a disposal of their CVRs but any chargeable gain or allowable loss arising in respect of that notional disposal should be held over and realised only on a subsequent disposal, including repayment, of those Loan Notes.

Where an election has been made by such a UK Holder under section 138A(2A), that UK Holder will be treated as making a disposal of their CVRs for a consideration equal to the market value of the Loan Notes issued to them. This may, depending on the UK Holder's individual circumstances, give rise to a liability to UK tax on chargeable gains.

#### ***Future disposal of Loan Notes***

##### *UK Holders within the charge to Capital Gains Tax*

The repayment or prior disposal of Loan Notes by a UK Holder within the charge to UK capital gains tax may, depending on their individual circumstances (including the proportion of the UK Holder's base cost in his or her (or its) holding of Scheme Shares apportioned to the CVRs and rolled over into the Loan Notes and the availability of any exemptions, reliefs and allowable losses), give rise to a liability to UK tax on chargeable gains.

##### *UK Holders within the charge to Corporation Tax*

The repayment or prior disposal of Loan Notes by a UK Holder within the charge to UK corporation tax on chargeable gains will crystallise any chargeable gain or allowable loss held over as set out above. The loan relationship regime should apply to any credits or debits arising to the UK Holder in respect of the Loan Notes.

#### **UK Stamp Duty and SDRT**

##### ***Scheme***

No UK stamp duty or SDRT will be payable by UK Holders in respect of the transfer of the Scheme Shares or on the issue of the CVRs or Loan Notes, in each case, pursuant to the Scheme.

##### ***CVRs/Loan Notes***

No UK stamp duty or SDRT should be payable in respect of any transfer or agreement to transfer CVRs or Loan Notes.

## PART VII

### ADDITIONAL INFORMATION

#### 1. Responsibility

- 1.1 The Augean Directors, whose names are set out in paragraph 2.1 of this Part VII (*Additional Information*), accept responsibility for the information contained in this document (including any expressions of opinion), except for that information for which the Bidco Directors accept responsibility in accordance with paragraph 1.3 below of this Part VII and the information for which the MSIP Responsible Persons accept responsibility in accordance with paragraph 1.3 below of this Part VII. To the best of the knowledge and belief of the Augean 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 Bidco Directors, whose names are set out in paragraph 2.2 of this Part VII (*Additional Information*), accept responsibility for the information contained in this document (including any expressions of opinion) relating to the Bidco Group and the Bidco Directors, their close relatives, related trusts and other connected persons and persons acting in concert with Bidco (as such term is used in the Takeover Code). To the best of the knowledge and belief of the Bidco 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.
- 1.3 Each of the persons from MSIP whose names are set out in paragraph 2.3 of this Part VII (*Additional Information*) (the “**MSIP Responsible Persons**”), accept responsibility for the information contained in this document (including any expressions of opinion) relating to MSIP, investment funds managed by or affiliated with Morgan Stanley, the Bidco Group, the Bidco Directors and their respective immediate families and the related trusts of and persons connected with the Bidco Directors, and persons deemed to be acting in concert (as such term is defined in the Takeover Code) with Bidco. To the best of the knowledge and belief of the MSIP Responsible Persons (who have taken all reasonable care to ensure that such is the case), the information contained in this document (including any expressions of opinion) for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

#### 2. Directors and responsible persons

- 2.1 The Augean Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Jim Meredith	Executive Chairman
Mark Fryer	Executive Director and Group Finance Director
John Rauch	Executive Director and Chief Operating Officer
John Grant	Senior Independent Director
Roger McDowell	Non-Executive Director
Christopher Mills	Non-Executive Director

The Company Secretary of Augean is Angela McGhin.

Augean’s registered office is at: 4 Rudgate Court, Walton, Wetherby, West Yorkshire, LS23 7BF.

- 2.2 The Bidco Directors and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Alberto Donzelli	Director
Annelies Zutphen	Director
Louise Grydbeck	Director

Bidco is a limited company registered in England and Wales and incorporated on 13 July 2021 with its registered office at Suite 1, 3rd Floor 11-12 St James's Square, London, United Kingdom, SW1Y 4LB.

The business address of each Bidco Director is Suite 1, 3rd Floor 11-12 St James's Square, London, United Kingdom, SW1Y 4LB.

- 2.3 The MSIP Responsible Persons and their respective functions are as follows:

<i>Name</i>	<i>Function</i>
Markus Hottenrott	Member of the investment committee of MSIP
Jim Wilmott	Member of the investment committee of MSIP
Chris Koski	Member of the investment committee of MSIP
Chris Ortega	Member of the investment committee of MSIP
Johan Pfeiffer	Member of the investment committee of MSIP
Andrew Medvedev	Member of the investment committee of MSIP
John Veech	Member of the investment committee of MSIP
Mark McLean	Member of the investment committee of MSIP
Alberto Donzelli	Member of the investment committee of MSIP
Yacine Saidji	Member of the investment committee of MSIP
Marc van't Noordende	Member of the investment committee of MSIP
Christoph Oppenauer	Member of the investment committee of MSIP

The business address of each MSIP Responsible Person is 1585 Broadway, New York, NY 10036, United States.

### **3. Persons acting in concert**

- 3.1 In addition to the Augean Directors (together with their close relatives and related trusts) and members of the Augean Group (and their related pension schemes), the persons who, for the purposes of the Takeover Code, are acting in concert with Augean in respect of the Offer and who are required to be disclosed are:

<i>Name</i>	<i>Registered office</i>	<i>Relationship with Augean</i>
Rothschild & Co	New Court, St Swithin's Lane, London, EC4N 8AL	Financial adviser

- 3.2 In addition to the Bidco Directors (together with their close relatives and related trusts) and members of the Bidco Group (and their related pension schemes), the persons who, for the purposes of the Takeover Code, are acting in concert with Bidco in respect of the Offer and who are required to be disclosed are:

<i>Name</i>	<i>Registered office</i>	<i>Relationship with Bidco</i>
Greenhill	Lansdowne House, 57 Berkeley Square, London, W1J 6ER	Financial adviser

### **4. Market quotations**

- 4.1 The following table shows the Closing Price for Augean Shares on:

- (a) 26 May 2021, being the last Business Day prior to the commencement of the Offer Period;
  - (b) the first Business Day of each of the six months immediately before the date of this document;
- and

- (c) the Last Practicable Date, being the latest practicable date prior to the publication of this document.

<i>Date</i>	<i>Augean share (pence)</i>
1 February 2021	207.50
1 March 2021	217.50
1 April 2021	220.00
4 May 2021	210.00
26 May 2021	248.50
1 June 2021	277.50
1 July 2021	287.50
2 August 2021	285.00
13 August 2021	285.00

## 5. Interests and dealings in relevant securities

### 5.1 *Definitions used in this section*

For the purposes of this paragraph 5:

“**acting in concert**” with Bidco or Augean, as the case may be, means any such person acting or deemed to be acting in concert with Bidco or Augean, as the case may be, for the purposes of the Takeover Code;

“**connected adviser**” has the meaning given to it in the Takeover Code;

“**connected person**” in relation to a director of Bidco or Augean includes: (a) such director’s spouse or civil partner and children or step-children under the age of 18; (b) the trustee(s) of any trust for the benefit of such director and/or any person mentioned in (a); (c) any company in which such director and/or any person mentioned in (a) or (b) is entitled to exercise or control the exercise of one-third or more of the voting power, or which is accustomed to act in accordance with the directions of such director or any such person; and (d) any other person whose interests in shares are taken to be interests of such director pursuant to Part 22 of the Companies Act;

“**control**” means an interest, or interests, in shares carrying in aggregate 30 per cent. or more of the voting rights (as defined in the Takeover Code) of a company, irrespective of whether such interest(s) give(s) de facto control;

“**dealing**” has the meaning given to it in the Takeover Code and “**dealt**” has the corresponding meaning;

“**derivative**” includes any financial product the value of which, in whole or in part, is determined directly or indirectly by reference to the price of an underlying security;

“**Disclosure Period**” means the period commencing on 27 May 2020 (being the date 12 months prior to the date of commencement of the Offer Period) and ending on the Last Practicable Date;

“**exempt fund manager**” and “**exempt principal trader**” have the meanings given to them in the Takeover Code;

“**financial collateral arrangements**” are arrangements of the kind referred to in Note 4 on Rule 4.6 of the Takeover Code;

“**interest**” in relevant securities has the meaning given to it in the Takeover Code;

“**Note 11 arrangement**” includes any indemnity or option arrangement, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing (other than irrevocable commitments and letters of intent to vote in favour of the Scheme and/or related resolutions, details of which are set out in paragraph 6 of this Part VII (*Additional Information*));

“**Offer Period**” means in this context the period commencing on 27 May 2021 and ending on the Last Practicable Date;

“**relevant securities**” means:

- (a) Augean Shares and any other securities of Augean which carry voting rights;
- (b) equity share capital of Augean or, as the context requires, Bidco; and
- (c) securities of Augean or, as the context requires, Bidco, carrying conversion or subscription rights into any of the foregoing; and

“**short position**” means any 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 obligation or right to require another person to purchase or take delivery.

## 5.2 *Interests in relevant securities of Augean*

### (a) *Augean*

As at the Last Practicable Date, the interests of the Augean Directors (and their close relatives, related trusts and connected persons) in relevant securities of Augean were as follows:

<i>Augean Director</i>	<i>Number of Augean Shares</i>	<i>Percentage of Augean issued share capital (%)</i>
Jim Meredith	2,500,000	2.38
Mark Fryer	100,220	0.10
John Rauch	89,512	0.09
John Grant	100,000	0.10
Roger McDowell	2,000,000	1.91
<b>TOTAL</b>	<u>4,789,732</u>	<u>4.56</u>

- (b) As at the Last Practicable Date, no persons acting in concert with Augean hold any interests in any relevant securities of Augean.
- (c) As at the Last Practicable Date, Bidco does not hold any interests in any relevant securities of Augean.
- (d) As at the Last Practicable Date, none of the Bidco Directors (and their close relatives, related trusts and connected persons) nor any persons acting in concert with Bidco hold any interests in any relevant securities of Augean.

## 5.3 *Dealings in relevant securities of Augean*

### (a) *Augean*

During the Offer Period, there have been no dealings in relevant securities of Augean by Augean Directors (and their close relatives, related trusts and connected persons) or persons acting in concert with Augean.

### (b) *Bidco's concert parties*

During the Offer Period, there have been no dealings in relevant securities of Augean by persons acting in concert with Bidco.

#### 5.4 **General**

Save as disclosed in this document:

- (a) as at the Last Practicable Date, none of: (i) Bidco; (ii) any Bidco Director, or any close relatives, related trusts or connected person of any such director; or (iii) any other person acting in concert with Bidco, had any interest in, right to subscribe in respect of, or short position in respect of relevant securities of Augean; and no such person has dealt in any relevant securities of Augean during the Disclosure Period;
- (b) as at the Last Practicable Date, neither Bidco nor any person acting in concert with Bidco had borrowed or lent any relevant securities of Augean (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (c) as at the Last Practicable Date, none of: (i) Augean; (ii) any director of Augean, or any close relatives, related trusts or connected person of any such director; or (iii) any other person acting in concert with Augean, had any interest in, right to subscribe in respect of, or short position in relation to relevant securities of Augean; and no such person has dealt in any relevant securities of Augean during the Offer Period;
- (d) as at the Last Practicable Date, neither Augean nor any person acting in concert with it had borrowed or lent any relevant securities of Augean (including any financial collateral arrangements), save for borrowed shares which have been either on-lent or sold;
- (e) as at the Last Practicable Date, neither: (i) Augean; or (ii) any director of Augean, or any close relatives, related trusts or connected person of any such director, had any interest in, right to subscribe in respect of, or short position in relation to relevant securities of Bidco; and no such person has dealt in any relevant securities during the Offer Period;
- (f) as at the Last Practicable Date, save for the irrevocable undertakings described in paragraph 6 below, neither Bidco nor any person acting in concert with Bidco has any Note 11 arrangement with any other person; and
- (g) as at the Last Practicable Date, neither Augean nor any person who is an acting in concert with Augean has any Note 11 arrangement with any other person and no such person has dealt in any relevant securities during the offer period.

