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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

5 June 2025

**RECOMMENDED CASH AND SHARE OFFER**

for

**MARLOWE PLC (“Marlowe”)**

by

**MITIE TREASURY MANAGEMENT LIMITED (“Bidco”), A WHOLLY OWNED SUBSIDIARY OF MITIE  
GROUP PLC (“Mitie”)**

**to be effected by a scheme of arrangement under Part 26 of the Companies Act 2006**

**Summary**

- The boards of Mitie and Marlowe are pleased to announce that they have reached agreement on the terms of a unanimously recommended cash and share offer pursuant to which Bidco, a wholly owned subsidiary of Mitie, will acquire the entire issued and to be issued ordinary share capital of Marlowe (the “**Acquisition**”). It is proposed that the Acquisition will be effected by means of a scheme of arrangement of Marlowe under Part 26 of the Companies Act.
- Under the terms of the Acquisition, each Marlowe Shareholder will be entitled to receive:  
  

|                               |                                              |
|-------------------------------|----------------------------------------------|
| <b>for each Marlowe Share</b> | <b>1.1 New Mitie Shares</b>                  |
|                               | <b>and</b>                                   |
|                               | <b>290 pence in cash,</b>                    |
|                               | <b>(together, the “Offer Consideration”)</b> |
- Based on Mitie's closing share price of 160 pence as of 4 June 2025 (being the latest practicable date prior to this announcement), the Acquisition represents a total implied value of 466 pence per Marlowe Share, valuing the entire issued and to be issued ordinary share capital of Marlowe at approximately £366 million.
- The terms of the Acquisition:
  - represent a premium of approximately 26.5 per cent. to the closing price per Marlowe Share of 368 pence on 3 June 2025 (being the day prior to the market speculation of an approach);
  - represent a premium of approximately 38.8 per cent. to the volume weighted average price per Marlowe Share of 335 pence during the three-month period ended on 3 June 2025 (being the day prior to the market speculation of an approach); and
  - represent a premium of approximately 41.7 per cent. to the volume weighted average price per Marlowe Share of 329 pence during the six-month period ended on 3 June 2025 (being the day prior to the market speculation of an approach).
- Under the terms of the Acquisition, Marlowe Shareholders will, in aggregate, receive approximately 86,565,085 New Mitie Shares. Immediately following Completion, Marlowe Shareholders will own approximately 6.4 per cent. of the ordinary share capital of Mitie (based on the existing issued ordinary

share capital of Mitie and the fully diluted share capital of Marlowe) as at 4 June 2025 (being the latest practicable date prior to the date of this announcement).

- A Mix and Match Facility will also be made available to Marlowe Shareholders (other than certain persons in the United States and other Restricted Jurisdictions) in order to enable them to elect, subject to off-setting elections, to vary the proportions in which they receive cash and New Mitie Shares in respect of their holdings in Marlowe Shares. However, the total number of New Mitie Shares to be issued and the maximum aggregate amount of cash to be paid under the terms of the Acquisition will not be varied as a result of elections under the Mix and Match Facility.

**Commenting on the Acquisition, Phil Bentley, Chief Executive Officer of Mitie, said:**

*"Mitie has transformed its business over the past eight years, disposing of businesses where it could not build a leading position and adding scale through the acquisitions of VSG and Interserve to become the UK's leading **Facilities Management** company. Since then, acquisitions to add Projects capabilities in Power & Grid Connections, Renewable Energy, Data Centres, Fire & Security and Sustainability have pivoted the business to become the UK's leading **Facilities Transformation** company.*

*With growing legislation around Fire, Security and Water & Air Quality, our clients need a partner who can also offer a broad range of Facilities Compliance capabilities. In a growing Testing, Inspection and Certification (TIC) market valued at £7.6 billion per annum, Marlowe stands out as a leader in Fire & Security and Water & Air and Asbestos compliance. Adding Marlowe's c.3,000 highly respected colleagues to Mitie's capabilities and providing access to Mitie's clients will generate significant revenue growth opportunities as well as immediate cost efficiencies. We are excited about the next chapter in Mitie's history to become a leading **Facilities Compliance** provider."*

**Commenting on the Acquisition, Lord Ashcroft, Interim Non-Executive Chairman of Marlowe, said:**

- *"The Acquisition represents excellent value for Marlowe Shareholders and provides an opportunity to participate in potential further value accretion through the new Mitie Shares which will be issued to Marlowe Shareholders. Together, the Acquisition, the dividend of shares in Optima Health on demerger at a value of 210p per share in September 2024, and the 155p special dividend paid in July 2024, represent a total value of 831p per Marlowe Share based on Mitie's share price on 4 June 2025. This equates to a 164.5 per cent. premium on the Marlowe Share price low of 314p on 7 December 2023, prior to me joining the Marlowe board of directors in March 2024. In addition, Marlowe Shareholders will have the opportunity to continue to participate in Mitie as it integrates Marlowe's high quality TIC business into the Enlarged Group. I have been consistent since taking up the role of Interim Chairman in June 2024 that my aim was to maximise shareholder returns and the Acquisition will be the final piece in that jigsaw. I have enjoyed my journey with Marlowe and continue to enjoy my journey with Optima Health, where I currently have a shareholding of 24.6%, and I hope shareholders will continue to support me in other ventures."*

**Background to and reasons for the Acquisition**

- The Mitie Three-Year Plan, which began in FY25 and extends to FY27, pivots the business from being a UK leader in "Facilities Management" to a leader in technology-led and data-driven "Facilities Transformation" – transforming the built environment and the lived experience, through our projects capabilities and bringing insights and better decision-making for our clients through our leading data analytics capabilities.
- Having built leadership positions in Engineering Maintenance, Security and Hygiene, the plan is based on satisfying Mitie's customers' needs and accelerating growth through the three pillars of key account growth and scope increases; projects upsell; and M&A in high-growth, high-margin adjacencies.

- Mitie's customers' needs continue to evolve, with an increased demand for business-critical assurance as a result of new legislation and tighter regulations impacting buildings and their owners, such as those relating to fire and building safety, security, and the environment as well as increasing insurance and sustainability requirements.
- This is the "Facilities Compliance" category in which Marlowe is a leading provider of Testing, Inspection & Certification ("**TIC**") services to companies. The UK TIC market is valued at £7.6 billion and is growing at 4-6 per cent. per annum, underpinned by the structural trends outlined above. These trends support strong recurring revenues, based on non-discretionary customer spend, as well as higher margins.
- Mitie currently provides a limited range of TIC services across Fire & Security, Water & Air Hygiene and Asbestos sub-sectors, generating revenue of c.£250 million per annum, of which around one third is recurring maintenance revenue and two-thirds arises from consultancy, projects, testing and inspections, and remedial works.
- With the benefit of Marlowe's broader service capability, the Mitie Directors believe that there is a significant opportunity to cross-sell and upsell regulatory-driven services across a larger number of the Mitie Group's customers; capture additional margin where services already provided by Mitie are currently subcontracted to third party specialists (including Marlowe); and expand Mitie's project capabilities in Fire, Security and Water. The Mitie Directors believe that the Acquisition of Marlowe, being an established TIC specialist with annual revenue of £305 million as at 31 March 2025, will create a UK leader in each of the key sub-sectors of TIC by combining Mitie's and Marlowe's complementary capabilities. The Mitie Directors believe that the Enlarged Group will:
  - provide a differentiated 'Total Fire' offering, comprising a unified suite of Active and Passive Fire Systems solutions, enhancing competitiveness in a £3.9 billion market and allowing it to secure larger and more complex multi-site and national contracts;
  - become a leading provider in the £1.1 billion 'Security Systems' market, via improved remote CCTV monitoring, increased Alarm Receiving Centre connections and increased access to complex projects in strategic market sectors; and
  - add environmental services in a £2.6 billion market, complementing Mitie Energy and Mitie Waste, and enable the development of a 'Total Managed Water' offer, capturing a larger share of the water management and treatment market and supporting our customers' sustainability and resilience targets.
- Mitie has a proven track record of creating value for shareholders via M&A, having successfully acquired and integrated c.20 businesses over the past eight years. Including the businesses that have been disposed, this M&A activity has added a net c.£100 million of operating profit to the Mitie Group from a net spend of c.£200 million, i.e. a payback period of 2 years. The largest individual acquisition was Interserve Facilities Management in 2020, from which Mitie has delivered £56 million of cost synergies, compared to an initial expectation of £30 million.
- The Mitie Directors believe that the Enlarged Group can be expected to deliver £30 million of pre-tax recurring operating cost synergies, and expect to exit FY27 at 100% run rate. The Mitie Directors expect all actions required to deliver the synergies to be completed by the end of FY27, such that £30 million of synergies will be achieved in the second full financial year following Completion (being FY28).
- In summary, the Mitie Directors believe that this is a compelling opportunity to lead in Facilities Compliance and create significant value for Mitie Shareholders. The Acquisition is expected to be margin and earnings accretive in Mitie's first full year of ownership (being FY27), whilst leverage is expected to reduce to within Mitie's target leverage range on 0.75-1.5x. The Acquisition will make a meaningful

contribution to the strategic progress of Mitie and the delivery of the ambitious Mitie Three-Year Plan targets.

#### **Marlowe recommendation**

- The Marlowe Directors, who have been so advised by Cavendish as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Marlowe Directors, Cavendish has taken into account the commercial assessments of the Marlowe Directors. In addition, the Marlowe Directors consider the terms of the Acquisition to be in the best interests of Marlowe Shareholders as a whole.
- Accordingly, the Marlowe Directors intend to recommend unanimously that Marlowe Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting as the Marlowe Directors intend to do in respect of their own beneficial holdings of 15,988,625 Marlowe Shares, representing, in aggregate, approximately 20.36 per cent. of the issued ordinary share capital of Marlowe in issue on 4 June 2025 (being the latest practicable date prior to this announcement).

#### **Timetable and conditions**

- It is intended that the Acquisition will be effected by means of a Court-approved scheme of arrangement between Marlowe and Marlowe Shareholders under Part 26 of the Companies Act, although Mitie reserves the right to implement the Acquisition by means of a Takeover Offer (subject to the consent of Marlowe and the Panel).
- The Acquisition is conditional on the approval of Marlowe Shareholders and subject to the further Conditions and terms set out in Appendix I to this announcement (which will be set out in full in the Scheme Document).
- The Acquisition will be put to Marlowe Shareholders at the Court Meeting and at the General Meeting. In order to become Effective, the Scheme must be approved by a majority in number of the Marlowe Shareholders voting at the Court Meeting, either in person or by proxy, representing at least 75 per cent. in value of the Marlowe Shares voted. In addition, special resolutions implementing the Scheme must be passed by Marlowe Shareholders representing at least 75 per cent. of votes cast at the General Meeting.
- The Scheme Document, containing further information about the Acquisition and notices of the Court Meeting and the General Meeting, will be distributed to Marlowe Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting and the Forms of Election in relation to the Mix and Match Facility) as soon as practicable and, in any event, within 28 days of this announcement (or such later date as Mitie, Bidco, Marlowe and the Panel may agree). The Scheme Document will be made available by Mitie on its website at <https://www.mitie.com/> and by Marlowe on its website at <https://www.marloweplc.com/>.
- It is expected that the Scheme will become effective in the third quarter of 2025, subject to the satisfaction or waiver of the Conditions and certain further terms set out in Appendix I to this announcement.
- If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of capital is declared, made or paid, or becomes payable by Marlowe, Mitie and Bidco reserve the right to reduce the Offer Consideration by an aggregate amount up to the amount of such dividend, distribution, or other return of capital, in which case references to the Offer Consideration will be deemed to be a reference to the Offer Consideration as so reduced. In such circumstances, Marlowe Shareholders will be entitled to retain any such dividend, distribution, or other return of capital declared, made, or paid.

*This summary should be read in conjunction with, and is subject to, the full text of this announcement (including its appendices). The Acquisition will be subject to the Conditions and further terms set out in Appendix I to this announcement and to the full terms and conditions which will be set out in the Scheme Document. Appendix II to this announcement contains the sources of information and bases of calculations of certain information contained in this announcement. Appendix III contains details of and bases of calculation of the anticipated financial benefits of the Acquisition. Appendix IV to this announcement contains definitions of certain expressions used in this summary and in this announcement.*

*For the purposes of Rule 28 of the Takeover Code, quantified financial benefits statements contained in this announcement are the responsibility of Mitie and the Mitie Directors. Appendix III sets out the anticipated quantified financial benefits statements relating to cost savings and synergies arising out of the Acquisition and provides underlying information and bases of belief. Appendix III also includes reports from Mitie's reporting accountant, PwC, and its financial adviser, Lazard, in connection with the anticipated quantified financial benefits statements, as required pursuant to Rule 28.1(a) of the Takeover Code, and provides underlying information and bases for the accountant's and financial adviser's respective reports. Each of PwC and Lazard has given and not withdrawn its consent to the publication of its report in this announcement in the form and context in which it is included pursuant to Rule 23.2 of the Takeover Code.*

There will be a Mitie investor and analyst presentation at 9.30 a.m. (London time) via a live webcast on 5 June 2025 available at <https://webcasts.umcdn.com/mit037>.