## 6. **Irrevocable undertakings**

### 6.1 **Augean Directors**

Bidco has received irrevocable undertakings from the Augean Directors to vote (or, if applicable, procure the vote) in favour of the Scheme in respect of the 4,789,732 Augean Shares they own or control, representing, in aggregate, approximately 4.56 per cent. of Augean's issued share capital as at the Last Practicable Date being the latest practicable date prior to publication of this document, comprised as follows:

<i>Name of Augean Director</i>	<i>Percentage of Augean issued share capital (excluding treasury shares) (%)</i>	<i>Number of Augean Shares</i>
Jim Meredith	2.38	2,500,000
Mark Fryer	0.10	100,220
John Rauch	0.09	89,512
John Grant	0.10	100,000
Roger McDowell	1.91	2,000,000

The undertakings from the Augean Directors will cease to be binding if:

- the Scheme Document is not posted to Augean Shareholders within 28 days (or such longer period as the Panel may agree) after the date of the Announcement;
- Bidco announces, with the consent of the Panel, that it does not intend to make or proceed with the Offer and no new or replacement offer or scheme is announced pursuant to the Code at the same time;
- the Scheme lapses or is withdrawn;
- the Scheme has not become effective by 5:30 pm (London time) on the Long Stop Date, or such later time or date as Bidco and Augean (with the consent of the Panel) agree, or the Panel may require; or
- any competing offer for the entire issued and to be issued share capital of Augean is declared wholly unconditional or, if proceeding by way of a scheme of arrangement, becomes effective in accordance with its terms.

## 6.2 *Other Augean Shareholders*

The following Augean Shareholders have given irrevocable undertakings to vote (or, if applicable, procure the vote) in favour of the Scheme in respect of the following Augean Shares they own or control, representing, in aggregate, approximately 29.50 per cent. of Augean's issued share capital as at the Last Practicable Date being the latest practicable date prior to publication of this document, comprised as follows:

<i>Name of Augean Director</i>	<i>Percentage of Augean issued share capital (excluding treasury shares) (%)</i>	<i>Number of Augean Shares</i>
Harwood Capital Nominees Limited	0.10	100,000
North Atlantic Smaller Companies Investment Trust plc	16.19	17,000,000
Oryx International Growth Fund	7.62	8,000,000
Gresham House Strategic plc	5.59	5,870,604

The irrevocable undertakings given by each of Harwood Capital Nominees Limited, North Atlantic Smaller Companies Investment Trust Plc and Oryx International Growth Fund will cease to be binding if:

- the Scheme or Offer lapses or is withdrawn;
- the Scheme has not become effective by 5:30 pm (London time) on or before the Long-Stop Date, or such later time or date as Bidco and Augean (with the consent of the Panel) agree, or the Panel may require; or
- an announcement is made in accordance with Rule 2.7 of the Code of an offer, whether by way of a takeover offer or a scheme of arrangement, or any other transaction which constitutes a takeover offer for the purposes of the Code, for Augean and, in the reasonable opinion of Augean's financial adviser, the consideration payable to Augean Shareholders per Augean Share under such offer:
  - represents an amount in cash that is at least 7.5 per cent. higher than 280 pence per Augean Share and includes a contingent value right pursuant to which the applicable proportion of the proceeds of any Tax Claim Proceeds payable to shareholders is at least 7.5 per cent. higher than the proportion payable by Bidco under the terms of the CVR Deed Poll (a "**Qualifying Competing CVR Offer**") and provided that all other terms

of the Qualifying Competing CVR Offer must be at least equivalent to those offered by Bidco, including in relation to:

- the amount of costs, taxes or other amounts to be deducted from the Tax Claim Proceeds; and
- the definition of Outstanding Tax Claims; or
- represents an amount in cash that is at least 10 per cent. higher than 280 pence per Augean Share (and, for the avoidance of doubt, need not (but may) include an entitlement to a contingent value right) (a “**Qualifying Competing Cash Offer**”),

and Bidco does not announce an increase to the consideration offered under the terms of the Offer within three Business Days of the announcement made in accordance with Rule 2.7 of the Code of a Qualifying Competing Offer to an amount which, in the reasonable opinion of Augean’s financial adviser:

- is, in the context of a Qualifying Competing CVR Offer, not less than the cash consideration offered under the terms of such Qualifying Competing CVR Offer and includes a contingent value right on the same or more favourable financial terms as offered under the Qualifying Competing CVR Offer (a “**Matching CVR Offer**”); or
- is, in the context of a Qualifying Competing Cash Offer, not less than the cash consideration offered under the terms of such Qualifying Competing Cash Offer (and, for the avoidance of doubt, need not (but may) include an entitlement to a contingent value right) (a “**Matching Cash Offer**”); or

following the announcement of a Matching Offer, an announcement is made of an increased offer, or of an offer in accordance with Rule 2.7 of the Code, whether by way of a takeover offer or a scheme of arrangement, or any other transaction which constitutes a takeover offer for the purposes of the Code, for Augean and, in the reasonable opinion of Augean’s financial adviser, the consideration payable to Augean Shareholders per Augean Share under such increased offer or offer, is higher than the consideration being offered under the relevant Matching Offer when calculated on the same basis as the Matching CVR Offer or Matching Cash Offer, as applicable (a “**Second Qualifying Competing Offer**”) and Bidco does not announce an increase to the consideration offered under the terms of the Matching Offer within three Business Days of the announcement made in accordance with Rule 2.7 of the Code, which is, in the reasonable opinion of Augean’s financial adviser higher than the consideration payable to Augean Shareholders per Augean Share under the Second Qualifying Competing Offer when calculated on the same basis as the Matching CVR Offer or Matching Cash Offer, as applicable.

The irrevocable undertaking given by Gresham House Strategic plc will cease to be binding if:

- the Scheme or Offer lapses or is withdrawn;
- the Scheme has not become effective by 5:30 pm (London time) on or before the Long Stop Date, or such later time or date as Bidco and Augean (with the consent of the Panel) agree, or the Panel may require; or
- an announcement is made in accordance with Rule 2.7 of the Code of an offer, whether by way of a takeover offer or a scheme of arrangement, or any other transaction which constitutes a takeover offer for the purposes of the Code, for Augean and the consideration payable to Augean Shareholders per Augean Share under such offer represents an amount in cash that is at least 299.60 pence per Augean Share (and, for the avoidance of doubt, need not (but may) include an entitlement to a contingent value right).

### *Letters of Intent*

Hargreave Hale Limited (on behalf of Marlborough UK Micro-Cap Growth Fund) has provided a nonbinding letter of intent to vote in favour of the Scheme at the Court Meeting and the Resolution to be proposed at the General Meeting (or in the event that the Offer is implemented by way of a Takeover Offer, to accept or procure acceptance of such Takeover Offer) in respect of 12,500,000 Augean Shares, representing approximately 11.91 per cent. of the Augean Shares in issue on the Latest Practicable Date.

## **7. Service contracts and letters of appointment of the Augean Directors**

### **7.1 *Augean Executive Directors***

The Augean Executive Directors have entered into service agreements with the Augean Group as summarised below:

#### **(a) *Jim Meredith (Executive Chair)***

James Meredith was appointed Executive Chairman with effect from 16 October 2017 pursuant to the terms of a service agreement with Augean dated 22 November 2017. Following a recent salary review, his salary has increased from £162,318 to £164,753. Mr Meredith is eligible to participate in bonus schemes as the company operates at the Company's sole and absolute discretion.

Mr Meredith is entitled to reimbursement of reasonable expenses which are properly incurred in the performance of his duties and payment of salary and receipt of contractual benefits for a period of 90 working days in any period of 52 consecutive weeks where he is absent due to sickness, accident or injury.

Mr Meredith's service agreement is terminable by either party giving not less than 1 months' notice in writing. There are customary non-competition and non-solicitation post-termination provisions which are binding on Mr Meredith for a period of 3 months from the termination of his service agreement.

Augean reserves the right to terminate Mr Meredith's appointment with immediate effect at any time by making a payment to him in lieu of notice equivalent to his basic salary and the value of contractual benefits in kind that might have otherwise been due during the notice period.

Pursuant to a letter dated 5 February 2021, Mr Meredith is eligible for an annual profit scheme bonus under which he is eligible for an annual bonus equal to 50 per cent. of his salary if the Group meets its EBIT, safety and cash targets. Mr Meredith is eligible to receive this profit share bonus at the agreed cap of 200 per cent of his salary in the event of a change of control occurring in 2021.

Pursuant to a subsequent letter dated 21 May 2021, in the event that the Group enter a process that results in the Board accepting an offer for the sale or change in control in the Group, Mr. Meredith is entitled to receive an exit bonus equal to a sum of twice his annual salary at the discretion of the Augean Remuneration Committee.

#### **(b) *Mark Fryer (Group Finance Director)***

Mark Fryer was appointed Chief Financial Officer with effect from 12 December 2016 pursuant to the terms of a service agreement with Augean dated 5 December 2016. Following a recent salary review, his salary has increased from £194,782 to £197,704. Mr Fryer is eligible to participate in bonus schemes as the company operates at the Company's sole and absolute discretion.

In addition, Mr Fryer is entitled to a car allowance of £10,000 per annum, relocation expenses of up to a maximum of £20,000, membership of Augean's pension scheme, private medical insurance, life assurance at three times his basic salary, permanent disability cover and personal accident insurance. Mr Fryer is entitled to reimbursement of reasonable business mileage,

reasonable expenses which are properly incurred in the performance of his duties and payment of salary and receipt of contractual benefits for a period of 90 working days in any period of 52 consecutive weeks where he is absent due to sickness, accident or injury. Mr Fryer is also covered by Augean's directors' and officers' liability insurance during his employment and for six years following termination.

Mr Fryer's service agreement is terminable by either party giving not less than 12 months' notice in writing. There are customary non-competition and non-solicitation post-termination provisions which are binding on Mr Fryer for a period of 12 months from the termination of his service agreement.

Augean reserves the right to terminate Mr Fryer's appointment with immediate effect at any time by making a payment to him in lieu of notice equivalent to his basic salary and the value of contractual benefits in kind that might have otherwise been due during the notice period.

Pursuant to a letter dated 5 February 2021, Mr Fryer is eligible for an annual profit scheme bonus under which he is eligible for an annual bonus equal to 50 per cent. of his salary if the Group meets its EBIT, safety and cash targets. Mr Fryer is eligible to receive this profit share bonus at the agreed cap of 200 per cent of his salary in the event of a change of control occurring in 2021.

Pursuant to a subsequent letter dated 21 May 2021, in the event that the Group enter a process that results in the Board accepting an offer for the sale or change in control in the Group, Mr Fryer is entitled to receive an exit bonus equal to a sum of twice his annual salary at the discretion of the Augean Remuneration Committee.

(c) **John Rauch** (*Chief Operating Officer*)

John Rauch was appointed Chief Operating Officer with effect from 1 December 2016 and became a PLC board director on 15th June 2020. Following a recent salary review, his salary has increased from £194,782 to £197,704. Mr Rauch is eligible to participate in bonus schemes as the company operates at the Company's sole and absolute discretion.