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Linklaters LLP is retained as legal adviser to Mitie.

Allen Overy Shearman Sterling LLP is retained as legal adviser to Marlowe.

The person responsible for the release of this announcement on behalf of Mitie is Peter Dickinson (Chief Legal Officer) and on behalf of Marlowe is Christopher Bone (Company Secretary).

**Important notices**

*Lazard & Co., Limited (“Lazard”) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Mitie and no one else in connection with the Acquisition and will not be responsible to anyone other than Mitie for providing the protections afforded to clients of Lazard nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this announcement, any statement contained herein or otherwise.*

*Cavendish Capital Markets Limited (“Cavendish”) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Marlowe and no one else in connection with the Acquisition and will not be responsible to anyone other than Marlowe for providing the protections afforded to clients of Cavendish nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Cavendish nor any of its 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 Cavendish in connection with this announcement, any statement contained herein, the Acquisition or otherwise. No representation or warranty, express or implied, is made by Cavendish as to the contents of this announcement.*

*This announcement is for information purposes only. It is not intended to and does 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 the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law or regulation.*

*The Acquisition is intended to be made by means of the Scheme Document which, together with the Forms of Proxy and Forms of Election in relation to the Mix and Match Facility, will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition.*

*This announcement has been prepared for the purpose of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of jurisdictions outside England and Wales.*

*The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the AIM Rules, the London Stock Exchange and the Financial Conduct Authority.*

*Marlowe will prepare the Scheme Document to be distributed to Marlowe Shareholders. Marlowe urges Marlowe Shareholders to read the Scheme Document (including the related Forms of Proxy and the Forms of Election in relation to the Mix and Match Facility) when it becomes available because it will contain important information in relation to the Acquisition, the New Mitie Shares and the Enlarged Group. Any vote in respect of the Scheme*

or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document.

This announcement does not constitute a prospectus, a prospectus equivalent document, or prospectus exemption document.

### **Overseas Shareholders**

The release, publication or distribution of this announcement, in whole or in part, directly or indirectly, in or into certain jurisdictions other than the United Kingdom may be restricted by law or regulations of those jurisdictions. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

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

The availability of the Acquisition to Marlowe Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

The New Mitie Shares may not be offered, sold or delivered, directly or indirectly, in, into or from any Restricted Jurisdiction or to, or for the account or benefit of, any Restricted Overseas Persons except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws or regulations of those jurisdictions.

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

The Acquisition relates to shares of an English company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act.

Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules.

The receipt of consideration by a US holder for the transfer of its Marlowe Shares pursuant to the Scheme will be a taxable transaction for United States federal income tax purposes. Each Marlowe Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.

In accordance with normal United Kingdom practice and pursuant to Rule 14-e-5 of the US Exchange Act, Mitie and Bidco or their nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Marlowe outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private

transactions at negotiated prices. Any information about such purchases or arrangements to purchase will be disclosed as required in the United Kingdom, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

Financial information relating to Marlowe included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and 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 United States.

The New Mitie Shares issued pursuant to the Scheme will not be registered under any US state securities laws and may only be issued to persons resident in a state pursuant to an exemption from the registration requirements of the securities laws of such state.

For the purpose of qualifying for the exemption provided by Section 3(a)(10) of the US Securities Act, Marlowe will advise the Court that its sanctioning of the Scheme will be relied on by Mitie and Bidco as an approval of the Scheme following a hearing on its fairness to Marlowe Shareholders, at which Court hearing all Marlowe Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification will be given to all such holders.

Mitie is organised under the laws of Scotland and Bidco and Marlowe are organised under the laws of England and Wales. Some or all of the officers and directors of Mitie, Bidco and Marlowe, respectively, are residents of countries other than the United States. In addition, most of the assets of the Mitie, Bidco and Marlowe are located outside the United States. As a result, it may be difficult for US shareholders of Marlowe to effect service of process within the United States upon Mitie, Bidco or Marlowe or their respective officers or directors or to enforce against them a judgment of a US court predicated upon the federal or state securities laws of the United States. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement. It may not be possible to sue Mitie, Bidco or Marlowe or their respective directors or officers in a non-US court for violations of US securities laws.

### **Forward looking statements**

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Marlowe, any member of the Marlowe Group, Mitie, or any member of the Mitie Group (which includes Bidco) contain statements which are, or may be deemed to be, "forward looking statements". Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which Marlowe, any member of the Marlowe Group, Mitie, any member of the Mitie Group, or the Enlarged Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. The forward looking statements contained in this announcement relate to Marlowe, any member of the Marlowe Group, Mitie, any member of the Mitie Group, or the Enlarged Group's future prospects, developments and business strategies, the expected timing and scope of the Acquisition and other statements other than historical facts. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "will look to", "would look to", "plans", "prepares", "anticipates", "expects", "is expected to", "is subject to", "budget", "scheduled", "forecasts", "synergy", "strategy", "goal", "cost-saving", "projects" "intends", "may", "will", "shall" or "should" or their negatives or other variations or comparable terminology. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Mitie's, any member of the Mitie Group, Marlowe's, or any member of the Marlowe Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Mitie's, any member of the Mitie Group, Marlowe's, or any member of the Marlowe Group's business. 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. These events and circumstances includes changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors.*

*Neither Marlowe, any member of the Marlowe Group, Mitie, or any member of the Mitie Group, 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 announcement will actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.*

*Specifically, statements of estimated cost savings and synergies relate to future actions and circumstances which, 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 Enlarged Group, there may be additional changes to the Enlarged 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.*

*The forward looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to Mitie, any member of the Mitie Group, Marlowe, or any member of the Marlowe Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.*

*Marlowe, the Marlowe Group, Mitie and the Mitie Group expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.*

### **No profit forecasts or estimates**

*Other than as set out in paragraph 10 in this announcement, no statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Mitie or Marlowe, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Mitie or Marlowe, as appropriate.*

### **Quantified Financial Benefits Statement**

*Appendix III to this announcement sets out the anticipated Quantified Financial Benefits Statement and contains details of, and bases of calculation of, the anticipated financial benefits of the Acquisition, together with the related reports from Mitie's reporting accountant, PwC, and Mitie's financial adviser, Lazard, as required under Rule 28.1(a) of the Takeover Code, and provides underlying information and bases for the accountant's and financial adviser's respective reports. Lazard, as financial adviser to Mitie, has provided such report for the purposes of the Takeover Code stating that, in its opinion and subject to the terms of the report, the Quantified Financial Benefits Statement, for which the Mitie Directors are responsible, has been prepared with due care and consideration. Each of PwC and Lazard has given and not withdrawn its consent to the publication of its respective report in this announcement in the form and context in which it is included pursuant to Rule 23.2 of the Takeover Code.*

*For the purpose of Rule 28 of the Takeover Code, the Quantified Financial Benefits Statement contained in this announcement is the responsibility of Mitie and the Mitie Directors. Any statement of intention, belief or expectation for the Enlarged Group following the Effective Date is an intention, belief or expectation of the Mitie Directors and not of the Marlowe Directors.*

*The statements in the Quantified Financial Benefits Statement relate to future actions and circumstances which, 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. No statement in the Quantified Financial Benefits Statement should be construed as a profit forecast or interpreted to mean that the Enlarged Group's earnings in the first full year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of Mitie and/or Marlowe for the relevant preceding financial period or any other period.*

### **Disclosure requirements of the Takeover Code**

*Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company and; (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.*

*Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) 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 of the Takeover Code.*

*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 of the Takeover Code).*

*Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <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 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.*

### **Electronic communications**

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

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

*A copy of this announcement will be made available subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Mitie's and Marlowe's websites at <https://www.mitie.com/> and <https://www.marloweplc.com/> respectively by no later than 12 noon (London time) on the business day after the date of this announcement. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.*

*Marlowe Shareholders, persons with information rights and participants in the Marlowe Share Plans may request a hard copy of this announcement by: (i) contacting MUFG Corporate Markets (UK) Limited during business hours on 0371 664 0391 if calling from the United Kingdom, or +44 (0)371 664 0391 if calling from outside the United Kingdom (lines are open from 9.00 a.m. to 5.30 p.m. (London time), Monday to Friday (excluding public holidays in England and Wales)); or (ii) submitting a request in writing to MUFG Corporate Markets (UK) Limited, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom. A person so entitled may also request that all future documents, announcements and information in relation to the Acquisition be sent to them in hard copy form.*

**Rounding**

*Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.*

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

5 June 2025

**RECOMMENDED CASH AND SHARE OFFER**

**for**

**MARLOWE PLC (“Marlowe”)**

**by**

**MITIE TREASURY MANAGEMENT LIMITED (“Bidco”), A WHOLLY OWNED SUBSIDIARY OF MITIE GROUP PLC (“Mitie”)**

**1 Introduction**

The boards of Mitie and Marlowe are pleased to announce that they have reached agreement on the terms of a unanimously recommended cash and share offer pursuant to which Bidco, a wholly owned subsidiary of Mitie, will acquire the entire issued and to be issued ordinary share capital of Marlowe (the “**Acquisition**”). It is proposed that the Acquisition will be effected by means of a scheme of arrangement of Marlowe under Part 26 of the Companies Act.

**2 The Acquisition**

Under the terms of the Acquisition, which will be subject to the Conditions and further terms set out below and in Appendix I to this announcement and the full terms and conditions which will be set out in the Scheme Document, each Marlowe Shareholder will be entitled to receive:

**for each Marlowe Share**

**1.1 New Mitie Shares**

**and**

**290 pence in cash,**

**(together, the “Offer Consideration”)**

Based on Mitie’s closing share price of 160 pence as of 4 June 2025 (being the latest practicable date prior to this announcement), the Acquisition represents a total implied value of 466 pence per Marlowe Share, valuing the entire issued and to be issued ordinary share capital of Marlowe at approximately £366.4 million.

The terms of the Acquisition:

- represent a premium of approximately 26.5 per cent. to the closing price per Marlowe Share of 368 pence on 3 June 2025 (being the day prior to the market speculation of an approach);
- represent a premium of approximately 38.8 per cent. to the volume weighted average price per Marlowe Share of 335 pence during the three-month period ended on 3 June 2025 (being the day prior to the market speculation of an approach); and
- represent a premium of approximately 41.7 per cent. to the volume weighted average price per Marlowe Share of 329 pence during the six-month period ended on 3 June 2025 (being the day prior to the market speculation of an approach).

Under the terms of the Acquisition, Marlowe Shareholders will, in aggregate, receive approximately 86,565,085 New Mitie Shares. Immediately following Completion, Marlowe Shareholders will own approximately 6.4 per cent. of the ordinary share capital of Mitie (based on the existing issued ordinary share capital of Mitie and the fully diluted share capital of Marlowe) as at 4 June 2025 (being the latest practicable date prior to the date of this announcement).

A Mix and Match Facility will also be made available to Marlowe Shareholders (other than certain persons in the United States and other Restricted Jurisdictions) in order to enable them to elect, subject to off-setting elections, to vary the proportions in which they receive cash and New Mitie Shares in respect of their holdings in Marlowe Shares. However, the total number of New Mitie Shares to be issued and the maximum aggregate amount of cash to be paid under the terms of the Acquisition will not be varied as a result of elections under the Mix and Match Facility.

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of capital is declared, made or paid, or becomes payable by Marlowe, Mitie and Bidco reserve the right to reduce the Offer Consideration by an aggregate amount up to the amount of such dividend, distribution, or other return of capital, in which case references to the Offer Consideration will be deemed to be a reference to the Offer Consideration as so reduced. In such circumstances, Marlowe Shareholders will be entitled to retain any such dividend, distribution, or other return of capital declared, made, or paid.

The Scheme Document will be distributed to Marlowe Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting and the Forms of Election in relation to the Mix and Match Facility) as soon as reasonably practicable and, in any event, within 28 days of this announcement (or such later date as Mitie, Bidco, Marlowe and the Panel may agree) and the Court Meeting and the General Meeting will be held as soon as practicable thereafter. Subject to the satisfaction or, where permitted, waiver of the Conditions, it is expected that the Scheme will become Effective in the third quarter of 2025.

An expected timetable of principal events relating to the Acquisition and further information on the actions to be taken by Marlowe Shareholders will be provided in the Scheme Document.

### **3 Background to and reasons for the Acquisition**

The Mitie Three-Year Plan, which began in FY25 and extends to FY27, pivots the business from being a UK leader in “Facilities Management” to a leader in technology-led and data-driven “Facilities Transformation” – transforming the built environment and the lived experience, through our projects capabilities and bringing insights and better decision-making for our clients through our leading data analytics capabilities.

Having built leadership positions in Engineering Maintenance, Security and Hygiene, the plan is based on satisfying Mitie’s customers’ needs and accelerating growth through the three pillars of key account growth and scope increases; projects upsell; and M&A in high-growth, high-margin adjacencies.

Mitie’s customers’ needs continue to evolve, with an increased demand for business-critical assurance as a result of new legislation and tighter regulations impacting buildings and their owners, such as those relating to fire and building safety, security, and the environment as well as increasing insurance and sustainability requirements.

This is the “Facilities Compliance” category in which Marlowe is a leading provider of Testing, Inspection & Certification (“**TIC**”) services to companies. The UK TIC market is valued at £7.6 billion and is growing at 4-6 per cent. per annum, underpinned by the structural trends outlined above. These trends support strong recurring revenues, based on non-discretionary customer spend, as well as higher margins.

Mitie currently provides a limited range of TIC services across Fire & Security, Water & Air Hygiene and Asbestos sub-sectors, generating revenue of c.£250 million per annum, of which around one third is recurring maintenance revenue and two-thirds arises from consultancy, projects, testing and inspections, and remedial works.

With the benefit of Marlowe's broader service capability, the Mitie Directors believe that there is a significant opportunity to cross-sell and upsell regulatory-driven services across a larger number of the Mitie Group's customers; capture additional margin where services already provided by Mitie are currently subcontracted to third party specialists (including Marlowe); and expand Mitie's project capabilities in Fire, Security and Water. The Mitie Directors believe that the Acquisition of Marlowe, being an established TIC specialist with annual revenue of £305 million as at 31 March 2025, will create a UK leader in each of the key sub-sectors of TIC by combining Mitie's and Marlowe's complementary capabilities. The Mitie Directors believe that the Enlarged Group will:

- provide a differentiated 'Total Fire' offering, comprising a unified suite of Active and Passive Fire Systems solutions, enhancing competitiveness in a £3.9 billion market and allowing it to secure larger and more complex multi-site and national contracts;
- become a leading provider in the £1.1 billion 'Security Systems' market, via improved remote CCTV monitoring, increased Alarm Receiving Centre connections and increased access to complex projects in strategic market sectors; and
- add environmental services in a £2.6 billion market, complementing Mitie Energy and Mitie Waste, and enable the development of a 'Total Managed Water' offer, capturing a larger share of the water management and treatment market and supporting our customers' sustainability and resilience targets.

Mitie has a proven track record of creating value for shareholders via M&A, having successfully acquired and integrated c.20 businesses over the past eight years. Including the businesses that have been disposed, this M&A activity has added a net c.£100 million of operating profit to the Mitie Group from a net spend of c.£200 million, i.e. a payback period of 2 years. The largest individual acquisition was Interserve Facilities Management in 2020, from which Mitie has delivered £56 million of cost synergies, compared to an initial expectation of £30 million.

The Mitie Directors believe that the Enlarged Group can be expected to deliver £30 million of pre-tax recurring operating cost synergies, and expect to exit FY27 at 100% run rate. The Mitie Directors expect all actions required to deliver the synergies to be completed by the end of FY27, such that £30 million of synergies will be achieved in the second full financial year following Completion (being FY28).

In summary, the Mitie Directors believe that this is a compelling opportunity to lead in Facilities Compliance and create significant value for Mitie Shareholders. The Acquisition is expected to be margin and earnings accretive in Mitie's first full year of ownership (being FY27), whilst leverage is expected to reduce to within Mitie's target leverage range on 0.75-1.5x. The Acquisition will make a meaningful contribution to the strategic progress of Mitie and the delivery of the ambitious Mitie Three-Year Plan targets.

## **4 Financial benefits and effects of the Acquisition and potential synergies**

### *Financial benefits and effects*

The Mitie Directors believe that the Acquisition will have compelling financial benefits, which will accelerate the delivery of the ambitious Mitie Three-Year Plan targets.

Specifically, the Mitie Directors believe that the Acquisition to have the following financial effects:

- **Meaningful earnings enhancement:** the Acquisition will be EPS accretive for the Enlarged Group on an adjusted earnings per share basis in the first full year following Completion (FY27), with high single digit accretion in the second full year following Completion (FY28);
- **Supports growth ahead of underlying markets:** following Completion, the addition of Marlowe's annual revenues of over £300 million will make a significant step towards Mitie's FY27 target for Enlarged Group revenues, with increased scale and capability within TIC services supporting future organic growth within Mitie's existing customer base and well ahead of the underlying FM market;
- **Margin accretive:** the Acquisition will be immediately accretive to the Enlarged Group's operating profit margin before other items, with accretion increasing as potential synergies (as described below) are delivered; and
- **Value creative:** the ROIC for the Acquisition will materially exceed Mitie's weighted average cost of capital. The Enlarged Group's ROIC is expected to remain comfortably ahead of the 20 per cent. target included in the Mitie Three-Year Plan.

Mitie intends to maintain a strong and robust balance sheet, with average net leverage for the Enlarged Group at the end of the current financial year (FY26) expected to be c.1.4x, within Mitie's published target range of 0.75x to 1.5x. Thereafter, the Group expects leverage to quickly reduce through cash generation and increasing profitability.

Mitie has a strong record of value creation delivered through its proactive capital deployment policy. In the near-term, as separately announced on the date of this announcement, Mitie is suspending its £125 million share buyback programme, launched on 16 April 2025, with immediate effect. Mitie intends to maintain its progressive dividend policy and commitment to the purchase of all shares to fulfil employee incentive schemes. As leverage reduces within its stated target range, Mitie expects to actively pursue further opportunities to accelerate its strategic progress through infill M&A and to continue to return surplus funds to Mitie Shareholders via share buyback programmes.

#### *Potential synergies*

The Mitie Directors, having reviewed and analysed the potential cost synergies of the Acquisition, based on their knowledge of Marlowe's business and the UK TIC market, and taking into account the factors they can influence, believe that the Enlarged Group can deliver £30 million of pre-tax recurring operating cost synergies in the second full financial year following Completion (being FY28).

Mitie intends to approach integration of the two businesses with the aim of retaining and motivating talent from across the Enlarged Group and combining the strengths of both teams to create a best-in-class organisation. The integration of the businesses will involve combining the Marlowe business and group functions into the Mitie Business Services division.

The quantified operating cost synergies are expected to be realised primarily from:

- (i) *Support Functions:* approximately 55 per cent. of the total annual recurring pre-tax cost synergies are expected to arise primarily from the removal of duplicative corporate, head office, administrative, support and other central management functions;
- (ii) *Procurement:* approximately 20 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through leveraging enhanced economies of scale and spend across key materials, consumables and other third-party costs;
- (iii) *Operational effectiveness:* approximately 15 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through the adoption of Mitie's operating model and

service delivery effectiveness to Marlowe's operations as well as improved route density within the enlarged operations; and

- (iv) *Property*: approximately 10 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through the rationalisation of property.

The Mitie Directors expect that approximately 50 per cent. of the annual pre-tax operating cost synergies will be realised in the first full financial year following Completion (being FY27). All actions required to deliver the synergies are expected to be completed at the end of FY27, such that £30m of synergies will be achieved in the second full financial year following Completion (being FY28).

The Mitie Directors estimate that the realisation of the quantified cost synergies will result in one-off costs of approximately £27 million. Aside from these one-off integration costs, no material dis-synergies are expected in connection with the Acquisition.

The identified cost synergies will accrue as a direct result of the Acquisition and would not be achieved on a standalone basis.

These statements of estimated cost savings and synergies relate to future actions and circumstances which, 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 actually achieved could be materially different from those estimated. For the purposes of Rule 28 of the Takeover Code, the statements of estimated cost savings and synergies contained in this announcement are solely the responsibility of Mitie and the Mitie Directors.

These statements are not intended as a profit forecast and should not be interpreted as such.

Appendix III to this announcement includes a copy of these statements of anticipated cost savings and synergies arising out of the Acquisition and provides underlying information and bases of belief. Appendix III to this announcement also includes reports from Mitie's reporting accountant, PwC and its financial adviser, Lazard, in connection with anticipated quantified financial benefits statements, as required pursuant to Rule 28.1(a) of the Takeover Code, and provides underlying information and bases for the accountant's and financial adviser's respective reports. Each of PwC and Lazard has given and not withdrawn its consent to the publication of its report in this announcement in the form and context in which it is included pursuant to Rule 23.2 of the Takeover Code.

## **5 Background to and reasons for the recommendation**

Marlowe has made excellent progress against its strategic plan to focus on its TIC division, having completed the divestment of certain GRC software and service assets for £430 million in June 2024 and subsequently demerging its Occupational Health division in September 2024. The Marlowe Directors believe that Marlowe's focus now on its Fire Safety & Security and Water & Air Hygiene businesses will mean Marlowe is well positioned to continue to service the highly regulated, business-critical service markets across TIC that the Marlowe Directors believe provide strong recurring revenues based on non-discretionary customer spend.

The Marlowe Directors remain confident in Marlowe's ability to succeed as an independent business. However, notwithstanding the strength of the business and the opportunities for continued growth, the Marlowe Directors recognise that the market for Marlowe shares remains relatively illiquid, which could present a challenge for Marlowe Shareholders seeking to fully monetise their holdings in Marlowe should they wish to do so.

The Marlowe Directors also believe that, in light of the historical trading of the Marlowe Shares, the Offer Consideration presents an opportunity for Marlowe Shareholders to accelerate the crystallisation of a

certain value from their investment. In addition, the Offer Consideration allows Marlowe Shareholders to participate in the future of the Enlarged Group through a retained interest in the New Mitie Shares.

The Acquisition provides an opportunity for Marlowe Shareholders to achieve an attractive premium to the current share price.

In addition to the financial terms of the Acquisition, in considering the intention to recommend the Acquisition, the Marlowe Directors have also given due consideration to Mitie's intention statements with respect to the future operations of the business, including Mitie's intentions regarding the creation of a leading UK player in Facilities Compliance. The Marlowe Directors also note the value Mitie places on the skills, experience and expertise of Marlowe's management and employees and welcome Mitie's statements regarding their importance, value and anticipated contribution to the future success of the Enlarged Group.

## **6 Marlowe recommendation**

The Marlowe Directors, who have been so advised by Cavendish as to the financial terms of the Acquisition, consider the terms of the Acquisition to be fair and reasonable. In providing its advice to the Marlowe Directors, Cavendish has taken into account the commercial assessments of the Marlowe Directors. In addition, the Marlowe Directors consider the terms of the Acquisition to be in the best interests of Marlowe Shareholders as a whole.

Accordingly, the Marlowe Directors intend to recommend unanimously that Marlowe Shareholders vote in favour of the Scheme at the Court Meeting and the resolutions to be proposed at the General Meeting as the Marlowe Directors intend to do in respect of their own beneficial holdings of 15,988,625 Marlowe Shares, in aggregate, representing approximately 20.36 per cent. of the issued ordinary share capital of Marlowe in issue on 4 June 2025 (being the latest practicable date prior to this announcement).

## **7 Mix and Match Facility**

Marlowe Shareholders (other than certain persons in the United States and other Restricted Jurisdictions) may elect, subject to off-setting elections, to vary the proportions in which they receive cash and New Mitie Shares in respect of their holdings in Marlowe Shares. However, the total number of New Mitie Shares to be issued and the maximum aggregate amount of cash to be paid under the terms of the Acquisition will not be varied as a result of elections under the Mix and Match Facility. Accordingly, satisfaction of elections made by Marlowe Shareholders under the Mix and Match Facility will depend on the extent to which other Marlowe Shareholders make off-setting elections.

To the extent that elections cannot be satisfied in full, they will be scaled down on a pro rata basis. As a result, Marlowe Shareholders who make an election under the Mix and Match Facility will not necessarily know the exact number of New Mitie Shares or the amount of cash they will receive until settlement of the consideration due to them under the terms of the Acquisition. The Mix and Match Facility is conditional upon the Acquisition becoming Effective.

Elections under the Mix and Match Facility will not affect the entitlements of those Marlowe Shareholders who do not make such elections.

Further details in relation to the Mix and Match Facility will be contained in the Scheme Document.

## **8 Information on Mitie**

Mitie is the United Kingdom's leading Facilities Transformation company, with approximately 76,000 colleagues as at 31 March 2025 and reported group revenue of £5.1 billion for the year ended 31 March 2025.

Mitie's Facilities Transformation offering comprises a comprehensive suite of facilities management and facilities transformation project capabilities and professional services and solutions delivered through three divisions:

- *Business Services*: Business Services is the United Kingdom's largest provider of technology-led security & hygiene services across c.2,500 contracts with sector expertise in retail, transport & aviation, central government, police and financial & professional services. It also provides landscaping and waste services. Mitie's Spanish business is reported within the division.
- *Technical Services*: Technical Services is the United Kingdom's largest provider of engineering maintenance services, managing facilities and critical assets across c.350 contracts. The division delivers projects in high growth areas of building infrastructure, decarbonisation, power and grid connections and telecoms infrastructure to help customers transform their built environment.
- *Communities*: The Communities division delivers facilities transformation services as a trusted partner to the public sector across local government & education, healthcare and care & custody. The division operates over 100 PFI and traditional commercial contracts.

The Mitie Shares are listed on the Equity Shares (Commercial Companies) category of the Official List and admitted to trading on the Main Market. Mitie has a credit rating of BBB from DBRS Morningstar.