In addition, Mr Rauch is entitled to a car allowance of £10,000 per annum, membership of Augean's pension scheme, private medical insurance, life assurance at three times his basic salary, permanent disability cover and personal accident insurance. Mr Rauch is entitled to reimbursement of reasonable business mileage, reasonable expenses which are properly incurred in the performance of his duties and payment of salary and receipt of contractual benefits for a period of 90 working days in any period of 52 consecutive weeks where he is absent due to sickness, accident or injury. Mr Rauch is also covered by Augean's directors' and officers' liability insurance during his employment and for six years following termination.

Mr Rauch's service agreement is terminable by either party giving not less than 6 months' notice in writing. There are customary non-competition and non-solicitation post-termination provisions which are binding on Mr Rauch for a period of 12 months from the termination of his service agreement.

Augean reserves the right to terminate Mr Rauch's appointment with immediate effect at any time by making a payment to him in lieu of notice equivalent to his basic salary and the value of contractual benefits in kind that might have otherwise been due during the notice period.

Pursuant to a letter dated 5 February 2021, Mr Rauch is eligible for an annual profit scheme bonus under which he is eligible for an annual bonus equal to 50 per cent. of his salary if the Group meets its EBIT, safety and cash targets. Mr Rauch is eligible to receive this profit share bonus at the agreed cap of 200 per cent of his salary in the event of a change of control occurring in 2021.

Pursuant to a subsequent letter dated 21 May 2021, in the event that the Group enter a process that results in the Board accepting an offer for the sale or change in control in the Group,

Mr Rauch is entitled to receive an exit bonus equal to a sum of twice his annual salary at the discretion of the Augean Remuneration Committee.

## 7.2 *The Chair and the other Augean Non-Executive Directors*

The Augean Non-Executive Directors have entered into letters of appointment with the Augean Group as summarised below:

### (a) **John Grant** (*Senior Independent Director*)

John Grant was appointed as a non-executive director with effect from 24 August 2015 pursuant to a deed of appointment dated 10 August 2015. Subject to the Articles and re-election, either party may terminate the appointment on three months' prior written notice.

Mr Grant's base fee is £32,305 per annum. He is also entitled to receive a further fee of £3,000 per annum paid in equal monthly instalments for taking the chairmanship of any committee. Mr Grant is covered by Augean's directors' and officers' liability insurance for the full term of his appointment

On termination of his appointment, Mr Grant is entitled to such fees as may have been accrued to the date of terminations, together with reimbursement of any properly incurred expenses up to the termination date.

### (b) **Roger McDowell** (*Non-Executive Director*)

Roger McDowell was appointed as a non-executive director with effect from 16 October 2017 pursuant to a deed of appointment dated 16 October 2017. Subject to the Articles and re-election, either party may terminate the appointment on three months' prior written notice.

Mr McDowell's base fee is £32,305 per annum. Mr McDowell is covered by Augean's directors' and officers' liability insurance for the full term of his appointment.

On termination of his appointment, Mr McDowell is entitled to such fees as may have been accrued to the date of terminations, together with reimbursement of any properly incurred expenses up to the termination date.

### (c) **Christopher Mills** (*Non-Executive Director*)

Christopher Mills was appointed as a non-executive director with effect from 16 October 2017 pursuant to a deed of appointment dated 16 October 2017. Subject to the Articles and re-election, either party may terminate the appointment on three months' prior written notice.

Mr Mills' base fee is £32,305 per annum. Mr Mills is covered by Augean's directors' and officers' liability insurance for the full term of his appointment.

On termination of his appointment, Mr Mills is entitled to such fees as may have been accrued to the date of terminations, together with reimbursement of any properly incurred expenses up to the termination date.

## 8. **Other service contracts**

Save as disclosed above, there are no service contracts between any Augean Director or proposed director of Augean and any member of the Augean Group and no such contract has been entered into or amended within the six months preceding the date of this document.

## 9. **Offer-related arrangements**

### (a) **Confidentiality Agreement**

On 9 June 2021, Augean and MSI entered into a confidentiality agreement (the "**Confidentiality Agreement**") in relation to the Offer, pursuant to which, amongst other things, MSI undertook to: (i) subject to certain exceptions, keep information relating to Augean confidential and not to disclose it to third parties; and (ii) use such confidential information only in connection with the Offer. These

confidentiality obligations and certain other provisions of the Confidentiality Agreement remain in force for a period of 18 months from the date of the Confidentiality Agreement. The Confidentiality Agreement contains certain other provisions, including a customary non-solicit provision, which restricts MSI from soliciting or employing certain Augean employees for a period of 12 months from the date of the Confidentiality Agreement, and standstill provisions which restrict MSI for a period of 12 months from the date of the Confidentiality Agreement from acquiring or agreeing or offering to acquire interests in certain securities of Augean without Augean's prior written consent.

(b) ***Co-operation Agreement***

Bidco and Augean have entered into a Co-Operation Agreement pursuant to which Bidco has undertaken to co-operate with Augean and its advisers for the purposes of implementing, and to use reasonable endeavours to implement the Offer.

Bidco has also undertaken to Augean that it will comply in full with its obligations under the CVR Deed Poll and will not take any steps that could reasonably be expected to prejudice the availability of the CVR Proceeds for Augean Shareholders unless permitted pursuant to the terms of the CVR Deed Poll.

Bidco has agreed to promptly provide Augean with such information, assistance and access as may reasonably be required for the preparation of the Scheme Document and any other document published in connection with the Scheme.

The Co-Operation Agreement will terminate if one or more of the following occurs:

- if agreed in writing between Augean and Bidco;
- if the Offer is, with the permission of the Panel, withdrawn or lapses in accordance with its terms prior to the Long Stop Date (other than where such lapse or withdrawal is as a result of the exercise of Bidco's right to effect a Switch (as defined in the Co-Operation Agreement) in accordance with the terms of the Co-Operation Agreement);
- if Scheme Shareholders vote at the Court Meeting and such vote does not achieve the requisite majorities for the Scheme to be approved, Augean Shareholders vote on the Resolution at the General Meeting and any such vote does not achieve the requisite majority for the Resolution to be passed or the Court refuses to sanction the Scheme;
- a third party announces a firm intention to make an offer for the issued and to be issued ordinary share capital of Augean which is recommended by the Augean Board;
- unless otherwise agreed by Bidco and Augean in writing, if the Effective Date has not occurred on or before the Long Stop Date; or
- upon service of written notice by Bidco on Augean if the Augean Board withdraws, qualifies or adversely modifies the Augean Board Recommendation (as defined in the Co-Operation Agreement).

(c) ***CVR Deed Poll***

A summary of the terms of the CVR is set out in paragraph 6 of Part II (*Explanatory Statement*) of this document.

(d) ***Loan Notes***

A summary of the terms of the Loan Notes is set out in paragraph 6 of Part II (*Explanatory Statement*) of this document.

## **10. Material contracts**

### **10.1 *Augean Material Contracts***

Other than the Confidentiality Agreement, the Co-operation Agreement summarised in paragraph 9 above of this Part VII (*Additional Information*) and as disclosed below, the Augean Group has not,

during the period beginning on 27 May 2019 (being the date that is two years prior to the commencement of the Offer Period) and ending on the Last Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, which are or may be material to the Augean Group have been entered into by Augean and/or the Augean Group in the period beginning on 27 May 2019 and ending on the Last Practicable Date.

(a) *HSBC Facility Amendment*

On 27 November 2019, the Group amended and restated its £40,000,000 banking facilities originally dated 21 March 2016 the (“**Facilities Agreement**”), comprising (i) a revolving loan facility of £20,000,000 (the “**Revolving Facility**” and (ii) a term loan facility of £20,000,000 (the “**Term Facility**”, together with the Revolving Facility, the “**Facilities**”, with HSBC UK Bank plc (“**HSBC**”) as the original lender, arranger, agent and security trustee (the “**Security Trustee**”).

Under the terms of the amended facilities, the Group may draw down a Revolving Facility of £20,000,000 and additional loans up to an aggregate value of £20,000,000 on materially similar covenants and pricing as the Group’s previous £20,000,000 Revolving Credit Facility. The Facilities may be used by the Group for working capital and general corporate purposes and, through the amendment in November 2019, have been extended to cover any payments to HMRC pursuant to the previously announced landfill tax assessments. The Facilities have the benefit of security granted by the relevant Group entities in favour of the Security Trustee.

The Facilities are for a three year term with the flexibility to be extended for a further one or two year term as the parties agree. Interest is calculated on the basis of LIBOR plus a variable margin of between 2.00 per cent. to 2.50 per cent. per annum. The Facilities Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

## 10.2 *Bidco Material Contracts*

Other than the Co-operation Agreement and the CVR Deed Poll summarised in paragraph 9 above of this Part VII (*Additional Information*) and as disclosed below, the Bidco Group has not, during the period beginning on 27 May 2019 (being the date that is two years prior to the commencement of the Offer Period) and ending on the Last Practicable Date, entered into any material contract otherwise than in the ordinary course of business.

The following contracts, not being contracts entered into in the ordinary course of business, which are or may be material to the Bidco Group have been entered into by Bidco and/or the Bidco Group in the period beginning on 27 May 2019 and ending on the Last Practicable Date.

(a) *Senior Facilities Agreement*

On 27 July 2021, Bidco, as borrower, entered into a senior facilities agreement (the “**Senior Facilities Agreement**”) with, amongst others, Bidco’s direct holding company, Antwerp Investments Limited (“**Midco**”) as parent, National Westminster Bank Plc, HSBC UK Bank Plc and NatWest Markets Plc as arrangers, National Westminster Bank Plc, HSBC UK Bank Plc and NatWest Markets Plc as original lenders (the “**Lenders**”), HSBC Bank Plc as agent (the “**Facility Agent**”) and HSBC Corporate Trustee Company (UK) Limited as security agent (the “**Security Agent**”).

Under the terms of the Senior Facilities Agreement, the Lenders agreed to make available to Bidco (a) a term loan facility denominated in pounds sterling in an aggregate amount equal to £135,000,000 (“**Facility A**”) and (b) a revolving loan facility denominated in pounds sterling in an aggregate amount equal to £20,000,000 (the “**Revolving Facility**” together with Facility A, the “**Facilities**”). Subject to certain conditions, incremental facilities may be raised under the Senior Facilities Agreement.

The proceeds of loans drawn under Facility A are to be applied, amongst other things, towards: (a) in the case of a Scheme, (i) payment of the cash price payable by or behalf of Bidco to the holders of the Augean Shares in consideration of the Augean Shares being transferred to Bidco pursuant to the Scheme and (ii) financing or refinancing costs, fees, expenses and taxes etc. payable by or incurred by or on behalf of Bidco or the Augean Group in connection with the Scheme; (b) in the case of an Offer, (i) financing the acquisition of Augean Shares to be acquired by Bidco pursuant to the Offer, (ii) financing the consideration payable in connection with a Squeeze-out (as defined in the Senior Facilities Agreement) and (iii) financing or refinancing the costs, fees, expenses and taxes etc. payable by or incurred by or on behalf of Bidco or the Augean Group in connection with the Scheme or the Offer; and/or (c) the refinancing of certain existing financial indebtedness of members of the Augean Group.

The proceeds of loans drawn under the Revolving Facility are to be applied towards the general corporate and working capital purposes of the Bidco Group.

Facility A is available to be drawn, subject to satisfaction of the conditions precedent set out in the Senior Facilities Agreement, from the date of the Senior Facilities Agreement to (and including) the last day of the Certain Funds Period. The Revolving Facility is available to be drawn, subject to satisfaction of the conditions precedent set out in the Senior Facilities Agreement, from the date of first utilisation of Facility A (the “**Senior Facilities Agreement Closing Date**”) to (and including) the date falling one month prior to the Maturity Date.

During the Certain Funds Period, a Lender may not, amongst other things, refuse to participate in funding under Facility A unless (i) a Major Event of Default (as defined in the Senior Facilities Agreement) is continuing or would result from the proposed loan, (ii) any of the Major Representations (as defined in the Senior Facilities Agreement), to the extent not qualified by materiality or by way of Material Adverse Effect (as defined in the Senior Facilities Agreement), are not true in all material respects or, to the extent so qualified, are not true in all respects, (iii) a Change of Control (as defined in the Senior Facilities Agreement) has occurred or (iv) it is unlawful for such Lender to make such loan.

The initial maturity date of the Facilities is the earlier of (a) the date falling three years after the Closing Date and (b) the date falling three years and 180 days after the date of the Senior Facilities Agreement. Subject to the consent of the Lenders, the maturity date of the Facilities can be extended by one year up to two times (the later of the initial maturity date or any extended maturity date being, the “**Maturity Date**”).

Any loans drawn under the Facilities (together with interest and any other amounts accrued thereunder) are to be repaid on the earlier of (a) the Maturity Date, (b) the date on which a notice is given by the Agent declaring the loans under the Facilities to be immediately due and payable following the occurrence of any Event of Default (as defined in the Senior Facilities Agreement) which is continuing, (c) the occurrence of a Change of Control (as defined in the Senior Facilities Agreement) if a Lender requires prepayment and then only that Lender’s participation in the loans shall become immediately due and payable and (d) the disposal of all or substantially all of the assets of the Bidco Group (whether in a single transaction or a series of related transactions).

Bidco may also voluntarily prepay any Facility on five RFR Banking Days’ (as defined in the Senior Facilities Agreement) prior notice.

The Senior Facilities Agreement contains customary representations and warranties (including representations as to status, binding obligations, non-conflict with other obligations, power and authority, authorisations and holding companies, certain of which constitute major representations), undertakings (including undertakings in respect of financial indebtedness, disposals, negative pledge, financial covenants, dividends, acquisitions and mergers, guarantees, loans and conduct of a Offer and/or scheme of arrangement, certain of which constitute major undertakings), indemnities and events of default, each with appropriate

carve-outs and materiality thresholds. In particular, Bidco has agreed, amongst other things, that: (a) it will not, without the prior written consent of each of the arrangers, (i) take or permit to be taken any step as a result of which any increase in the offer price for any of the Augean Shares above the price set out in the Announcement is required to be made (except where any increase is funded directly or indirectly entirely out of equity), (ii) take or permit to be taken any step as a result of which any member of the Bidco Group is obliged to make a mandatory offer under Rule 9 of the Takeover Code, (iii) make any market purchase of Augean Shares other than those funded directly or indirectly entirely out of equity, (iv) in the case of a Offer, declare the Offer unconditional as to acceptances until it has received valid acceptances in respect of the Augean Shares such that following acquisition of those Augean Shares it would hold in excess of 75 per cent. of the Augean Shares on a fully diluted basis, (v) waive, amend or vary any other term or condition of the Offer or the Scheme as a result of which the Offer or Scheme would not be conditional on acceptances such that it would hold in excess of 75 per cent. of the Augean Shares on a fully diluted basis or (vi) waive, amend or vary any other term or condition of the Offer or the Scheme in any respect which is materially adverse to the interests of the Lenders unless required to do so by the Panel or a court of competent jurisdiction.

The rate of interest payable on each loan drawn under the Facilities is the aggregate of the margin (being (i) 3.35 per cent. per annum for the period from the date of the Senior Facilities Agreement to and including, the second anniversary of the Senior Facilities Agreement Closing Date, (ii) 3.60 per cent. per annum for the period from, but excluding, the second anniversary of the Senior Facilities Agreement Closing Date to, and including, the third anniversary of the Senior Facilities Agreement Closing Date and (iii) 3.75 per cent. per annum for the period from, but excluding, the third anniversary of the Senior Facilities Agreement Closing Date to the Maturity Date) plus a daily compounded risk-free rate based on SONIA. Ticking fees, commitment fees, arrangement fees, structuring fees and agency fees are also payable under the terms of the Senior Facilities Agreement and the Fee Letters (as defined in the Senior Facilities Agreement) provided that the Senior Facilities Agreement Closing Date occurs.

As a condition precedent to signing the Senior Facilities Agreement, the Lenders were granted the benefit of security including an English law debenture pursuant to which: (a) Bidco granted security in relation to its bank accounts, hedging agreements, intercompany loans, all present and future shares in Augean held by Bidco and also a floating charge over all assets of Bidco and (b) Midco granted security over all of its shares in Bidco, in each case, in favour of the Security Agent.

## **11. Cash confirmation**

The Cash Consideration payable pursuant to the Offer will be financed as set out in paragraph 5 of Part II (*Explanatory Statement*) of this document.

In accordance with Rule 24.8 of the Takeover Code, Greenhill, as financial adviser to MSI and Bidco, is satisfied that sufficient resources are available to Bidco to enable it to satisfy in full the Cash Consideration payable to Augean Shareholders in connection with the Offer.

**Greenhill, has not been required to confirm, and has not confirmed, that resources are available to Bidco to satisfy payments under the CVRs or the Loan Notes and Augean Shareholders will be at risk if, for any reason, Bidco is not in a position to meet its obligations in respect of the CVRs and/or Loan Notes.**

## **12. Significant change**

Save as disclosed in this document, there has been no significant change in the financial or trading position of the Augean Group since 31 December 2020, being the date to which Augean's last published accounts were prepared.

### **13. Augean Share Schemes**

There are currently no participants holding equity awards under the Augean Share Schemes. As such, no proposals are required, nor will any be made, under Rule 15 of the Code in respect of the Augean Share Schemes.

### **14. Sources and bases of selected financial information**

- 14.1 The aggregate value of the Cash Consideration of £293.9 million is calculated by multiplying the offered amount of 280 pence in cash per Augean Share by Augean's fully diluted share capital as at the close of business on the Last Practicable Date of 104,971,924 Augean Shares.
- 14.2 Unless otherwise stated, all prices quoted for Augean Shares have been derived from the AIM appendix to the Daily Official List and represent closing middle market prices on the relevant date.
- 14.3 Volume weighted average prices have been derived from Bloomberg and have been rounded to the nearest whole figure.
- 14.4 Unless otherwise stated, financial information relating to Augean has been extracted or derived (without material adjustment) from the audited financial statements of Augean contained in the 2020 Augean Annual Report.
- 14.5 Certain figures included in this document have been subject to rounding adjustments.

### **15. Incorporation by reference**

- 15.1 Parts of other documents are incorporated by reference in, and form part of, this document.
- 15.2 Part V (*Financial Information*) of this document sets out which sections of such documents are incorporated into this document.
- 15.3 A person who has received this document may request a copy of such documents incorporated by reference. Copies of any such documents or information incorporated by reference will not be sent to such persons unless requested from Computershare at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, or by calling the Shareholder Helpline between 8.30 a.m. and 5.30 p.m. Monday to Friday (except UK public holidays) on 0370 889 3205 (free from landlines in the UK), or +44 370 889 3205 (from outside the UK, international rates apply). Please note that calls may be monitored or recorded and the Shareholder Helpline cannot provide advice on the merits of the Offer or give any financial, legal or tax advice. If requested, copies will be provided, free of charge, within two Business Days of the request.

### **16. Other information**

- 16.1 Each of Rothschild & Co and Greenhill 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.
- 16.2 Save as disclosed in this document, there is no agreement, arrangement or understanding (including any compensation arrangement) between Bidco or any person acting in concert with it and any of the directors, recent directors, shareholders or recent shareholders of Augean, or any person interested or recently interested in Augean Shares, having any connection with or dependence on or which is conditional upon the outcome of the Offer.
- 16.3 There is no agreement, arrangement or understanding whereby the beneficial ownership of any of the Augean Shares to be acquired by Bidco will be transferred to any other person, save that Bidco reserves the right to transfer any such shares to any other member of the Bidco Group.
- 16.4 Save with the consent of the Panel, settlement of the consideration to which each Scheme Shareholder is entitled under the Scheme will be implemented in full in accordance with the terms of the Scheme

without regard to any lien or right of set-off, counterclaim or other analogous right to which Bidco may otherwise be, or claim to be, entitled against any such Scheme Shareholder.

- 16.5 The aggregate fees and expenses which are expected to be incurred by Bidco in connection with the Offer are estimated to amount to approximately £11.5m plus applicable VAT and other taxes. This aggregate number consists of the following categories:

<i>Category</i>	<i>Amount – £m</i>
Financing arrangements	3.5
Financial and corporate broking advice	4.0
Legal advice	1.7
Accounting and tax advice	0.7
Public relations advice	0.0
Other professional services	0.8
Other costs and expenses (including stamp duty)	0.7
<b>Total</b>	<u>11.5</u>

- 16.6 The aggregate fees and expenses which are expected to be incurred by the Augean Group in connection with the Offer are estimated to amount to approximately £8.4m plus applicable VAT. This aggregate number consists of the following categories:

<i>Category</i>	<i>Amount – £m</i>
Financial and corporate broking advice	4.5
Legal advice	0.6
Accounting advice	0.0
Public relations advice	0.0
Other professional services	0.0
Other costs and expenses	3.4
<b>Total</b>	<u>8.4</u>

- 16.7 Save as disclosed in this document, the emoluments of the Augean Directors and the Bidco Directors will not be affected by the Offer or any other associated transaction.
- 16.8 There is no agreement or arrangement to which Bidco is a party which relates to the circumstances in which it may or may not invoke a condition to the Scheme.

## **17. Documents available for inspection**

Until and including the Effective Date (or the date on which the Scheme lapses or is withdrawn, if earlier) copies of the following documents will be available via the link on Augean's website at <https://www.augeanplc.com/offer/>:

- 17.1 the articles of association of Augean;
- 17.2 a draft of the articles of association of Augean as proposed to be amended at the General Meeting;
- 17.3 the articles of association of Bidco;
- 17.4 the 2019 Augean Annual Report;
- 17.5 the 2020 Augean Annual Report;
- 17.6 the written consent from each of Rothschild & Co and Greenhill & Co referred to in paragraph 16.1 of this Part VII (*Additional Information*);
- 17.7 the letters of irrevocable undertaking referred to in paragraph 6 of this Part VII (*Additional Information*);

- 17.8 the offer-related arrangements referred to in paragraph 9 of this Part VII (*Additional Information*);
- 17.9 the material contracts referred to in paragraphs 10.1 of this Part VII (*Additional Information*);
- 17.10 the documents evidencing the financing being provided by Bidco; and
- 17.11 this document, the Virtual Meeting Guide and the Forms of Proxy.