## 9 Information on Marlowe

- Marlowe is a leading testing, inspection and certification service provider in the United Kingdom which provides business-critical services which ensure that its customers comply with strict regulations and insurance requirements across Fire Safety and Security and Water and Air Hygiene.
- Marlowe services approximately 27,000 customers across office complexes, high streets & leisure facilities, manufacturing plants and industrial estates. Marlowe's customers include local authorities, facilities management providers, multi-site NHS trusts, FTSE 100 companies and thousands of SMEs.
- Marlowe's business operates through two divisions:
  - *Fire, Safety and Security*: This division provides a comprehensive range of services (including design, installation, maintenance, monitoring and technical support) to ensure fire safety, security and compliance with associated regulations. Marlowe's Fire, Safety and Security division employs approximately 650 safety specialists.
  - *Water Treatment and Air Hygiene*: This division provides services to help manufacturers, commercial businesses and public organisations maintain safe water & air systems and to comply with water & air safety and environmental regulations. Marlowe's water treatment and air hygiene division employs approximately 1,000 water and air safety professionals.
- In its latest financial year ended 31 March 2025, Marlowe delivered unaudited revenues of £305 million. Further details of Marlowe's current trading and financial performance in the year ended 31 March 2025 are set out in paragraph 10 below. The Marlowe Shares are admitted to trading on AIM. Marlowe's issued share capital comprises 78,522,547 ordinary shares which, based on the closing price of a Marlowe share of 368 pence on 3 June 2025 (being the day prior to the market speculation of an approach), equated to a market capitalisation of approximately £289 million.

## 10 Current trading and outlook

### 10.1 Mitie (and Mitie FY27 Profit Forecast)

On the date of this announcement, Mitie published its FY25 full year audited results for the year ended 31 March 2025 (the “**Mitie FY25 Results**”). A copy of the Mitie FY25 Results is available on Mitie's website at <https://www.mitie.com/>.

#### *Mitie FY27 Profit Forecast*

In October 2023 (and periodically referred to since), Mitie first published the Mitie Three-Year Plan targets for FY25 – FY27 which were predicated on inorganic growth, including targets going to the profitability of Mitie as follows:

- “High single digit revenue compound annual growth rate
- >5 per cent. operating profit margin by FY27
- EBITDA >£300m by FY27”

Such targets in the Mitie Three-Year Plan, when taken together, constitute a profit forecast for the purposes of Rule 28.2 of the Takeover Code (the “**Mitie FY27 Profit Forecast**”).

#### *Basis of preparation*

The Mitie FY27 Profit Forecast has been prepared on a basis consistent with the Mitie Group's accounting policies which are in accordance with IFRS. These policies are consistent with those applied in the preparation of the Mitie FY25 Results.

#### *Assumptions*

The Mitie FY27 Profit Forecast is based on the assumptions listed below.

Factors outside the influence or control of the Mitie Directors:

- there will be no material changes to existing prevailing macroeconomic, regulatory or political conditions in the markets and regions in which the Mitie Group operates;
- the interest, inflation and tax rates in the markets and regions in which the Mitie Group operates will remain materially unchanged from the prevailing rates;
- there will be no material adverse events that will have a significant impact on the Mitie Group's financial performance;
- there will be no business disruptions that materially affect Mitie or its key customers, including natural disasters, acts of terrorism or technological issues or interruptions;
- there will be no material change in employee attrition rates and no material change in the Mitie Group's labour costs, including medical and pension and other post-retirement benefits driven by external parties or regulations;
- there will be no material impact on stakeholder relationships arising from the Acquisition or otherwise; and
- there will be no material changes in legislation or regulatory requirements impacting on the Mitie Group's operations or on its accounting policies.

Factors within the influence or control of the Mitie Directors:

- there will be no material change in the operational strategy of Mitie; and
- there will be no material change in the dividend or capital allocation policies of Mitie.

#### *The Mitie Directors' confirmation*

The Mitie Directors have considered the Mitie FY27 Profit Forecast and confirm that it remains valid as at the date of this announcement, has been properly compiled on the basis of the assumptions set out above and the basis of the accounting used is consistent with the Mitie Group's accounting policies and those that Mitie applied in the preparation of the Mitie FY25 Financial Results.

## 10.2 Marlowe

On 28 April 2025, Marlowe published its trading update for the year ended 31 March 2025 (the “**Marlowe FY25 Trading Update**”). A copy of the Marlowe FY25 Trading Update is available on Marlowe's website at <https://www.marloweplc.com/>.

## 11 Directors, management, employees, pensions and locations

### *Mitie's strategic plans and intentions for Marlowe*

Prior to this announcement, consistent with market practice, Mitie has been granted limited access to Marlowe's senior management for the purposes of confirmatory due diligence and conducting its synergy assessment. This process has informed Mitie's view on the prospects of the Enlarged Group, the potential synergies described in paragraph 4 above and Mitie's initial plans for the integration of the Marlowe Group.

In connection with the work described above, Mitie's management has developed a preliminary integration plan for the Enlarged Group. Mitie will continue to review Marlowe's business in the period prior to Completion and Mitie expects that the operational review and the more detailed integration plan will be substantially concluded during the period prior to Completion. Following Completion, Mitie will be well placed to review, refine and implement this integration plan. Key areas of focus in the operational review and development of an integration plan include:

- a review of the existing and future potential strategy of Marlowe, including an evaluation of opportunities for accelerating growth;
- a detailed review of Marlowe's operations across each of the markets in which it operates;
- a detailed review of Mitie's synergy and cost saving assessment, primarily focused on the Enlarged Group's administrative functions, operating model, procurement and property portfolio. The review will include the evaluation of duplicative roles across Mitie and Marlowe's respective businesses, including corporate, head office, administrative, support and other central management functions; and
- the finalisation of an integration programme designed to minimise disruption to employees, customers and suppliers whilst delivering the expected benefits of the Acquisition.

In further refining, and in implementing, the integration plan, there will be a clear focus on maintaining operational excellence and client and customer service. A key objective of integration will be the careful delivery of the cost synergies and other benefits of the Acquisition.

Mitie intends to substantially complete the implementation of an integration plan within twelve months of Completion, with potential synergies expected to be realised fully in the second full financial year following Completion (being FY28).

### *Employees and management*

Mitie greatly values the skills, experience and expertise of Marlowe's management and employees and attaches great importance to their value and contribution in the context of the future success of the Enlarged Group. Identifying and retaining key staff following Completion is of critical importance to Mitie.

Mitie believes that employees of the Enlarged Group will benefit from greater growth and career opportunities through being part of a larger organisation.

As such, Mitie intends to approach employee and management integration, following Completion, with the aim of retaining and motivating the best talent across the Enlarged Group to create a best-in-class organisation. The integration of the businesses will involve combining the Marlowe business and group functions into the Mitie Business Services division.

Based on Mitie's preliminary assessment, Mitie anticipates that, in order to achieve the expected benefits of the Acquisition, there will be a reduction in the workforce as a result of overlapping functions, including corporate, head office, administrative, support and other central management functions; in aggregate this would constitute approximately 0.5 per cent. of the Enlarged Group's employee base (around 300 employees).

The planning, preparation, finalisation and implementation of any headcount reductions will be subject to comprehensive planning and appropriate engagement with stakeholders, including affected employees and prior consultation of appropriate employee representative bodies. Mitie will not be in a position to assess what proportion of such headcount reduction will be realised at each of Mitie and Marlowe (as part of the Enlarged Group) until it has further progressed its operational review and integration plan, which are expected to be substantially concluded during the period prior to Completion, however, it is expected that redundancies at Marlowe will not be material in the context of its c.3,000 employees.

It is anticipated that efforts will be made to mitigate headcount reductions made as a result of redundancies, via natural attrition, the elimination of vacant roles and alternative job opportunities via redeployment within the Enlarged Group. Any individuals impacted will be treated in a manner consistent with Mitie's high standards, culture and practices.

Mitie confirms that, upon Completion, the existing contractual and statutory employment rights of all management and employees of Marlowe and its subsidiaries will be fully safeguarded in accordance with applicable law.

It is intended that, upon Completion, each of the non-executive members of the Marlowe Board will resign from their office as a director of Marlowe.

#### ***Pension schemes***

Mitie does not intend to make any changes to the agreed employer contributions into Marlowe's existing defined contribution pension schemes or the admission of new members to such pension schemes following Completion.

#### ***Incentivisation arrangements***

Mitie has not entered into, nor had any discussions regarding, any form of incentive arrangements with any member of Marlowe's management and does not intend to enter into any such discussions prior to the Effective Date.

#### ***Locations, headquarters, HQ functions, fixed assets and research and development***

As part of its integration planning process, Mitie will look to simplify the Enlarged Group's office footprint. Where there is geographic overlap, Mitie intends, where feasible, to consolidate the existing sites and in these cases, the aim would be to relocate staff to nearby locations of the Enlarged Group as required, subject to any required information and consultation with affected employees and/or their representatives in accordance with applicable law. Mitie anticipates maintaining Marlowe's head office in central London for at least two months from Completion and, after such time, relevant employees

would be relocated to Mitie's nearby central London headquarters. Save as set out above, Mitie does not have any current intention to redeploy any of the fixed assets of the Marlowe Group.

Marlowe does not currently have a research and development function and Mitie has no plans in this regard.

### ***Trading Facilities***

Marlowe is currently admitted to trading on AIM and, as set out in paragraph 18 below, an application will be made to the London Stock Exchange to cancel trading in Marlowe Shares on AIM and re-register it as a private company.

No statements in this paragraph 11 constitute "post-offer undertakings" for the purposes of Rule 19.5 of the Takeover Code.

## **12 Marlowe Incentive Plans**

Participants in the Marlowe Incentive Plans will be contacted regarding the effect of the Acquisition on their rights under the Marlowe Incentive Plans and, where required, appropriate proposals will be made to participants in the Marlowe Share Plans pursuant to Rule 15 of the Takeover Code in due course.

Further details of the terms of such proposals will be included in the Scheme Document (or, if Mitie has elected (with the consent of the Panel and Marlowe) to exercise its right to implement the Acquisition by way of an Offer, the Offer Document) and in separate letters to be sent to participants in the Marlowe Share Plans (where necessary).

## **13 Financing**

Mitie is funding the cash consideration payable pursuant to the Acquisition, together with certain fees and expenses in connection with the Acquisition, through new debt financing.

Prior to the release of this announcement, Bidco has entered into a bridge facility agreement in an amount of up to £240,000,000 (the "**Bridge Facility Agreement**") arranged by Lloyds Bank PLC and National Westminster Bank PLC, Bidco will draw a loan pursuant to the Bridge Facility Agreement to satisfy in full the cash consideration payable to Marlowe Shareholders. The initial maturity date falls twelve months after the date of the Bridge Facility Agreement.

Lazard, financial adviser to Mitie, confirms that it is satisfied that sufficient resources are available to Mitie to satisfy in full the cash consideration payable to Marlowe Shareholders under the terms of the Acquisition.

Further information on the financing of the Acquisition will be set out in the Scheme Document.

## **14 Offer-related arrangements**

### ***Confidentiality Agreement***

Mitie and Marlowe entered into a confidentiality and standstill agreement dated 8 May 2025 (the "**Confidentiality Agreement**") pursuant to which each party has undertaken to: (i) keep confidential information relating to, inter alia, the Acquisition and the other party and not to disclose it to third parties (other than to certain permitted parties) unless required by law or regulation; and (ii) use the confidential information only in connection with the Acquisition.

These confidentiality obligations will remain in force for a period of twelve months from the date of the Confidentiality Agreement. Mitie also agreed to certain standstill undertakings, all of which ceased to apply upon the release of this announcement.

This agreement also includes customary non-solicitation obligations on the Mitie Group.

### ***Co-operation Agreement***

Mitie, Bidco and Marlowe have entered into a co-operation agreement dated 5 June 2025 (the “**Co-operation Agreement**”), pursuant to which, among other things:

- Mitie and Bidco have agreed to take all necessary steps to secure the Authorisations necessary to satisfy the Conditions;
- Mitie, Bidco and Marlowe have agreed to certain undertakings to co-operate and provide each other with information, assistance and access in relation to the filings, submissions and notifications to be made in relation to such Authorisations;
- Mitie and Bidco have agreed to provide Marlowe with certain information for the purposes of the Scheme Document and to otherwise assist with the preparation of the Scheme Document; and
- Mitie, Bidco and Marlowe have agreed certain arrangements in respect of directors’ and officers’ insurance, the Marlowe Incentive Plans and certain other employee incentive arrangements.

The Co-operation Agreement also records the intention of Mitie, Bidco and Marlowe to implement the Acquisition by way of the Scheme and the agreement from Bidco and Mitie not to proceed by way of a Takeover Offer without consent from Marlowe and the Panel.

The Co-operation Agreement will be terminated in certain circumstances, including (but not limited to):

- if Mitie and Marlowe so agree in writing at any time before the Effective Date;
- upon service of a written notice by one party to another if a Marlowe Adverse Recommendation Change (as defined in the Co-Operation Agreement) occurs;
- if the Scheme does not become effective in accordance with its terms by the Long-stop Date;
- if the Scheme is withdrawn or lapses in each case as a result of Mitie or Bidco invoking any Condition with the Panel’s consent prior to the Long-stop Date (unless otherwise agreed between Mitie and Marlowe); or
- immediately if a Competing Transaction (as defined in the Co-Operation Agreement) becomes effective or becomes unconditional.