## PART VIII

### DEFINITIONS

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

<b>“2019 Augean Annual Report”</b>	the annual report and financial statements of Augean for the year ended 31 December 2019;
<b>“2020 Augean Annual Report”</b>	the annual report and financial statements of Augean for the year ended 31 December 2020;
<b>“Agreed Costs Amount”</b>	a fixed sum of one million pounds (£1,000,000) exclusive of any VAT in respect of such amount not recoverable by Augean or any member of the Augean Group;
<b>“AIM”</b>	AIM, a market operated by the London Stock Exchange;
<b>“AIM Rules”</b>	the rules of AIM as set out in the ‘Aim Rules for Companies’ issued by the London Stock Exchange from time to time relating to AIM traded securities and the operation of AIM;
<b>“Augean” or “the Company”</b>	Augean Plc, a public limited company incorporated in England and Wales with registered number 5199719 whose registered office is at 4 Rudgate Court, Walton, Near Wetherby, West Yorkshire, LS23 7BF;
<b>“Augean Board” or “Augean Directors”</b>	the directors of Augean as at the date of this document or where the context so requires, the directors of Augean from time to time;
<b>“Augean Executive Directors”</b>	Jim Meredith, Mark Fryer and John Rauch;
<b>“Augean Group”</b>	Augean and its subsidiaries and subsidiary undertakings from time to time;
<b>“Augean Non-Executive Directors”</b>	John Grant, Roger McDowell and Christopher Mills;
<b>“Augean Shareholder(s)”</b>	the registered holders of Augean Shares from time to time or, in relation to the Court Meeting, Scheme Shareholders;
<b>“Augean Share(s)”</b>	the existing unconditionally allotted or issued and fully paid ordinary shares of £0.10 each in the capital of Augean and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes Effective but excluding in both cases any such shares held or which become held in treasury;
<b>“Augean Share Schemes”</b>	the Augean Unapproved Share Option Scheme, the Augean Approved Share Option Scheme, the Augean 2014 Long Term Incentive Plan, and any other Augean equity incentive schemes;
<b>“Announcement”</b>	the announcement made by Augean and Bidco pursuant to Rule 2.7 of the Takeover Code in connection with the Offer on the Announcement Date, including its appendices;
<b>“Announcement Date”</b>	30 July 2021;
<b>“Articles”</b>	the articles of association of Augean from time to time;
<b>“Ashurst”</b>	Ashurst LLP;

<b>“Bidco”</b>	Antwerp Management Limited, a private limited company incorporated in England and Wales with registered number 13507270 whose registered office is at Suite 1, 3rd Floor 11-12 St James’s Square, London, United Kingdom, SW1Y 4LB;
<b>“Bidco Board”</b>	the board of directors of Bidco as at the date of this document or, where the context so requires, the directors of Bidco from time to time;
<b>“Bidco Group”</b>	North Haven Infrastructure Partners III (AIC-C) LP and its direct and indirect subsidiaries including, following the Offer becoming Effective, the Augean Group;
<b>“Business Day”</b>	any day (other than a Saturday, Sunday or public or bank holiday in the UK, USA and Netherlands) on which banks in London, New York and Amsterdam are open for business;
<b>“Cash Consideration”</b>	the cash consideration payable by Bidco in connection with the Offer, being 280 pence for each Augean Share;
<b>“Certain Funds Period”</b>	the period commencing on the date of the Senior Facilities Agreement and ending on: <ul style="list-style-type: none"> <li>(a) in the case of a Scheme, the earliest of: <ul style="list-style-type: none"> <li>(i) the date on which the Scheme lapses with the consent of the Panel, is withdrawn or is rejected by the relevant court;</li> <li>(ii) the date falling 14 days after the Scheme Effective Date;</li> <li>(iii) the date falling 240 days after the Announcement is issued; and</li> </ul> </li> <li>(b) in the case of an Offer, the earlier of: <ul style="list-style-type: none"> <li>(i) the date on which the Offer lapses with the consent of the Panel or is withdrawn; and</li> </ul> </li> </ul> <p>the date falling 240 days after the Announcement is issued and Augean has not become a Subsidiary of Bidco provided that if Augean becomes a Subsidiary of Bidco on or before such date the period shall be extended by such further period not exceeding 60 days as is necessary for Bidco to complete the Squeeze-out to the extent it is able to do so within such period;</p>
<b>“certificated or in certificated form”</b>	a share or other security which is not in uncertificated form (that is, not in CREST);
<b>“Closing Price”</b>	the closing middle market quotations for an Augean Share at the close of business on the day to which such price relates, as derived from the AIM appendix to the Daily Official List;
<b>“Companies Act”</b>	the Companies Act 2006, as amended from time to time;
<b>“Computershare”</b>	Computershare Investor Services PLC;
<b>“Conditions”</b>	the conditions of the Offer set out in Part A of Part III ( <i>Conditions to and certain further terms of the Offer and the Scheme</i> ) of this document and a “Condition” shall mean any one of them;

<b>“Confidentiality Agreement”</b>	the confidentiality agreement entered into between Augean and Morgan Stanley Infrastructure Inc in relation to the Offer dated 9 June 2021;
<b>“Co-operation Agreement”</b>	the co-operation agreement entered into between Bidco and Augean in relation to the Offer dated 30 July 2021;
<b>“Court”</b>	the High Court of Justice of England and Wales;
<b>“Court Meeting”</b>	the meeting of Scheme Shareholders (including any adjournment thereof), convened with the permission of the Court pursuant to section 896 of the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without modification), notice of which is set out in Part IX ( <i>Notice of Court Meeting</i> ) of this document;
<b>“Court Order”</b>	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act;
<b>“CREST”</b>	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in the CREST Regulations);
<b>“CREST Manual”</b>	the CREST Manual published by Euroclear, as amended from time to time;
<b>“CREST Regulations”</b>	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended from time to time;
<b>“CVR(s) or Contingent Value Right(s)”</b>	the contingent value rights constituted by the CVR Deed Poll issued to holders of Scheme Shares as described in more detail in paragraph 6 of Part II ( <i>Explanatory Statement</i> ) of this document;
<b>“CVR Deed Poll”</b>	the deed poll dated 30 July 2021 executed by Bidco, under which the CVRs have been constituted;
<b>“CVR Holder”</b>	a person who is for the time being entered in the Register as a holder of CVRs and <b>“CVR Holders”</b> shall be construed accordingly;
<b>“Daily Official List”</b>	the Daily Official List published by the London Stock Exchange;
<b>“Dealing Disclosure”</b>	an announcement pursuant to Rule 8 of the Takeover Code containing details of dealings in interests in relevant securities of a party to an offer;
<b>“Disclosed”</b>	<ul style="list-style-type: none"> <li>(a) information disclosed by, or on behalf of Augean in the 2020 Augean Annual Report;</li> <li>(b) information disclosed in the Announcement or in any other public announcement (including information the availability of which has been announced by way of a Regulatory Information Service) by, or on behalf of, Augean;</li> <li>(c) fairly disclosed in writing in connection with any management presentation in connection with the Offer which was attended by Augean and any of Bidco or MSIP (or their respective officers, employees, agents or advisers in their capacity as such); or</li> </ul>

	(d) information fairly disclosed in writing prior to the Announcement Date by or on behalf of Augean to Bidco and/or MSIP (or their respective officers, employees, agents or advisers in their capacity as such), including (but not limited to) via the virtual data room operated on behalf of Augean in respect of the Offer or via email;
<b>“document”</b>	this document dated 16 August 2021 containing (amongst other things) the Scheme and the Explanatory Statement;
<b>“Effective”</b>	either: <ul style="list-style-type: none"> <li>(a) if the Offer is implemented by way of the Scheme, the Scheme having become effective pursuant to its terms; or</li> <li>(b) if the Offer is implemented by way of a Takeover Offer, the Takeover Offer having been declared or having become unconditional in all respects in accordance with the requirements of the Takeover Code;</li> </ul>
<b>“Effective Date”</b>	the date on which the Offer becomes Effective;
<b>“Eligible Augean Shareholders”</b>	<ul style="list-style-type: none"> <li>(a) holders of Scheme Shares, where the Offer is implemented by way of a Scheme; or</li> <li>(b) holders of such Augean Shares where the Offer is implemented by way of a Takeover Offer who validly accept the Takeover Offer,</li> </ul> <p>in each case which would, assuming a maximum pay-out under the CVRs for each Augean Share held of 20 pence, provide an aggregate anticipated entitlement of at least £5.00;</p>
<b>“Euroclear”</b>	Euroclear UK & Ireland Limited;
<b>“Excluded Shares”</b>	<ul style="list-style-type: none"> <li>(a) any Augean Shares beneficially owned by Bidco or any other member of the Bidco Group;</li> <li>(b) any Augean Shares held in treasury by the Company; and</li> <li>(c) any other Augean Shares which Bidco and Augean agree will not be subject to the Scheme;</li> </ul>
<b>“Explanatory Statement”</b>	the explanatory statement (in compliance with section 897 of the Companies Act) relating to the Scheme, as set out in this document;
<b>“Final Redemption Date”</b>	has the meaning given in paragraph 6 of Part II ( <i>Explanatory Statement</i> ) of this document;
<b>“FCA”</b>	the Financial Conduct Authority;
<b>“Form(s) of Proxy”</b>	the BLUE Form of Proxy for use at the Court Meeting and the WHITE Form of Proxy for use at the General Meeting (or either of them as the context may require), which are being sent to Augean Shareholders;
<b>“FSMA”</b>	the Financial Services and Markets Act 2000;
<b>“General Meeting”</b>	the general meeting of Augean Shareholders (or any adjournment thereof) to be convened in connection with the Scheme, expected to

	be held as soon as the preceding Court Meeting shall have been concluded or adjourned;
<b>“Greenhill”</b>	Greenhill & Co. International LLP, financial adviser to MSIP and Bidco;
<b>“Harwood Entities”</b>	means each of: <ul style="list-style-type: none"> <li>(a) Harwood Capital Nominees Limited;</li> <li>(b) North Atlantic Smaller Companies Investment Trust Plc; and</li> <li>(c) Oryx International Growth Fund;</li> </ul>
<b>“holder”</b>	a registered holder (including any person(s) entitled by transmission);
<b>“Last Practicable Date”</b>	the close of business on 13 August 2021 (being the last practicable date prior to publication of this document);
<b>“London Stock Exchange”</b>	London Stock Exchange PLC or its successor;
<b>“Loan Note Holder”</b>	a holder of a Loan Note;
<b>“Loan Note Instrument”</b>	the deed poll constituting the Loan Notes to be made by Bidco in certain circumstances following receipt of a Qualifying Tax Repayment;
<b>“Loan Note Principal Value”</b>	has the meaning given in paragraph 6 of Part II ( <i>Explanatory Statement</i> ) of this document;
<b>“Loan Notes”</b>	the loan notes to be issued by Bidco pursuant to the terms of the CVR Deed Poll;
<b>“Long Stop Date”</b>	11.59 pm on 31 December 2021, or such later date as may be agreed in writing between Bidco and Augean (with the Panel’s consent and as the Court may approve, if such consent and/or approval is/are required);
<b>“Meeting(s)”</b>	the Court Meeting and/or the General Meeting, as the case may be;
<b>“MSI”</b>	Morgan Stanley Infrastructure Inc.;
<b>“MSIP”</b>	Morgan Stanley’s global private infrastructure investment platform, Morgan Stanley Infrastructure Partners;
<b>“MSIP Responsible Persons”</b>	has the meaning given to such term in Part VII ( <i>Additional Information</i> ) of this document;
<b>“Offer”</b>	the proposed Offer by Bidco of the entire issued, and to be issued, ordinary share capital of Augean not already owned or controlled by the Bidco Group, to be implemented by means of the Scheme, or should Bidco so elect in accordance with the terms of the Co-operation Agreement with the consent of the Panel, by means of a Takeover Offer, and where the context admits, any subsequent revision, variation, extension or renewal thereof;
<b>“Offer Document”</b>	should the Offer be implemented by means of a Takeover Offer, the document to be sent to Augean Shareholders which will contain, amongst other things, the terms and conditions of the Takeover Offer;

<b>“Offer Period”</b>	the offer period (as defined by the Takeover Code) relating to Augean which commenced on 27 May 2021 and ending on the earlier of the Effective Date and/or the date on which the Scheme lapses or is withdrawn (or such other date as the Panel may decide);
<b>“Opening Position Disclosure”</b>	per Rule 8 of the Takeover Code, an announcement containing details of interests or short positions in, or rights to subscribe for, any relevant securities of a party to the offer if the person concerned has such a position;
<b>“Outstanding Tax Claims”</b>	<p>means any amounts paid by way of landfill tax (including interest and penalties thereon) that may be paid or repaid to Augean or any member of the Augean Group in consequence of:</p> <ul style="list-style-type: none"> <li>(a) the appeals of Augean or its subsidiaries in relation to landfill tax, including without limitation the appeals of Augean North Limited and Augean South Limited proceeding before the First Tier Tribunal with case reference numbers TC/2018/07241, TC/2019/05264, TC/2019/01281, TC/2020/03692, TC/2021/00631 and TC/2021/02366; and</li> <li>(b) the requests for review of assessments or any subsequent appeals that may be made by Augean or its subsidiaries in respect of any assessment for landfill tax received by Augean or its subsidiaries as at the Announcement Date, to the extent it has been paid by Augean or any member of the Augean Group prior to the Announcement Date, including without limitation the assessments dated 27 October 2017, 29 January 2018, 27 April 2018, 30 July 2018, 24 August 2017, 24 November 2017, 28 February 2018, 30 May 2018 and 31 August 2018 which are under review by HMRC; and</li> <li>(c) any claim for repayment interest payable by HMRC, for repayment of penalties or for recovery of costs in connection with the matters referred to in paragraphs (a) to (b) above;</li> </ul>
<b>“Overseas Shareholders”</b>	holders of Scheme Shares who are resident in, ordinarily resident in, or citizens of, jurisdictions outside the United Kingdom;
<b>“Panel”</b>	the Panel on Takeovers and Mergers;
<b>“PRA”</b>	the Prudential Regulation Authority or its successor from time to time;
<b>“Qualifying Tax Repayment”</b>	receipt of any Tax Claim Proceeds in excess of £100,000;
<b>“Registrar of Companies”</b>	the Registrar of Companies in England and Wales;
<b>“Registrar”</b>	Computershare Investor Services PLC or Computershare , Augean’s registrar;
<b>“Regulation”</b>	Council Regulation (EC) 139/2004 (as amended);
<b>“Regulatory Information Service”</b>	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
<b>“Resolution”</b>	the special resolution to be proposed at the General meeting necessary to implement the Scheme, including (amongst other things) to make certain amendments to the Articles and to approve

	the re-registration of Augean as a private limited company in accordance with the Companies Act;
<b>“Restricted Jurisdiction”</b>	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Offer is sent or made available to Augean Shareholders in that jurisdiction;
<b>“Restricted Overseas Person”</b>	means an Overseas Shareholder who has not, by or prior to a Loan Note Issue Date (as defined in the Loan Note Instrument), been able to satisfy Bidco in their absolute discretion, that the receipt of Loan Notes is exempt from or not subject to the registration or other legal or regulatory requirements or restrictions of the relevant jurisdiction;
<b>“Rothschild &amp; Co”</b>	N.M. Rothschild & Sons Limited, financial adviser to Augean;
<b>“Scheme or Scheme of Arrangement”</b>	the proposed scheme of arrangement under Part 26 of the Companies Act between Augean and Scheme Shareholders to implement the Offer, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Augean and Bidco particulars of which are set out in Part IV ( <i>The Scheme of Arrangement</i> );
<b>“Scheme Court Hearing”</b>	the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act;
<b>“Scheme Record Time”</b>	6.00 p.m. on the Business Day immediately after the date of the Scheme Court Hearing;
<b>“Scheme Shareholder(s)”</b>	the holder(s) of Scheme Shares from time to time;
<b>“Scheme Shares”</b>	all Augean Shares: <ul style="list-style-type: none"> <li>(a) in issue at the date of the document;</li> <li>(b) (if any) issued after the date of the document and prior to the Voting Record Time; and</li> <li>(c) (if any) issued at or after the Voting Record Time and prior to the Scheme Record Time in respect of which the original or any subsequent holder thereof is bound by the Scheme, or shall by such time have agreed in writing to be bound by the Scheme,</li> </ul> <p>in each case, remaining in issue at the Scheme Record Time but excluding any Excluded Shares;</p>
<b>“Senior Facilities Agreement”</b>	the £155,000,000 senior facilities agreement dated 27 July 2021 between, among others, Bidco as borrower and National Westminster Bank Plc, HSBC UK Bank Plc and NatWest Markets Plc as arrangers, to provide funding for the Offer as described in more detail in paragraph 10.2(a) of Part VII ( <i>Additional Information</i> ) of this document;
<b>“Significant Interest”</b>	a direct or indirect interest in 20 per cent. or more of the voting equity share capital of an undertaking;
<b>“Subsidiary”</b>	an entity of which a person has direct or indirect control or owns directly or indirectly more than 50% of the share capital or similar

right of ownership, provided that “control” for this purpose means the power to direct the management and policies of the entity whether through the ownership of share capital, contract or otherwise;

**“Tax Claim Proceeds”**

- (a) 56.9 per cent. of:
  - (i) the cash proceeds (including without limitation any repayment of landfill tax, repayment interest, repayment of penalties or recovery of costs) received by Augean or any member of the Augean Group after the Announcement Date pursuant to a final determination of any proceedings or other matter forming part of the Outstanding Tax Claims and relating to any profit chargeable to corporation tax in respect of any period (or part thereof) ended on or before 31 March 2023; less
  - (ii) all properly incurred costs to Augean or any member of the Augean Group (and that are not reimbursed by HMRC) in respect of such Outstanding Tax Claims incurred after the Announcement Date (excluding any VAT recoverable by Augean or any member of the Augean Group) and all taxes payable, suffered or required to be accounted for after the Announcement Date on or in connection with the cash proceeds received under paragraph (a)(i) above; plus
- (b) 59.5 per cent. of:
  - (i) the cash proceeds (including without limitation any repayment of landfill tax, repayment interest, repayment of penalties or recovery of costs) received by Augean or any member of the Augean Group after the Announcement Date pursuant to a final determination of any proceedings or other matter forming part of the Outstanding Tax Claims and relating to any profit chargeable to corporation tax in respect of any period (or part thereof) commencing on or after 1 April 2023; less
  - (ii) all properly incurred costs to Augean or any member of the Augean Group (and that are not reimbursed by HMRC) in respect of such Outstanding Tax Claims incurred after the Announcement Date (excluding any VAT recoverable by Augean or any member of the Augean Group) and all taxes payable, suffered or required to be accounted for after the date of the Announcement on or in connection with the cash proceeds received under paragraph (b)(i) above,

provided that the total aggregate costs to be deducted pursuant to paragraphs (a)(ii) and (b)(ii) above shall not exceed the Agreed Costs Amount;

**“Takeover Code”**

the City Code on Takeovers and Mergers, as issued from time to time or on behalf of the Panel;

“ <b>Takeover Offer</b> ”	should the Offer be implemented by way of a takeover offer as defined in Chapter 3 of Part 28 of the Companies Act in the circumstances described in this document, the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued share capital of Augean and, where the context admits, any subsequent revision, variation, extension or renewal of such offer;
“ <b>UK</b> ” or “ <b>United Kingdom</b> ”	the United Kingdom of Great Britain and Northern Ireland;
“ <b>uncertificated</b> ” or “ <b>in uncertificated form</b> ”	a share or other security recorded on the relevant register of members as being held in uncertificated form and title to which may, by virtue of the CREST Regulations, be transferred by means of CREST;
“ <b>US</b> ” or “ <b>United States</b> ”	the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia;
“ <b>US Exchange Act</b> ”	the US Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;
“ <b>US Securities Act</b> ”	the US Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;
“ <b>Virtual Meeting Guide</b> ”	the virtual meeting guide prepared by Lumi explaining how Augean Shareholders (and any of their duly appointed proxies and corporate representatives) can access and engage in the business of the Meetings remotely via the Virtual Meeting Platform;
“ <b>Virtual Meeting Platform</b> ”	the virtual meeting platform hosted by Lumi;
“ <b>Voting Record Time</b> ”	6.00 p.m. on the day which is two Business Days prior to the date of the Court Meeting or any adjournment thereof (as the case may be);
“ <b>Wider Bidco Group</b> ”	MSIP and its subsidiary undertakings, associated undertakings and any other undertaking in which MSIP and/or such undertakings (aggregating their interests) have a Significant Interest; and
“ <b>Wider Augean Group</b> ”	Augean and its subsidiary undertakings, associated undertakings and any other undertaking in which Augean and/or such undertakings (aggregating their interests) have a Significant Interest.

For the purposes of this document, “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**equity share capital**” have the meanings given by the Companies Act and “**associated undertaking**” has the meaning given by paragraph 19 of Schedule 6 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 19(1)(b) of Schedule 6 to those regulations which shall be excluded for this purpose.

All references to “**pounds**”, “**pounds sterling**”, “**sterling**”, “**GBP**”, “**£**”, “**pence**” and “**p**” are to the lawful currency of the United Kingdom.

All references to statutory provision or law or to any order or regulation shall be construed as a reference to that provision, law, order or regulation as extended, modified, replaced or re-enacted from time to time and all statutory instruments, regulations and orders from time to time made thereunder or deriving validity therefrom.

A reference to “**includes**” shall mean “**includes without limitation**”, and references to “**including**” and any other similar term shall be construed accordingly.

All times referred to are London time unless otherwise stated.

References to the singular include the plural and *vice versa*.

## PART IX

### NOTICE OF COURT MEETING

IN THE HIGH COURT OF JUSTICE

CR-2021-001198

BUSINESS AND PROPERTY COURTS OF ENGLAND AND WALES COMPANIES COURT (ChD)

IN THE MATTER OF AUGEAN PLC

and

IN THE MATTER OF THE COMPANIES ACT 2006

NOTICE IS HEREBY GIVEN that, by an Order dated 12 August 2021 made in the above matters, the Court has given permission for a meeting (the “**Court Meeting**”) to be convened of the holders of Scheme Shares (as defined in the scheme of arrangement referred to below) (the “**Scheme Shareholders**”) for the purpose of considering and, if thought fit, approving (with or without modification) a scheme of arrangement (the “**Scheme of Arrangement**”) proposed to be made pursuant to Part 26 of the Companies Act 2006 (the “**Act**”) between Augean Plc (“**Augean**” or the “**Company**”), and the Scheme Shareholders (as defined in the Scheme of Arrangement) and that the Court Meeting will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW on 9 September, at 10:30 a.m., at which time all Scheme Shareholders are requested to attend via the Lumi online meeting platform (the “**Virtual Meeting Platform**”), although physical attendance at the venue shall not be prohibited.

Copies of the Scheme of Arrangement and of the explanatory statement required to be published pursuant to section 897 of the Act are incorporated in the document of which this Notice forms part.

Voting on the resolution to approve the Scheme of Arrangement will be by poll, which shall be conducted as the Chair of the Court Meeting may determine.

**While it is currently anticipated that the Court Meeting will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW in a COVID-19 secure manner, it is possible that the evolving COVID-19 pandemic and Government restrictions and guidance in relation to any developments may mean that this is not possible. In light of the uncertainty surrounding the COVID-19 restrictions that may be in place at the date of the Court Meeting, and in order to protect the health and safety of all stakeholders, the Scheme Shareholders and other attendees (including any duly appointed proxies and/or corporate representatives) are strongly encouraged not to attend the Court Meeting in person, save for the Chair and anyone else nominated by the Chair in order to establish a quorum or to facilitate the proceedings of the Court Meeting. Augean remains firmly committed to encouraging shareholder engagement on the business of the Court Meeting. As such, Scheme Shareholders (and their duly appointed proxies and/or corporate representatives) will be able to access, follow the business of, attend, submit questions and/or objections remotely in writing via the Virtual Meeting Platform, or orally by telephone, and vote at the Court Meeting remotely via the Virtual Meeting Platform (even if a proxy appointment is submitted in advance).**

The COVID-19 situation is constantly evolving, and the UK Government may implement measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the Court Meeting will be communicated to the Scheme Shareholders before the Court Meeting, including through Augean’s website at <https://www.augeanplc.com/offer/> and by announcement through a Regulatory Information Service.