### ***Clean Team Agreement***

Mitie and Marlowe entered into a clean team agreement dated 19 May 2025 (the “**Clean Team Agreement**”), the purpose of which is to set out the terms governing the disclosure of commercially sensitive information by or on behalf of Marlowe or Mitie (as applicable) to certain specified employees of Marlowe or Mitie (as applicable), who are not involved in the day-to-day commercial or strategic operations and decisions of Mitie or Marlowe (as applicable), and their respective external advisers only, as well as the related analysis, reporting and potential return or destruction of such information.

### ***Confidentiality and Joint Defense Agreement***

Mitie, Marlowe and their respective external legal counsels have entered into a confidentiality and joint defence agreement dated 20 May 2025 (the “**Confidentiality and Joint Defense Agreement**”), the purpose of which is to ensure that the exchange and/or disclosure of certain materials relating to the parties only takes place between their respective external legal counsels and external experts, and does not diminish in any way the confidentiality of such materials and does not result in a waiver of privilege, right or immunity that might otherwise be available.

## **15 New Mitie Shares**

The New Mitie Shares will, when issued, be ordinary shares in the capital of Mitie with a nominal value of 2.5 pence each, will be fully paid and rank *pari passu* in all respects with the Mitie Shares in issue at the date of this announcement.

Fractions of New Mitie Shares will not be issued pursuant to the Acquisition. Entitlements to New Mitie Shares pursuant to the Acquisition will be rounded down to the nearest whole number of New Mitie Shares.

Fractional entitlements to New Mitie Shares will be aggregated and allotted and issued to a nominee appointed by Mitie and such shares will then be sold in the market and the net proceeds of sale will be distributed in due proportion to the Marlowe Shareholders entitled to them. However, individual fractional entitlements to amounts (net of expenses) not exceeding £5 will not be paid to persons who would otherwise be entitled to them under the Acquisition, but will be retained for the benefit of the Enlarged Group.

## **16 Dividends**

Mitie and Marlowe have agreed that until the Effective Date, Mitie will declare its dividends in accordance with the Mitie Dividend Policy.

Mitie and Marlowe expect the Scheme to become Effective in the third quarter of 2025. It is expected that the New Mitie Shares to be issued to Marlowe Shareholders pursuant to the Acquisition will be issued prior to the last cum-dividend trading date for the Mitie FY26 Interim Dividend and, accordingly, if that were to occur, the Marlowe Shareholders that receive and continue to hold New Mitie Shares at the relevant date will rank for the Mitie FY26 Interim Dividend.

If, on or after the date of this announcement and on or prior to the Effective Date, any dividend, distribution, or other return of capital is declared, made or paid, or becomes payable by Marlowe, Mitie and Bidco shall be entitled to reduce the Offer Consideration by an aggregate amount up to the amount of such dividend, distribution, or other return of capital, in which case references to the Offer Consideration will be deemed to be a reference to the Offer Consideration as so reduced. In such circumstances, Marlowe Shareholders will be entitled to retain any such dividend, distribution, or other return of capital declared, made, or paid.

## **17 Structure of and Conditions to the Acquisition**

It is intended that the Acquisition will be effected by means of a Court-approved scheme of arrangement between Marlowe and Marlowe Shareholders under Part 26 of the Companies Act. Mitie reserves the right to implement the Acquisition by means of a Takeover Offer (subject to the consent of Marlowe and the Panel).

The purpose of the Scheme is to provide for Bidco to become the holder of the entire issued and to be issued ordinary share capital of Marlowe. This is to be achieved by the transfer of the Marlowe Shares to Bidco, in consideration for which the Marlowe Shareholders will receive the Offer Consideration (being the cash consideration and the New Mitie Shares) on the basis set out in paragraph 2 of this announcement.

The Acquisition will be subject to the Conditions and further terms set out below and in Appendix I to this announcement and to be set out in the Scheme Document and will only become effective, if, among other things, the following events occur on or before 11.59 p.m. (London time) on the Long-stop Date:

- (i) the approval of the Scheme by a majority in number of the Marlowe Shareholders who are present and vote, whether in person or by proxy, at the Court Meeting and who represent 75 per cent. in value of the Marlowe Shares voted by those Marlowe Shareholders;
- (ii) the resolutions required to approve and implement the Scheme being duly passed by Marlowe Shareholders representing the requisite majority or majorities 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 Marlowe, Bidco and Mitie);
- (iv) the delivery of a copy of the Court Order to the Registrar of Companies; and
- (v) the satisfaction of the UK National Security Condition and the Irish Foreign Direct Investment Condition (as set out in paragraphs 3(b) and (c) of Part A of Appendix I to this announcement).

The Scheme will lapse if:

- the Court Meeting and the General Meeting are not held by the 22<sup>nd</sup> day after the expected date of such meetings to be set out in the Scheme Document in due course (or such later date as may be agreed between Mitie, Bidco and Marlowe);
- the Court Hearing is not held by the 22<sup>nd</sup> day after the expected date of such hearing to be set out in the Scheme Document in due course (or such later date as may be agreed between Mitie, Bidco and Marlowe); or
- the Scheme does not become effective by 11.59 p.m. (London time) on the Long-stop Date,

provided, however, that the deadlines for the timing of the Court Meeting, the General Meeting and the Court Hearing as set out above may be waived by Mitie and Bidco, and the deadline for the Scheme to become Effective may be extended by agreement between Mitie, Bidco and Marlowe.

Subject to satisfaction (or waiver, where applicable) of the Conditions, the Scheme is expected to become Effective in the third quarter of 2025.

Upon the Scheme becoming Effective, it will be binding on all Marlowe Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the General Meeting.

Further details of the Scheme, including an indicative timetable for its implementation, will be set out in the Scheme Document which will be distributed to Marlowe Shareholders (along with Forms of Proxy for voting in respect of the Court Meeting and the General Meeting and the Forms of Election in relation to the Mix and Match Facility) as soon as reasonably practicable and in any event within 28 days of the date of this announcement or such later date as Mitie, Bidco, Marlowe and the Panel may agree, and that the Court Meeting and the General Meeting will be held as soon as practicable thereafter.

## **18 Listing of New Mitie Shares, de-listing of Marlowe Shares and re-registration**

Application will be made to the FCA and the London Stock Exchange, respectively, for the New Mitie Shares to be admitted to the Official List and to trading on Main Market. It is expected that Admission will become effective and dealings for normal settlement in the New Mitie Shares will commence at or shortly after 8.00 a.m. (London time) on the first Business Day following the Effective Date.

Prior to the Scheme becoming effective, Marlowe will make an application to the London Stock Exchange for the cancellation of trading of Marlowe Shares on AIM to take effect from or shortly after the Effective Date. The last day of dealings in Marlowe Shares on AIM is expected to be the Business Day immediately prior to the Effective Date and no transfers will be registered after 6.00p.m. (London time) on that date.

On the Effective Date, share certificates in respect of Marlowe Shares will cease to be valid and entitlements to Marlowe Shares held within the CREST system will be cancelled.

It is also proposed that, following the Effective Date and after the Marlowe Shares are delisted, Marlowe will be re-registered as a private limited company.

## **19 Disclosure of interests in Marlowe**

As at the close of business on 4 June 2025 (being the latest practicable date prior to the date of this announcement) neither Mitie, Bidco, nor any of their directors, nor, so far as Mitie and Bidco are aware, any person acting in concert (within the meaning of the Takeover Code) with them has:

- any interest in or right to subscribe for any relevant securities of Marlowe;
- any short positions in respect of relevant Marlowe Shares (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;
- any Dealing Arrangement, in relation to Marlowe Shares or in relation to any securities convertible into Marlowe Shares;
- borrowed nor lent any relevant Marlowe Shares (including, for these purposes, any financial collateral arrangements of the kind referred to in Note 3 on Rule 4.6 of the Takeover Code), save for any borrowed shares which had been either on-lent or sold.

'Interests in securities' for these purposes arise, in summary, when a person has long economic exposure, whether absolute or conditional, to changes in the price of securities (and a person who only has a short position in securities is not treated as interested in those securities). In particular, a person will be treated as having an 'interest' by virtue of the ownership, voting rights or control of securities, or by virtue of any agreement to purchase, option in respect of, or derivative referenced to, securities.

It has not been practicable for Mitie to make enquiries of all of its concert parties in advance of the release of this announcement. Therefore, all relevant details in respect of Mitie's concert parties will be included in the Opening Position Disclosure in accordance with Rule 8.1(a) and Note 2(a)(i) on Rule 8 of the Takeover Code.

## **20 General**

The Acquisition will be made on the terms and subject to the Conditions and further terms set out in Appendix I to this announcement and included in the Scheme Document. The sources of information and bases of calculations contained in this announcement are set out in Appendix II to this announcement. Appendix III contains details of and bases of calculation of the anticipated financial benefits of the Acquisition. Certain terms used in this Announcement are defined in Appendix IV to this announcement.

It is expected that the Scheme Document will be distributed to Marlowe Shareholders (along with the Forms of Proxy for use in connection with the Court Meeting and the General Meeting and the Forms of Election in relation to the Mix and Match Facility) as soon as practicable and, in any event, within 28 days of this announcement (or such later date as Mitie, Bidco, Marlowe and the Panel may agree). The Scheme Document, Forms of Proxy and Forms of Election will be made available to all Marlowe Shareholders at no charge to them.

Lazard and Cavendish have each given and not withdrawn their consent to the publication of this announcement with the inclusion herein of the references to their names in the form and context in which they appear.

PwC has given and not withdrawn its consent to the publication of its report in Part B of Appendix III to this announcement in the form and context in which it is included pursuant to Rule 23.2 of the Takeover Code.

There will be a Mitie investor and analyst presentation at 9.30 a.m. (London time) on 5 June 2025 via a live webcast available at <https://webcasts.umcdn.com/mit037>.

## **21 Documents available on website**

Copies of the following documents will be made available on Mitie's and Marlowe's websites at <https://www.mitie.com/> and <https://www.marloweplc.com/> respectively until the Effective Date:

- this announcement;
- the documents relating to the financing of the Acquisition referred to in paragraph 13 of this announcement;
- the Confidentiality Agreement;
- the Co-operation Agreement;
- the Clean Team Agreement;
- the Confidentiality and Joint Defense Agreement; and
- consent letters from each of Lazard, PwC and Cavendish.

### **Enquiries:**

#### **Mitie**

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#### **Marlowe**

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Linklaters LLP is retained as legal adviser to Mitie.

Allen Overy Shearman Sterling LLP is retained as legal adviser to Marlowe.

**Important notices**

*Lazard & Co., Limited (“Lazard”) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Mitie and no one else in connection with the Acquisition and will not be responsible to anyone other than Mitie for providing the protections afforded to clients of Lazard nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this announcement, any statement contained herein or otherwise.*

*Cavendish Capital Markets Limited (“Cavendish”) which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to Marlowe and no one else in connection with the Acquisition and will not be responsible to anyone other than Marlowe for providing the protections afforded to clients of Cavendish nor for providing advice in connection with the Acquisition or any matter referred to herein. Neither Cavendish nor any of its 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 Cavendish in connection with this announcement, any statement contained herein, the Acquisition or otherwise. No representation or warranty, express or implied, is made by Cavendish as to the contents of this announcement.*

*This announcement is for information purposes only. It is not intended to and does 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 the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law or regulation.*

*The Acquisition is intended to be made by means of the Scheme Document which, together with the Forms of Proxy and Forms of Election in relation to the Mix and Match Facility, will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition.*

*This announcement has been prepared for the purpose of complying with English law and the Takeover Code and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of jurisdictions outside England and Wales.*

*The Acquisition will be subject to the applicable requirements of the Takeover Code, the Panel, the AIM Rules, the London Stock Exchange and the Financial Conduct Authority.*

Marlowe will prepare the Scheme Document to be distributed to Marlowe Shareholders. Marlowe urges Marlowe Shareholders to read the Scheme Document (including the related Forms of Proxy and the Forms of Election in relation to the Mix and Match Facility) when it becomes available because it will contain important information in relation to the Acquisition, the New Mitie Shares and the Enlarged Group. Any vote in respect of the Scheme or other response in relation to the Acquisition should be made only on the basis of the information contained in the Scheme Document.

This announcement does not constitute a prospectus, a prospectus equivalent document, or prospectus exemption document.

### **Overseas Shareholders**

The release, publication or distribution of this announcement, in whole or in part, directly or indirectly, in or into certain jurisdictions other than the United Kingdom may be restricted by law or regulations of those jurisdictions. Persons who are not resident in the United Kingdom or who are subject to other jurisdictions should inform themselves of, and observe, any applicable requirements.

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

The availability of the Acquisition to Marlowe Shareholders who are not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions in which they are resident. Persons who are not resident in the United Kingdom should inform themselves of, and observe, any applicable requirements.

The New Mitie Shares may not be offered, sold or delivered, directly or indirectly, in, into or from any Restricted Jurisdiction or to, or for the account or benefit of, any Restricted Overseas Persons except pursuant to an applicable exemption from, or in a transaction not subject to, applicable securities laws or regulations of those jurisdictions.

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

The Acquisition relates to shares of an English company and is proposed to be effected by means of a scheme of arrangement under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer rules or the proxy solicitation rules under the US Exchange Act.

Accordingly, the Acquisition is subject to the disclosure and procedural requirements applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of United States tender offer and proxy solicitation rules.

The receipt of consideration by a US holder for the transfer of its Marlowe Shares pursuant to the Scheme will be a taxable Acquisition for United States federal income tax purposes. Each Marlowe Shareholder is urged to consult their independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to them, including under applicable United States state and local, as well as overseas and other, tax laws.

*In accordance with normal United Kingdom practice and pursuant to Rule 14-e-5 of the US Exchange Act, Mitie and Bidco, their nominees, or their brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Marlowe outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private Acquisitions at negotiated prices. Any information about such purchases or arrangements to purchase will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).*

*Financial information relating to Marlowe included in this announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom and 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 United States.*

*The New Mitie Shares issued pursuant to the Scheme will not be registered under any US state securities laws and may only be issued to persons resident in a state pursuant to an exemption from the registration requirements of the securities laws of such state.*

*For the purpose of qualifying for the exemption provided by Section 3(a)(10) of the US Securities Act, Marlowe will advise the Court that its sanctioning of the Scheme will be relied on by Mitie and Bidco as an approval of the Scheme following a hearing on its fairness to Marlowe Shareholders, at which Court hearing all Marlowe Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification will be given to all such holders.*

*Mitie is organised under the laws of Scotland, and Bidco and Marlowe are organised under the laws of England and Wales. Some or all of the officers and directors of Mitie, Bidco and Marlowe, respectively, are residents of countries other than the United States. In addition, most of the assets of Mitie, Bidco and Marlowe are located outside the United States. As a result, it may be difficult for US shareholders of Marlowe to effect service of process within the United States upon Mitie, Bidco or Marlowe or their respective officers or directors or to enforce against them a judgment of a US court predicated upon the federal or state securities laws of the United States. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement. It may not be possible to sue Mitie, Bidco, Marlowe or their respective directors or officers in a non-US court for violations of US securities laws.*

### **Forward looking statements**

*This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Marlowe, any member of the Marlowe Group, Mitie, or any member of the Mitie Group (which includes Bidco) contain statements which are, or may be deemed to be, "forward looking statements". Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which Marlowe, any member of the Marlowe Group, Mitie, any member of the Mitie Group, or the Enlarged Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. The forward looking statements contained in this announcement relate to Marlowe, any member of the Marlowe Group, Mitie, any member of the Mitie Group, or the Enlarged Group's future prospects, developments and business strategies, the expected timing and scope of the Acquisition and other statements other than historical facts. In some cases, these forward looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "will look to", "would look to", "plans", "prepares", "anticipates", "expects", "is expected to", "is subject to", "budget", "scheduled", "forecasts", "synergy", "strategy", "goal", "cost-saving", "projects" "intends", "may", "will", "shall" or "should" or their negatives or other variations or comparable terminology. Forward-looking statements may include statements relating to the following: (i) future capital expenditures, expenses, revenues, earnings, synergies, economic*

performance, indebtedness, financial condition, dividend policy, losses and future prospects; (ii) business and management strategies and the expansion and growth of Mitie's, any member of the Mitie Group, Marlowe's, or any member of the Marlowe Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Mitie's, any member of the Mitie Group, Marlowe's, or any member of the Marlowe Group's business. 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. These events and circumstances includes changes in the global, political, economic, business, competitive, market and regulatory forces, future exchange and interest rates, changes in tax rates, future business combinations or disposals, and any epidemic, pandemic or disease outbreak. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions prove incorrect, actual results may differ materially from those expected, estimated or projected. Such forward looking statements should therefore be construed in the light of such factors.

Neither Marlowe, any member of the Marlowe Group, Mitie, or any member of the Mitie Group, 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 announcement will actually occur. Given these risks and uncertainties, potential investors should not place any reliance on forward looking statements.

Specifically, statements of estimated cost savings and synergies relate to future actions and circumstances which, 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 Enlarged Group, there may be additional changes to the Enlarged 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.

The forward looking statements speak only at the date of this announcement. All subsequent oral or written forward-looking statements attributable to Mitie, any member of the Mitie Group, Marlowe, or any member of the Marlowe Group, or any of their respective associates, directors, officers, employees or advisers, are expressly qualified in their entirety by the cautionary statement above.

Marlowe, the Marlowe Group, Mitie and the Mitie Group expressly disclaim any obligation to update such statements other than as required by law or by the rules of any competent regulatory authority, whether as a result of new information, future events or otherwise.

### **No profit forecasts or estimates**

Other than as set out in paragraph 10 in this announcement, no statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for Mitie or Marlowe, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share for Mitie or Marlowe, as appropriate.

### **Quantified Financial Benefits Statement**

Appendix III to this announcement sets out the anticipated Quantified Financial Benefits Statement and contains details of, and bases of calculation of, the anticipated financial benefits of the Acquisition, together with the related reports from Mitie's reporting accountant, PwC, and Mitie's financial adviser, Lazard, as required under Rule 28.1(a) of the Takeover Code, and provides underlying information and bases for the accountant's and financial adviser's respective reports. Lazard, as financial adviser to Mitie, has provided such report for the purposes of the Takeover Code stating that, in its opinion and subject to the terms of the report, the Quantified Financial Benefits Statement, for which the Mitie Directors are responsible, has been prepared with due care and consideration. Each of PwC and Lazard has given and not withdrawn its consent to the publication of its

respective report in this announcement in the form and context in which it is included pursuant to Rule 23.2 of the Takeover Code.

For the purpose of Rule 28 of the Takeover Code, the Quantified Financial Benefits Statement contained in this announcement is the responsibility of Mitie and the Mitie Directors. Any statement of intention, belief or expectation for the Enlarged Group following the Effective Date is an intention, belief or expectation of the Mitie Directors and not of the Marlowe Directors.

The statements in the Quantified Financial Benefits Statement relate to future actions and circumstances which, 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. No statement in the Quantified Financial Benefits Statement should be construed as a profit forecast or interpreted to mean that the Enlarged Group's earnings in the first full year following the Effective Date, or in any subsequent period, would necessarily match or be greater than or be less than those of Mitie and/or Marlowe for the relevant preceding financial period or any other period.

### **Disclosure requirements of the Takeover Code**

Under Rule 8.3(a) of the Takeover Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 p.m. (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 p.m. (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Takeover Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 p.m. (London time) 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 of the Takeover Code.

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 of the Takeover Code).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Panel's website at <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 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Electronic communications**

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

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

A copy of this announcement will be made available subject to certain restrictions relating to persons resident in Restricted Jurisdictions on Mitie's and Marlowe's websites at <https://www.mitie.com/> and <https://www.marloweplc.com/> respectively by no later than 12 noon (London time) on the business day after the date of this announcement. For the avoidance of doubt, the contents of these websites are not incorporated into and do not form part of this announcement.

Marlowe Shareholders, persons with information rights and participants in the Marlowe Share Plans may request a hard copy of this announcement by: (i) contacting MUFG Corporate Markets (UK) Limited during business hours on 0371 664 0391 if calling from the United Kingdom, or +44 (0)371 664 0391 if calling from outside the United Kingdom (lines are open from 8.30 a.m. to 5.30 p.m. (London time), Monday to Friday (excluding public holidays in England and Wales)); or (ii) submitting a request in writing to MUFG Corporate Markets (UK) Limited, Central Square, 29 Wellington Street, Leeds LS1 4DL, United Kingdom. A person so entitled may also request that all future documents, announcements and information in relation to the Acquisition be sent to them in hard copy form.

### **Rounding**

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

## **APPENDIX I**

### **CONDITIONS AND FURTHER TERMS OF THE ACQUISITION**

#### **Part A: Conditions to the Scheme and the Acquisition**

**1** The Acquisition is conditional upon the Scheme becoming unconditional and effective, subject to the Takeover Code, by no later than 11.59 p.m. (London time) on the Long-stop Date.

**2** The Scheme will be subject to the following conditions:

##### **2.1**

- (i) its approval by a majority in number of the Marlowe 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 Marlowe Shares voted by those Marlowe Shareholders; and
- (ii) such Court Meeting being held on or before the 22nd day after the expected date of the Court Meeting to be set out in the Scheme Document in due course (or such later date, if any: (a) as may be agreed by Mitie, Bidco and Marlowe; or (b) (in a competitive situation) as may be specified by Mitie and Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow);

##### **2.2**

- (i) the resolutions required to implement the Scheme being duly passed by Marlowe Shareholders representing 75 per cent. or more of votes cast at the General Meeting; and
- (ii) such General Meeting being held on or before the 22nd day after the expected date of the General Meeting to be set out in the Scheme Document in due course (or such later date, if any: (a) as may be agreed by Mitie, Bidco and Marlowe; or (b) (in a competitive situation) as may be specified by Mitie and Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow);

##### **2.3**

- (i) the sanction of the Scheme by the Court (with or without modification but subject to any modification being on terms acceptable to Marlowe, Mitie and Bidco) and the delivery of a copy of the Court Order to the Registrar of Companies; and
- (ii) the Court Hearing being held on or before the 22nd day after the expected date of the Court Hearing to be set out in the Scheme Document in due course (or such later date, if any: (a) as may be agreed by Mitie, Bidco and Marlowe; or (b) (in a competitive situation) as may be specified by Mitie and Bidco with the consent of the Panel, and in each case that (if so required) the Court may allow);

**3** In addition, subject as stated in Part B below and to the requirements of the Panel, the Acquisition will be conditional upon the following Conditions and, accordingly, the necessary actions to make the Scheme Effective will not be taken unless such Conditions (as amended if appropriate) have been satisfied or, where relevant, waived:

#### ***Admission of the New Mitie Shares***

(a)

- (i) the FCA having acknowledged to Mitie or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of the New Mitie Shares to the Equity Shares (Commercial Companies) category of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**listing conditions**")) will become effective as soon as a dealing notice has been issued by the FCA and any listing conditions have been satisfied; and
- (ii) the London Stock Exchange having acknowledged to Mitie or its agent (and such acknowledgement not having been withdrawn) that the New Mitie Shares will be admitted to trading on the Main Market;

### ***Official authorisations, regulatory clearances and Third Party clearances***

#### ***UK National Security***

(b)

- (i) if the Acquisition is a notifiable acquisition under the National Security and Investment Act 2021 (the "**NSI Act**"), the requisite notification having been made and the Secretary of State confirming that no further action will be taken under the NSI Act in relation to the Acquisition or making a final order under the NSI Act in respect of the Acquisition, the provisions of which allow the Acquisition to proceed; and
- (ii) as at the date on which all other Conditions are satisfied or waived, the Secretary of State not having made any interim order preventing the Acquisition becoming Effective (or any such order having been withdrawn);

the ("**UK National Security Condition**");

#### ***Irish Foreign Direct Investment***

- (c) if the Acquisition is notifiable to the Minister for Enterprise, Trade and Employment (including any successor in relation to its trade responsibilities) (the "**Minister**") under Section 10(1) of the Screening of Third Country Transactions Act 2023 (the "**Screening Act**"), the requisite notification having been made and accepted by the Minister and either:
  - (i) the Minister having confirmed in writing his or her screening decision under section 16(1) of the Screening Act that the Acquisition does not affect, or would not be likely to affect, the security or public order of the Republic of Ireland; or
  - (ii) the Minister having informed the parties in writing of his or her screening decision under section 16(1) of the Screening Act that the Acquisition affects, or would be likely to affect, the security or public order of the Republic of Ireland and that the Acquisition may only be completed in accordance with a direction made under section 18(3) of the Screening Act, the provisions of which allow the Acquisition to proceed; or
  - (iii) the Minister having informed the parties in writing of his or her election not to issue a screening notice under section 14(1) of the Screening Act on the grounds that the Acquisition does not constitute a notifiable transaction; or
  - (iv) the period specified in section 16(3) of the Screening Act, including, if applicable, any period of extension under Section 20 of the Screening Act, has elapsed without the Minister having made a Screening Decision under Section 16(1) of the Screening Act such that the Acquisition is deemed by virtue of Section 16(4) of the Screening Act to be

subject to a screening decision to the effect that it has not affected, or would not be likely to affect, the security or public order of the Republic of Ireland;

the ("Irish Foreign Direct Investment Condition");

#### ***General Third Party approvals***

- (d) the waiver (or non-exercise within any applicable time limits) by any relevant government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental, employee representative, administrative, fiscal, or investigative body, court, trade agency, association or institution (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 Marlowe Group taken as a whole or in the context of the Acquisition) arising as a result of or in connection with the Acquisition 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, Marlowe by Mitie or any member of the Wider Mitie Group;
- (e) excluding in relation to the CMA, all necessary notifications, filings or applications having been made in connection with the Acquisition and all necessary waiting periods (including any extensions thereof) under any applicable legislation or regulation of any jurisdiction having expired, lapsed or been terminated (as appropriate) and all statutory and regulatory obligations in any jurisdiction having been complied with in each case in respect of the Acquisition and all necessary Authorisations in any jurisdiction for or in respect of the Acquisition including, without limitation, its implementation and financing or, except pursuant to Chapter 3 of Part 28 of the Companies Act, the acquisition or the proposed acquisition of any shares or other securities in, or control or management of, Marlowe or any other member of the Wider Marlowe Group by any member of the Wider Mitie Group having been obtained from all appropriate Third Parties or (without prejudice to the generality of the foregoing) from any person or bodies with whom any member of the Wider Marlowe Group or the Wider Mitie Group has entered into contractual arrangements and all such Authorisations necessary to carry on the business of any member of the Wider Marlowe Group in any jurisdiction having been obtained and all such Authorisations remaining in full force and effect at the time at which the Acquisition becomes otherwise effective and there being no notice or intimation of an intention to revoke, suspend, restrict, modify or not to renew such Authorisations;