#### ***Instructions for accessing the Virtual Meeting Platform***

Scheme Shareholders (and their duly appointed proxies and/or corporate representatives) will be given the opportunity to access, follow the business of, attend, submit questions and/or objections remotely in writing via the Virtual Meeting Platform, or orally by telephone, and vote at the Court Meeting remotely via the Virtual Meeting Platform.

The Virtual Meeting Platform can be accessed using a web browser, on any PC or PC equivalent or smartphone device. The web browser must be compatible with the latest browser versions of Chrome, Firefox, Edge and Safari. In order to access and engage in the business of the Court Meeting, as detailed above, using this method, please go to <https://web.lumiagm.com/>.

Once you have accessed <https://web.lumiagm.com/> from your web browser, you will be asked to enter the Meeting ID which is 189-384-012. You will then be prompted to enter your Shareholder Reference Number (“SRN”) and PIN Number. Your SRN, including any zeros, and your PIN number can be found printed on your Form of Proxy. Access to the Court Meeting via the website will be available from 10:00 a.m. on 9 September 2021, as further detailed below. If you are unable to access your SRN and PIN, please call Computershare on 0370 889 3205 from within the UK or +44 370 889 3205 between 8.30 a.m. and 5.30 p.m. (Monday to Friday (except public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Offer or the Scheme or give any financial, legal or tax advice.

Scheme Shareholders are strongly encouraged to appoint the Chair of the Court Meeting as their proxy. If you wish to appoint a person other than the Chair of the Court Meeting as your proxy and for them to attend and engage in the business of the Court Meeting remotely via the Virtual Meeting Platform on your behalf, please submit your proxy appointment in the usual way and then contact Computershare on 0370 889 3205 from within the UK or +44 370 889 3205 in order to obtain their unique SRN and PIN (which you can then pass on to your duly appointed proxy). This should be done as soon as possible and at least 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the Court Meeting.

If your Scheme Shares are held within a nominee account at a bank or broker then you may be appointed as a corporate representative. If, as a corporate representative, you wish to remotely attend the Court Meeting then please ensure you contact your bank/broker immediately and request that they send a letter of representation to Computershare, so as to be received by Computershare no later than 72 hours ahead of the Court Meeting (excluding non-working days), to allow Computershare as the Company’s registrars to generate your unique log in details and return this to your bank/broker for onward transmission to you ahead of the Court Meeting. This will allow you, as a corporate representative, to remotely attend, submit questions and vote your allocated holding at the Court Meeting.

Access to the Court Meeting will be available from 10:00 a.m. on 9 September 2021, although the voting functionality will not be enabled until the Chair of the Court Meeting declares the poll open. Scheme Shareholders (and their duly appointed proxies and/or corporate representatives) will be permitted to submit questions and/or objections remotely in writing via the Virtual Meeting Platform or orally by telephone to the Company’s directors during the course of the Court Meeting.

During the Court Meeting, you must ensure you are connected to the internet at all times in order to access, follow the business of and submit questions and/or objections remotely in writing via the Virtual Meeting Platform, or orally by telephone, and vote when the Chair commences polling. Therefore, it is your responsibility to ensure connectivity for the duration of the Court Meeting. The Virtual Meeting Guide contains further information on accessing the Court Meeting remotely via the Virtual Meeting Platform and is available on the Company’s website at <https://www.augeanplc.com/offer/>.

#### ***Right to Appoint a Proxy; Procedure for Appointment***

**Holders of Scheme Shares entitled to attend and vote at the Court Meeting may vote in person, or remotely via the Virtual Meeting Platform, at such meeting or they may appoint another person or persons, whether a member of the Company or not, as their proxy or proxies, to exercise all or any of their rights to attend, speak and vote at the Court Meeting.**

**A BLUE Form of Proxy, for use at the Court Meeting, has been provided. Instructions for its use are set out on the form. It is requested that the BLUE Form of Proxy (together with any power of attorney or other authority, if any, under which it is signed, or a duly certified copy thereof) be returned to the Company’s registrars, Computershare, at Computershare Investor Services PLC, The Pavilions,**

**Bridgwater Road, Bristol BS99 6ZY either (i) by post or (ii) (during normal business hours only) by hand, to be received not later than 10:30 a.m. on 7 September 2021 or, in the case of an adjournment of the Court Meeting, 48 hours (excluding non-working days) before the time appointed for the adjourned Court Meeting. However, if not so lodged, BLUE Forms of Proxy (together with any such authority, if applicable) may be handed to the Chair of the Court Meeting or to the Company's registrars, Computershare, on behalf of the Chair of the Court Meeting, before the start of the Court Meeting and it will still be valid.**

As a member of the Company, you are entitled to appoint one or more proxies to exercise all or any of your rights to attend, speak and vote on your behalf at the Court Meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares. A proxy need not be a member of the Company but they must attend the Court Meeting to represent you. If you require additional proxy forms, please contact the Company's registrars, Computershare on 0370 889 3205 from within the UK or +44 370 889 3205 if calling from outside the UK or by submitting a request in writing to Computershare, at Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. Members who hold their shares in uncertificated form through CREST who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual available at [www.euroclear.com](http://www.euroclear.com).

In order for a proxy appointment or instruction made using CREST to be valid, the appropriate CREST message must be properly authenticated in accordance with Euroclear's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID 3RA50) by 10:30 a.m. on 7 September 2021 (or if the Court Meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned Court Meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

Forms of Proxy may alternatively be submitted electronically by logging on to the following website [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) and following the instructions there. For an electronic proxy appointment to be valid, the appointment must be received by Computershare no later than 10:30 a.m. on 7 September 2021 (or if the Court Meeting is adjourned, 48 hours (excluding non-working days) before the time fixed for the adjourned Court Meeting).

**Completion and return of a Form of Proxy, or the appointment of a proxy electronically using CREST (or any other procedure described on pages 12 to 15 of the document of which this Notice forms part), will not prevent a holder of Scheme Shares from attending, speaking and voting in person, or remotely via the Virtual Meeting Platform, at the Court Meeting, or any adjournment thereof, if such Scheme Shareholder wishes and is entitled to do so.**

#### *Voting Record Time*

Entitlement to attend, speak and vote at the Court Meeting or any adjournment thereof and the number of votes which may be cast at the Court Meeting, will be determined by reference to the register of members of the Company at 6.00 p.m. on 7 September 2021 or, if the Court Meeting is adjourned, 6.00 p.m. on the date which is two days (excluding non-working days) before the date fixed for the adjourned Court Meeting. Changes to the register of members after the relevant time shall be disregarded in determining the rights of any person to attend, speak and vote at the Court Meeting.

#### *Joint Holders*

In the case of joint holders of Scheme Shares, the vote of the senior who tenders a vote, whether in person, or remotely via the Virtual Meeting Platform, or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.

### *Corporate Representatives*

As an alternative to appointing a proxy, any Scheme Shareholder which is a corporation may appoint one or more corporate representatives who may exercise on its behalf all its powers, provided that if two or more corporate representatives purport to vote in respect of the same shares, if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way, and in other cases the power is treated as not exercised.

By the said Order, the Court has appointed Jim Meredith or, failing him, Mark Fryer or, failing him, any other director of the Company to act as Chair of the Court Meeting and has directed the Chair to report the result thereof to the Court.

The Scheme of Arrangement will be subject to the subsequent sanction of the Court.

Dated 16 August 2021

Ashurst LLP  
London Fruit & Wool Exchange 1 Duval Square,  
London E1 6PW  
*Solicitors for the Company*

### **Nominated Persons**

Any person to whom this Notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a “**Nominated Person**”) does not, in that capacity, have a right to appoint a proxy, such right only being exercisable by shareholders of the Company. However, Nominated Persons may, under agreement with the shareholder who nominated them, have a right to be appointed (or to have someone else appointed) as a proxy for the Court Meeting.

## PART X

### NOTICE OF GENERAL MEETING

#### NOTICE OF GENERAL MEETING OF AUGEAN PLC

NOTICE IS HEREBY GIVEN that a General Meeting of Augean Plc (the “**Company**”) will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW on 9 September 2021 at 10:45 a.m. (London time) (or as soon thereafter as the Court Meeting (as defined in the document of which this Notice forms part) shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution which shall be proposed as a special resolution:

#### SPECIAL RESOLUTION

##### THAT:

- (a) for the purpose of giving effect to the scheme of arrangement dated 16 August 2021 between Augean Plc (the “**Company**”) and the holders of the Scheme Shares (as defined in the said scheme), a print of which has been produced to this meeting and for the purpose of identification signed by the Chair hereof, in its original form or subject to any modification, addition or condition agreed between the Company and Antwerp Management Limited (“**Bidco**”) and approved or imposed by the Court (the “**Scheme**”), the directors of the Company be authorised to take all such action as they may consider necessary or appropriate for carrying the Scheme into effect; and
- (b) with effect from the passing of this resolution, the articles of association of the Company be amended by the adoption and inclusion of the following new Article 45:

#### “45 SCHEME OF ARRANGEMENT

For the purposes of this Article 45:

- “**Bidco**” means Bidco, a company incorporated in England and Wales (company number 13507270) whose registered office is at Suite 1, 3rd Floor 11-12 St James’s Square, London, United Kingdom, SW1Y 4LB; and
- “**Augean Scheme**” means the scheme of arrangement dated 16 August 2021 under Part 26 of the Act between the Company and the Scheme Shareholders (as defined in the Augean Scheme), in its original form or with or subject to any modification, addition or condition approved or imposed by the High Court of Justice of England and Wales.
  - (a) Notwithstanding any other provision of these Articles, if the Company issues any shares (other than to Bidco, any subsidiary of Bidco or any nominee(s) of Bidco) after the adoption of this Article and at or prior to the Scheme Record Time (as defined in the Augean Scheme), such shares shall be issued subject to the terms of the Augean Scheme and the holders of such shares shall be bound by the Augean Scheme accordingly.
  - (b) Notwithstanding any other provision of these Articles, subject to the Augean Scheme becoming effective, any shares issued, or transferred to any person (other than to Bidco, any subsidiary of Bidco or any nominee(s) of Bidco) after the Scheme Record Time (a “**New Member**”) (each a “**Post-Scheme Share**”) shall be issued on terms that they shall on the Effective Date (as defined in the Augean Scheme) or, if later, on issue (but subject to the terms of Articles 45(c) and 45(d) below), be immediately transferred to Bidco (or as it may direct) (the “**Purchaser**”), who shall be obliged to acquire each Post-Scheme Share in consideration of and conditional upon the payment by or on behalf of Bidco to the New Member of an amount in cash for each Post-Scheme Share equal to the consideration to which a New Member would have been entitled had such Post-Scheme Share been a Scheme Share.

- (c) On any reorganisation of, or material alteration to, the share capital of the Company (including, without limitation, any subdivision and/or consolidation) carried out after the Effective Date, the value of the consideration per Post-Scheme Share to be paid under Article 45(b) shall be adjusted by the Company in such manner as the auditors of the Company may determine to be appropriate to reflect such reorganisation or alteration. References in this Article to such shares shall, following such adjustment, be construed accordingly.
- (d) To give effect to any transfer of Post-Scheme Shares required pursuant to this Article 45, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Post-Scheme Shares to the Purchaser and/or its nominees and do all such other things and execute and deliver all such documents or deeds as may in the opinion of such attorney or agent be necessary or desirable to vest the Post-Scheme Shares in the Purchaser and, pending such vesting, to exercise all such rights attaching to the Post-Scheme Shares as the Purchaser may direct. If an attorney or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney or agent fails to act in accordance with the directions of the Purchaser) be entitled to exercise any rights attaching to the Post-Scheme Shares unless so agreed in writing by the Purchaser. The attorney or agent shall be empowered to execute and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of the Purchaser and the Company may give a good receipt for the consideration for the Post-Scheme Shares and may register the Purchaser as holder thereof and issue to it certificate(s) for the same. The Company shall not be obliged to issue a certificate to the New Member for the Post-Scheme Shares. The Purchaser shall settle the consideration due to the New Member pursuant to Article 45(b) above by sending a cheque drawn on a UK clearing bank in favour of the New Member (or any subsequent holder), or any alternative method communicated by the Purchaser to the New Member for the purchase price of such Post-Scheme Shares as soon as practicable and in any event within 14 days of the date on which the Post-Scheme Shares are issued to the New Member.
- (e) If the Augean Scheme shall not have become effective by the applicable date referred to in (or otherwise set in accordance with) clause 7 of the Augean Scheme, this Article 45 shall cease to be of any effect.
- (f) Notwithstanding any other provision of these Articles, both the Company and the Board shall refuse to register the transfer of any Scheme Shares effected between the Scheme Record Time and the Effective Date other than to Bidco and its nominee(s) pursuant to the Scheme.”;
- (c) subject to and conditional upon the Scheme becoming effective, pursuant to section 97 of the Companies Act 2006, the Company be re-registered as a private limited company with the name “Augean Limited” to take effect following approval by the Registrar of Companies.