#### **General antitrust and regulatory**

- (f) other than in relation to the approvals referred to in Conditions 3(b) and 3(c) above and excluding in relation to the CMA, 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 required any action to be taken or otherwise having done anything, or having enacted, made or proposed any statute, regulation, decision, order or change to published practice (and in each case, not having withdrawn the same) and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
  - (i) require, prevent or materially delay the divestiture or materially alter the terms envisaged for such divestiture by any member of the Wider Mitie Group or by any member of the Wider Marlowe Group of all or any material part of its businesses, assets or property or impose any limitation on the ability of all or any of them to conduct their businesses (or any part thereof) or to own, control or manage any of their assets or properties (or any part thereof);

- (ii) except pursuant to Chapter 3 of Part 28 of the Companies Act, require any member of the Wider Mitie Group or the Wider Marlowe Group to acquire or offer to acquire any shares, other securities (or the equivalent) or interest in any member of the Wider Marlowe Group or any asset owned by any third party (other than in the implementation of the Acquisition);
- (iii) impose any material limitation on, or result in a material delay in, the ability of any member of the Wider Mitie Group directly or indirectly to acquire, hold or to exercise effectively all or any rights of ownership in respect of shares or other securities in Marlowe or on the ability of any member of the Wider Marlowe Group or any member of the Wider Mitie Group directly or indirectly to hold or exercise effectively all or any rights of ownership in respect of shares or other securities (or the equivalent) in, or to exercise voting or management control over, any member of the Wider Marlowe Group;
- (iv) otherwise adversely affect any or all of the business, assets, profits or prospects of any member of the Wider Marlowe Group or any member of the Wider Mitie Group;
- (v) result in any member of the Wider Marlowe Group or any member of the Wider Mitie Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vi) make the Acquisition, its implementation or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Marlowe by any member of the Wider Mitie Group void, unenforceable and/or illegal under the laws of any relevant jurisdiction, or otherwise, directly or indirectly materially prevent or prohibit, restrict, restrain, or delay or otherwise to a material extent or otherwise materially interfere with the implementation of, or impose material additional conditions or obligations with respect to, or otherwise materially challenge, impede, interfere or require material amendment of the Acquisition or the acquisition or proposed acquisition of any shares or other securities in, or control or management of, Marlowe by any member of the Wider Mitie Group;
- (vii) require, prevent or materially delay a divestiture by any member of the Wider Mitie Group of any shares or other securities (or the equivalent) in any member of the Wider Marlowe Group or any member of the Wider Mitie Group; or
- (viii) impose any material limitation on the ability of any member of the Wider Mitie Group of any member of the Wider Marlowe Group to conduct, integrate or co-ordinate all or any part of its business with all or any part of the business of any other member of the Wider Mitie Group and/or the Wider Marlowe Group,

and all applicable waiting and other time periods (including any extensions thereof) during which any such antitrust regulator or Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference or take any other step under the laws of any jurisdiction in respect of the Acquisition or the acquisition or proposed acquisition of any Marlowe Shares or otherwise intervene having expired, lapsed or been terminated;

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

- (g) except as Disclosed, and in each case to an extent which is material in the context of the Wider Marlowe Group taken as a whole, there being no provision of any arrangement, agreement, lease, licence, franchise, permit or other instrument to which any member of the Wider Marlowe Group is a party or by or to which any such member or any of its assets is or may be bound, entitled or be subject or any event or circumstance which, as a consequence of the Acquisition

or because of a change in the control or management of any member of the Wider Marlowe Group or otherwise, would reasonably be expected to result in:

- (i) any monies borrowed by, or any other indebtedness, actual or contingent, of, or any grant available to, any member of the Wider Marlowe Group being or becoming repayable, or capable of being declared repayable, immediately or prior to its or their stated maturity date or repayment date, or the ability of any such member to borrow monies or incur any indebtedness being withdrawn or inhibited or being capable of becoming or being withdrawn or inhibited;
- (ii) save in the ordinary course of business, the creation or enforcement of any mortgage, charge or other security interest over the whole or any part of the business, property or assets of any member of the Wider Marlowe Group or any such mortgage, charge or other security interest (whenever created, arising or having arisen) becoming enforceable;
- (iii) any such arrangement, agreement, lease, licence, franchise, permit or other instrument being terminated or the rights, liabilities, obligations or interests of any member of the Wider Marlowe Group thereunder being adversely affected or any onerous obligation or liability arising or any adverse action being taken or arising thereunder;
- (iv) any liability of any member of the Wider Marlowe Group to make any severance, termination, bonus or other payment to any of its directors, or other officers;
- (v) the rights, liabilities, obligations, interests or business of any member of the Wider Marlowe Group under any such arrangement, agreement, licence, permit, lease or instrument or the interests or business of any member of the Wider Marlowe Group in or with any other person or body or firm or company (or any arrangement or arrangement relating to any such interests or business) being or becoming capable of being terminated, or adversely modified or affected or any onerous obligation or liability arising or any adverse action being taken thereunder;
- (vi) any member of the Wider Marlowe Group ceasing to be able to carry on business under any name under which it presently carries on business;
- (vii) the value of, or the financial or trading position or prospects of, any member of the Wider Marlowe Group being prejudiced or adversely affected; or
- (viii) the creation or acceleration of any liability (actual or contingent) by any member of the Wider Marlowe Group other than trade creditors or other liabilities incurred in the ordinary course of business,

and, save as Disclosed, no event having occurred which, under any provision of any arrangement, agreement, licence, permit, franchise, lease or other instrument to which any member of the Wider Marlowe Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would reasonably be expected to result in any of the events or circumstances as are referred to in Conditions (g)(i) to (viii), in each case to an extent which is material in the context of the Wider Marlowe Group taken as a whole;

***Certain events occurring since 31 March 2024***

- (h) except as Disclosed, no member of the Wider Marlowe Group, in each case to an extent which is material in the context of the Wider Marlowe Group taken as a whole, having since 31 March 2024:

- (i) issued or agreed to issue or authorised or proposed or announced its intention to authorise or propose the issue, of additional shares of any class, or securities or securities convertible into, or exchangeable for, or rights, warrants or options to subscribe for or acquire, any such shares, securities or convertible securities or transferred or sold or agreed to transfer or sell or authorised or proposed the transfer or sale of Marlowe Shares out of treasury (except, where relevant, as between Marlowe and subsidiaries of Marlowe or between the subsidiaries of Marlowe and except for the issue or transfer out of treasury of Marlowe Shares on the exercise of employee share options or vesting of employee share awards in the ordinary course under the Marlowe Share Plans);
- (ii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus, dividend or other distribution (whether payable in cash or otherwise) other than dividends (or other distributions whether payable in cash or otherwise) lawfully paid or made by any subsidiary of Marlowe to Marlowe or any of its subsidiaries;
- (iii) other than pursuant to the Acquisition (and except for transactions between Marlowe and its subsidiaries or between the subsidiaries of Marlowe and transactions in the ordinary course of business), implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, demerger, reconstruction, amalgamation, scheme, commitment or acquisition or disposal of assets or shares or loan capital (or the equivalent thereof) in any undertaking or undertakings;
- (iv) except for transactions between Marlowe and its subsidiaries or between subsidiaries of Marlowe and except for transactions in the ordinary course of business disposed of, or transferred, mortgaged or created any security interest over any material asset or any right, title or interest in any material asset or authorised, proposed or announced any intention to do so;
- (v) (except for transactions between Marlowe and its subsidiaries or between subsidiaries of Marlowe) issued, authorised or proposed or announced an intention to authorise or propose, the issue of or made any change in or to the terms of any debentures or become subject to any contingent liability or incurred or increased any indebtedness;
- (vi) entered into or varied or authorised, proposed or announced its intention to enter into or vary any material contract, arrangement, agreement, transaction or commitment (whether in respect of capital expenditure or otherwise) except in the ordinary course of business, which is of a long term, unusual or onerous nature or magnitude or which is or which involves or could involve an obligation of a nature or magnitude which is reasonably likely to be materially restrictive on the business of any member of the Wider Marlowe Group;
- (vii) except in the ordinary course of business, entered into or varied the terms of, or made any offer (which remains open for acceptance) to enter into or vary to a material extent the terms of any contract, service agreement, commitment or arrangement with any senior executive of any member of the Wider Marlowe Group, except for salary increases, bonuses or variations of terms in the ordinary course;
- (viii) proposed, agreed to provide or modified the terms of any share incentive scheme, share option scheme, incentive scheme or other benefit relating to the employment or termination of employment of any employee of the Wider Marlowe Group;
- (ix) purchased, redeemed or repaid or announced any proposal to purchase, redeem or repay any of its own shares or other securities or reduced or, except in respect of the

matters mentioned in sub-paragraph (i) above, made any other change to any part of its share capital;

- (x) except in the ordinary course of business, waived, compromised or settled any claim;
- (xi) terminated or varied the terms of any agreement or arrangement between any member of the Wider Marlowe Group and any other person in a manner which would reasonably be expected to have a material adverse effect on the financial position of the Wider Marlowe Group taken as a whole;
- (xii) (except as disclosed on publicly available registers or otherwise in connection with the Scheme) made any material alteration to its memorandum or articles of association or other incorporation documents;
- (xiii) except in relation to changes made or agreed as a result of, or arising from law or changes to law or legislation, made or agreed or consented to any significant change to:
  - (a) the terms of the trust deeds and rules constituting the pension scheme(s) established by any member of the Wider Marlowe Group for its directors, employees or their dependants;
  - (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, made, agreed or consented to;to an extent which is in any such case material in the context of the Wider Marlowe Group;
- (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) (other than in respect of a member of the Wider Marlowe Group which is dormant and was solvent at the relevant time) taken or proposed any steps, corporate action or had any legal proceedings instituted or threatened in writing against it in relation to the suspension of payments, a moratorium of any indebtedness, its winding-up (voluntary or otherwise), dissolution, reorganisation or for the appointment of a receiver, administrator, manager, administrative receiver, trustee or similar officer of all or any material part of its assets or revenues or any analogous or equivalent steps or proceedings in any jurisdiction or appointed any analogous person in any jurisdiction or had any such person appointed;
- (xvi) (except for transactions between Marlowe and its subsidiaries or between subsidiaries), made, authorised, proposed or announced an intention to propose any change in its loan capital;
- (xvii) entered into, implemented or authorised the entry into, any joint venture, asset or profit sharing arrangement, partnership or merger of business or corporate entities (save for the Scheme);

- (xviii) taken (or agreed to take) any action which requires or would require, the consent of the Panel or the approval of Marlowe Shareholders in general meeting in accordance with, or as contemplated by, Rule 21.1 of the Takeover Code; or
- (xix) entered into any agreement, arrangement, commitment or contract or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced an intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (h);

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

- (i) except as Disclosed, since 31 March 2024 there having been:
  - (i) no adverse change and no circumstance having arisen which would reasonably be expected to result in any adverse change in, the business, assets, financial or trading position or profits or prospects or operational performance of any member of the Wider Marlowe Group which is material in the context of the Wider Marlowe Group taken as a whole;
  - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings having been threatened in writing, announced or instituted by or against or remaining outstanding against or in respect of, any member of the Wider Marlowe Group or to which any member of the Wider Marlowe Group is or is reasonably likely to become a party (whether as claimant, defendant or otherwise) having been threatened in writing, announced, instituted or remaining outstanding by, against or in respect of, any member of the Wider Marlowe Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Marlowe Group taken as a whole;
  - (iii) no enquiry, review or investigation by, or complaint or reference to, any Third Party against or in respect of any member of the Wider Marlowe Group having been threatened, announced or instituted or remaining outstanding by, against or in respect of any member of the Wider Marlowe Group, in each case which would reasonably be expected to have a material adverse effect on the Wider Marlowe Group taken as a whole;
  - (iv) no contingent or other liability having arisen or become apparent to Mitie or increased other than in the ordinary course of business which is reasonably likely to affect adversely the business, assets, financial or trading position or profits or prospects of any member of the Wider Marlowe Group to an extent which is material in the context of the Wider Marlowe Group taken as a whole; and
  - (v) no steps having been taken and no omissions having been made which are reasonably likely to result in the withdrawal, cancellation, termination or modification of any licence held by any member of the Wider Marlowe Group which is necessary for the proper carrying on of its business and the withdrawal, cancellation, termination or modification of which would reasonably be expected to have a material adverse effect on the Wider Marlowe Group taken as a whole;