*By order of the Board*

**Angela McGhin**  
*Company Secretary*

*Registered Office:*

4 Rudgate Court  
Walton, Wetherby  
West Yorkshire  
LS23 7BF

16 August 2021

Registered in England & Wales No. 5199719

## Notes

While it is currently anticipated that the General Meeting will be held at the offices of Ashurst LLP, London Fruit & Wool Exchange, 1 Duval Square, London, E1 6PW in a COVID-19 secure manner, it is possible that the evolving COVID-19 pandemic and Government restrictions and guidance in relation to any developments may mean that this is not possible. In light of the uncertainty surrounding the COVID-19 restrictions that may be in place as at the date of the General Meeting, and in order to protect the health and safety of all stakeholders, the registered holders of shares in the Company (“Augean Shareholders”) and other attendees (including any duly appointed proxies and/or corporate representatives) are strongly encouraged not to attend the General Meeting in person, save for the Chair and anyone else nominated by the Chair in order to establish a quorum or to facilitate the proceedings of the General Meeting. The Company remains firmly committed to encouraging shareholder engagement on the business of the General Meeting. As such, Augean Shareholders (and their duly appointed proxies) will be able to access, follow the business of, submit questions remotely in writing via the Lumi online meeting platform (the “Virtual Meeting Platform”), or orally by telephone. However, Augean Shareholders (and their duly appointed proxies and/or corporate representatives) will not be permitted to raise objections or vote remotely at the General Meeting via the Virtual Meeting Platform (due to constraints in the Articles), even if they are following the business of the General Meeting remotely via the Virtual Meeting Platform. Augean Shareholders who wish to vote on the business of the General Meeting must therefore do so in person, by appointing the Chair of the General Meeting as their proxy in accordance with the procedures set out in this document or by appointing another person as their proxy in accordance with the procedures set out in this document to attend the General Meeting in person on their behalf.

The COVID-19 situation is constantly evolving, and the UK Government may implement measures relating to the holding of shareholder meetings during the affected period. Any changes to the arrangements for the General Meeting will be communicated to Augean Shareholders before the General Meeting, including through Augean’s website at [www.augeanplc.com](http://www.augeanplc.com) and by announcement through a Regulatory Information Service.

### Instructions for accessing the Virtual Meeting Platform

Augean Shareholders (and their duly appointed proxies and/or corporate representatives) will be given the opportunity to access, follow the business of, submit questions remotely in writing via the Virtual Meeting Platform, or orally by telephone but not be able to raise objections or vote at the General Meeting via the Virtual Meeting Platform or orally by telephone (as a result of constraints in the Articles).

The Virtual Meeting Platform can be accessed using a web browser, on any PC or PC equivalent or smartphone device. The web browser must be compatible with the latest browser versions of Chrome, Firefox, Edge and Safari. In order to access and engage in the business of the General Meeting, as detailed above, using this method, please go to <https://web.lumiagm.com/>.

Once you have accessed <https://web.lumiagm.com/> from your web browser, you will be asked to enter the Meeting ID which is 189-384-012. You will then be prompted to enter your Shareholder Reference Number (“SRN”) and PIN number. Your SRN, including any zeros, and your PIN number can be found printed on your Form of Proxy. If you are unable to access your SRN and PIN, please call Computershare on 0370 889 3205 from within the UK or +44 370 889 3205 between 8.30 a.m. and 5.30 p.m. (London time) Monday to Friday (except public holidays in England and Wales). Calls are charged at the standard geographic rate and will vary by provider. Calls from outside the UK will be charged at the applicable international rate. Please note that calls may be monitored or recorded and Computershare cannot provide advice on the merits of the Offer or the Scheme or give any financial, legal or tax advice.

Augean Shareholders are strongly encouraged to appoint the Chair of the General Meeting as their proxy. If you wish to appoint a person other than the Chair of the General Meeting as your proxy and for them to engage in the business of the General Meeting remotely via the Virtual Meeting Platform on your behalf, please submit your proxy appointment in the usual way and then contact Computershare on 0370 889 3205 from within the UK or +44 370 889 3205 in order to obtain their unique SRN and PIN (which you can then pass on to your duly appointed proxy). This should be done as soon as possible and at least 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the General Meeting.

The General Meeting will commence at 10:45 a.m. or as soon thereafter as the Court Meeting shall have been concluded or adjourned. Augean Shareholders (and their duly appointed proxies and/or corporate representatives) will be permitted to submit questions (but not raise objections) remotely in writing via the Virtual Meeting Platform or orally by telephone to the Company’s directors during the General Meeting.

During the General Meeting, you must ensure you are connected to the internet at all times in order to access, follow the business of and submit questions remotely in writing via the Virtual Meeting Platform, or orally by telephone. Therefore, it is your responsibility to ensure connectivity for the duration of the General Meeting. The Virtual Meeting Guide contains further information on accessing the General Meeting remotely via the Virtual Meeting Platform and is available on the Company’s website at <https://www.augeanplc.com/offer/>.

### Right to attend and vote at the General Meeting

All valid proxy votes (whether submitted electronically or in hard copy form) will be included in the poll to be taken at the General Meeting. Shareholders are referred to pages 12 to 15 for details of how to attend the General Meeting.

The right to vote at the General Meeting is determined by reference to the Company’s register of members. Only a member entered in the register of members at 6.00 p.m. on 7 September 2021 (or, if this General Meeting is adjourned, in the register of members at 6.00 p.m. two Business Days before the time of any adjourned General Meeting) is entitled to vote at the General Meeting and a

member may vote in respect of the number of Augean Shares registered in the member's name at that time. Changes to the entries in the register of members after that time shall be disregarded in determining the rights of any person to vote at the General Meeting.

### **Questions**

Augean Shareholders can submit questions on the business of the General Meeting in advance by email to [AngelaMcGhin@augeanplc.com](mailto:AngelaMcGhin@augeanplc.com) with the subject line "General Meeting 2021 Questions", provided that such emails must be received no later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) before the time fixed for the General Meeting or any adjournment thereof. In addition, Augean Shareholders (and any of their respectively duly appointed proxies and/or corporate representatives) may also submit questions remotely in writing via the Virtual Meeting Platform, or orally by telephone. The Virtual Meeting Guide contains further information on accessing and engaging with the business of the General Meeting remotely via the Virtual Meeting Platform and is available on Augean's website at <https://www.augeanplc.com/offer/>.

Subject to time limitations, the Chair will ensure that relevant matters relating to the formal business of the General Meeting are addressed in the meeting. Where multiple Augean Shareholders submit questions of a similar nature or theme, the questions will all be read aloud to the General Meeting for transparency but only one response may be provided to prevent repetition of responses on the same theme. The Chair may also nominate a representative to answer a specific question after the meeting or refer the questioner to the Company's website.

### **Right to appoint a proxy**

Any Augean Shareholder or nominee shareholder may appoint one or more persons (whether Augean Shareholders or not) to act as his/her proxy or proxies to exercise all or any of their rights to attend, speak and vote instead of him/her (provided that each such proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder).

The Form of Proxy for use at the General Meeting must be deposited, together with any power of attorney or authority under which it is signed, at Computershare, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY not less than 48 hours before the time appointed for the General Meeting or any adjournment thereof. An appropriate Form of Proxy is enclosed. Alternatively, you may register your vote online by visiting [www.investorcentre.co.uk/eproxy](http://www.investorcentre.co.uk/eproxy) where you will need to enter the Shareholder Reference Number and PIN number which are on the enclosed Form of Proxy, alternatively, if you already have a portfolio registered with Computershare, by logging onto [www.investorcentre.co.uk](http://www.investorcentre.co.uk) using your usual user ID and password. Once logged in simply click "View" on the "My Investments" page, click on the link to vote then follow the on screen instructions. Proxy votes should be submitted as early as possible and in any event, not less than 48 hours before the time appointed for the General Meeting or any adjournment thereof.

### **CREST**

CREST members who wish to appoint a proxy or proxies, or amend an instruction to a previously appointed proxy, through the CREST electronic proxy appointment service may do so for the General Meeting to be held at 10:45 a.m. on 9 September 2021 and any adjournment(s) thereof, by using the procedures described in the CREST manual (available via [www.euroclear.com](http://www.euroclear.com)). CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to an instruction to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: 3RA50) by no later than 10:45 a.m. on 7 September 2021 (or no later than two Business Days before the time appointed for any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

### **Change or revoke a proxy instruction**

Shareholders may change proxy instructions by submitting 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. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Shareholders may revoke a proxy instruction delivered to Computershare, the Company's registrars but to do so must inform the Company in writing by sending a signed hard copy notice clearly stating their intention to revoke the proxy appointment to Computershare, Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. In the case of a shareholder which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company no later than the cut-off time (48 hours before the time appointed for the General Meeting) set out above. If a shareholder attempts to revoke his or her proxy appointment but the revocation is received after the time specified, such shareholder's original proxy appointment will remain valid unless the shareholder attends the General Meeting and votes in person.

### **Joint holders**

In the case of joint holders, where more than one of the joint holders completes a proxy appointment, only the appointment submitted by the most senior holder will be accepted. For this purpose, seniority is determined by the order in which the names of the joint holders appear in the Company's register of members (the first-named being the most senior).

### **Corporate representatives**

Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise, on its behalf, all of its powers as a shareholder, provided that if two or more representatives purport to vote in respect of the same shares:

- if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way; and
- in other cases, the power is treated as not exercised.

### **Indirect investors**

Any person to whom this Notice is sent who is a person nominated under section 146 of the Act to enjoy information rights (a Nominated Person) may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies above does not apply to Nominated Persons. The rights described above can only be exercised by shareholders of the Company.

### **Total voting rights**

As at 13 August 2021 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consisted of 104,971,924 Augean Shares, carrying one vote each. Therefore, the total voting rights in the Company as at 13 August 2021 were 104,971,924 votes.

### **Documents available for inspection**

The following documents will be available for inspection during normal business hours on any business day at the Company's registered office until the date of the General Meeting and will also be available during the General Meeting and for 15 minutes beforehand:

- copies of the existing articles of association of the Company; and
- copies of the proposed new articles of association of the Company.

So that appropriate arrangements can be made for shareholders wishing to inspect documents, we request that shareholders contact the Company Secretary by email at [AngelaMcGhin@augeanplc.com](mailto:AngelaMcGhin@augeanplc.com) in advance of any visit to ensure that access can be arranged. Any such access will be subject to health and safety requirements and any limits on gatherings, social distancing or other measures imposed or recommended by the UK Government.

You may not use any electronic address provided either in this Notice or any related documents (including the Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

The results of the voting at the General Meeting will be announced through a Regulatory Information Service and will appear on the Company's website as soon as practicable following the General Meeting.