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

- (j) except as Disclosed, and in each case to an extent which is material in the context of the Wider Marlowe Group taken as a whole, Mitie not having discovered that:
  - (i) any financial, business or other information concerning the Wider Marlowe Group publicly announced prior to the date of this announcement or disclosed at any time to any member of the Wider Mitie Group by or on behalf of any member of the Wider

Marlowe Group prior to the date of this announcement is materially misleading, contains a material misrepresentation of any fact, or omits to state a fact necessary to make that information not misleading, in any such case to a material extent;

- (ii) any member of the Wider Marlowe Group or any partnership, company or other entity in which any member of the Wider Marlowe Group has a significant economic interest and which is not a subsidiary undertaking of Marlowe is, otherwise than in the ordinary course of business, subject to any liability, contingent or otherwise;
- (iii) any past or present member of the Wider Marlowe Group has not complied in any material respect with any applicable legislation, regulations or other requirements of any jurisdiction or any Authorisations relating to the storage, carriage, disposal, discharge, or emission of any waste or hazardous substance or any substance likely to materially impair the environment (including property) or harm human or animal health or otherwise relating to environmental matters or the health and safety of humans, which non-compliance would be likely to give rise to any material liability including any penalty for non-compliance (whether actual or contingent) on the part of any member of the Wider Marlowe Group;
- (iv) there has been a material disposal, discharge, accumulation, emission, or the migration of any waste or hazardous substance or any substance likely to materially impair the environment (including any property) or harm human or animal health (whether or not giving rise to non-compliance with any law or regulation), which would be likely to give rise to any material liability (whether actual or contingent) on the part of any member of the Wider Marlowe Group; or
- (v) there is or is reasonably likely to be any material obligation or liability (whether actual or contingent) or requirement, including circumstances which would be reasonably likely to lead to a Third Party instituting an environment audit which would be reasonably likely to result in such material obligation, liability or requirement, to improve, install new plant or equipment, or make good, remediate, repair, reinstate, or clean up any property, asset or any controlled waters currently or previously owned, occupied, operated, or made use of or controlled by any past or present member of the Wider Marlowe Group (or on its behalf), or in which any such member may have or previously have had or be deemed to have had an interest, or order of any Third Party in any jurisdiction or to contribute to the cost thereof or associated therewith or indemnify any person in relation thereto;

#### ***Anti-corruption***

- (vi) save to the extent Disclosed, Mitie not having discovered that:
  - (i) any member of the Wider Marlowe Group or any person that performs or has performed services for or on behalf of any such company is or has engaged in any activity, practice or conduct which would constitute an offence under the Bribery Act 2010 or any other applicable anti-corruption legislation;
  - (ii) any member of the Wider Marlowe Group is ineligible to be awarded any contract or business under regulation 57 of the Public Contracts Regulations 2015 or regulation 80 of the Utilities Contracts Regulations 2015 (each as amended);
  - (iii) any member of the Wider Marlowe Group has engaged in any transaction which would cause any member of the Wider Mitie Group to be in breach of applicable law or regulation upon completion of the Acquisition, including the economic sanctions of the United States Office of Foreign Assets Control or HM Treasury & Customs, or any government, entity or individual targeted by any of the

economic sanctions of the United Nations, United States or the European Union or any of its member states, save that this will not apply if and to the extent that it is or would be unenforceable by reason of breach of any applicable Blocking Law; or

***No criminal property***

- (iv) any asset of any member of the Wider Marlowe Group constitutes criminal property as defined by section 340(3) of the Proceeds of Crime Act 2002 (but disregarding paragraph (b) of that definition).

**Part B: Certain further terms of the Acquisition**

- 1 Subject to the requirements of the Panel, Mitie and Bidco reserve the right, in their sole discretion, to waive, in whole or in part, all or any of the Conditions set out in Part A of Appendix I above, except Conditions 2.1(i), 2.2(i), and 2.3(i), which cannot be waived. The deadlines in any of Conditions 2.1(ii), 2.2(ii), and 2.3(ii) may be extended to such later date as may be agreed: (a) in writing by Mitie, Bidco and Marlowe; or (b) (in a competitive situation) specified by Mitie and Bidco with the consent of the Panel, and in either case with the approval of the Court, if such approval is required. If any of Conditions 2.1(ii), 2.2(ii), and 2.3(ii) is not satisfied by the relevant deadline specified in the relevant Condition, Mitie will make an announcement by 8.00 a.m. (London time) on the Business Day following such deadline confirming whether it has invoked the relevant Condition, waived the relevant deadlines, or agreed with Marlowe to extend the relevant deadline.
- 2 If Mitie and Bidco are required by the Panel to make an offer for Marlowe Shares under the provisions of Rule 9 of the Takeover Code, Mitie and Bidco may make such alterations to any of the above Conditions and terms of the Acquisition as are necessary to comply with the provisions of that Rule.
- 3 Mitie and Bidco will be under no obligation to waive (if capable of waiver), to determine to be or remain satisfied or to treat as fulfilled any of the Conditions in Part A of Appendix I above by a date earlier than the latest date for the fulfilment of that Condition notwithstanding that the other Conditions of the Acquisition may at such earlier date have been waived or fulfilled and that there are at such earlier date no circumstances indicating that any of such Conditions may not be capable of fulfilment.
- 4 Under Rule 13.5(a) of the Takeover Code and subject to paragraph 5 below, Mitie and Bidco may only invoke a Condition so as to cause the Acquisition not to proceed, to lapse, or to be withdrawn with the consent of the Panel. The Panel will normally only give its consent if the circumstances which give rise to the right to invoke the Condition are of material significance to Mitie and Bidco in the context of the Acquisition. This will be judged by reference to the facts of each case at the time that the relevant circumstances arise.
- 5 Condition 1, Conditions 2.1, 2.2, 2.3 and 3(a) (inclusive) in Part A of Appendix I above and, if applicable, any acceptance condition if the Acquisition is implemented by means of a Takeover Offer, are not subject to Rule 13.5(a) of the Takeover Code.
- 6 Any Condition that is subject to Rule 13.5(a) of the Takeover Code may be waived by Mitie and Bidco.
- 7 The Marlowe Shares acquired under the Acquisition will be acquired 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 and together with all rights now or hereafter attaching or accruing to them, including, without limitation, voting rights and the right to receive and retain in full all dividends and other

distributions (if any) declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made on or after the Effective Date (other than any dividend in respect of which a corresponding reduction in the consideration payable in respect of each Marlowe Share has been made as described in paragraph 8 below).

- 8 If, on or after the date of this announcement and prior to or on the Effective Date, any dividend, distribution or other return of capital is announced, declared, paid or made, or becomes payable by Marlowe, Mitie and Bidco reserve the right (without prejudice to any right Mitie and Bidco may have, with the consent of the Panel, to invoke Condition 3(h)(ii) in Part A of Appendix I above) to reduce the Offer Consideration by an aggregate amount up to the amount of such dividend, distribution, or other return of capital. In such circumstances, Marlowe Shareholders will be entitled to retain any such dividend, distribution, or other return of capital announced, declared, made, or paid.

If on or after the date of this announcement, and to the extent that any such dividend, distribution, or other return of capital has been declared, paid, or made or becomes payable by Marlowe prior to or on the Effective Date and Mitie and Bidco exercise their rights under this paragraph 8 to reduce the Offer Consideration payable under the terms of the Acquisition, any reference in this announcement to the Offer Consideration payable under the terms of the Acquisition will be deemed to be a reference to the Offer Consideration as so reduced.

If and to the extent that such a dividend, distribution, or other return of capital has been declared or announced, but not paid or made, or is not payable by reference to a record date on or prior to the Effective Date and is or will be: (i) transferred pursuant to the Acquisition on a basis which entitles Bidco to receive the dividend, distribution or other return of capital and to retain it; or (ii) cancelled, the Offer Consideration will not be subject to change in accordance with this paragraph 8.

Any exercise by Mitie and Bidco of their rights referred to in this paragraph 8 will be the subject of an announcement and, for the avoidance of doubt, will not be regarded as constituting any revision or variation of the Acquisition.

- 9 Mitie reserves the right to elect (subject to the consent of Marlowe and the Panel) to implement the Acquisition by way of a Takeover Offer for the Marlowe Shares as an alternative to the Scheme.
- 10 The availability of the Acquisition to persons not resident in the United Kingdom may be affected by the laws of the relevant jurisdictions. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements. The New Mitie Shares to be issued pursuant to the Acquisition have not been and will not be registered under the US Securities Act nor under any of the relevant securities laws of any state or territory or other jurisdiction of the United States or any other Restricted Jurisdiction and will not be listed on any stock exchange in the United States. Accordingly, the New Mitie Shares may not be offered, sold or delivered, directly or indirectly, in the United States or any other Restricted Jurisdiction, absent registration or an applicable exemption from, or a transaction not subject to, the registration requirements under the US Securities Act.
- 11 The Acquisition 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 jurisdiction where to do so would violate the laws of that jurisdiction.
- 12 The Acquisition is governed by the law of England and Wales and is subject to the jurisdiction of the English courts and to the Conditions and further terms set out in this Appendix I and to be set out in the

Scheme Document. The Acquisition is subject to the applicable requirements of the Takeover Code, the AIM Rules, the Panel, the London Stock Exchange and the Financial Conduct Authority.

- 13 The New Mitie Shares will be issued credited as fully paid and will rank *pari passu* in all aspects with the existing Mitie Shares in issue at the time including the right to receive and retain in full all dividends and other distributions (if any) announced, declared, made or paid, or any other return of capital (whether by reduction of share capital or share premium account or otherwise) made, in each case by reference to a record date falling on or after the Effective Date.
- 14 Each of the Conditions will be regarded as a separate Condition and will not be limited by reference to any other Condition.

## **APPENDIX II**

### **SOURCES OF INFORMATION AND BASES OF CALCULATION**

- (i) As of 4 June 2025 (being the latest practicable date prior to this announcement), there were 78,522,547 Marlowe Shares in issue and there were no Marlowe Shares held in treasury. The International Securities Identification Number for Marlowe Shares is GB00BD8SLV43.
- (ii) Any references to the issued and to be issued share capital of Marlowe are based on:
  - the 78,552,547 Marlowe Shares referred to in paragraph (i) above; and
  - 172,985 Marlowe Shares, being the maximum number that it is estimated may be issued on or after the date of this announcement to satisfy the exercise of options or vesting of awards pursuant to the Marlowe Share Plans.
- (iii) The value placed by the Acquisition on the existing issued share capital of Marlowe is based on the issued and to be issued share capital of Marlowe (as set out in paragraph (ii) above).
- (iv) The aggregate value of the cash component of the Consideration of approximately £228 million is calculated by multiplying the offered amount of 290 pence in cash per Marlowe Share by Marlowe's issued and to be issued share capital (as referred to in paragraph (ii) above).
- (v) The aggregate value of the share component of the Consideration of approximately £138 million is calculated by multiplying the number of Mitie Shares to be issued under the terms of the Acquisition (as referred to in (viii) below) by the price per Mitie Share of 160 pence (being the Closing Price on 4 June 2025, the last practicable date prior to the date of this Announcement).
- (vi) The value attributed to the entire existing issued share capital of Marlowe of approximately £366 million is the sum of the aggregate value of the cash component and the aggregate value of the share component of the Consideration (as referred to in paragraphs (iv) and (v) above respectively).
- (vii) The percentage of the share capital of the Combined Group that will be owned by Marlowe Shareholders of approximately 6.4 per cent. is calculated by dividing the number of New Mitie Shares to be issued under the terms of the Acquisition referred to in paragraph (viii) below by the issued share capital of the Enlarged Group (as set out in paragraph (viii) below) and multiplying the resulting sum by 100 to produce a percentage.
- (viii) The share capital of the Enlarged Group (being 1,342,881,253 Mitie Shares) has been calculated as the sum of:
  - A total number of 1,256,316,168 Mitie shares, being the number of Mitie shares in issue (excluding 5,224,772 Mitie Shares held in treasury) as at the close of business on 4 June 2025, the last practicable date prior to the date of this announcement; and
  - 86,565,085 New Mitie Shares which would be issued under the terms of the Acquisition (being 1.1 Mitie shares multiplied by the issued and to be issued ordinary share capital of Marlowe as referred to in paragraph (ii) above).
- (ix) The volume weighed average prices of a Marlowe Share are derived from data provided by Bloomberg and refer to trading on London Stock Exchange only.
- (x) For the purposes of the financial comparisons contained in this Announcement, no account has been taken of any liability to taxation or the treatment of fractions under the Acquisition.
- (xi) The leverage ratio is calculated as average daily net debt divided by EBITDA before other items, as defined in the Mitie Annual Report and Accounts 2024.
- (xii) Earnings per share figures are stated before other items, as defined in the Mitie Annual Report and Accounts 2024.

- (xiii) Return on invested capital is calculated as operating profit before other items and after tax divided by invested capital, as defined in the Mitie Annual Report and Accounts 2024.
- (xiv) The synergy numbers are unaudited and are based on Mitie's and Marlowe's internal financial and non-financial information and records. Further information underlying the Mitie Quantified Financial Benefits Statement contained in this Announcement is provided in Appendix III.
- (xv) Unless otherwise stated all prices and closing prices for Marlowe Shares and Mitie Shares are closing middle market quotations derived from the AIM appendix to the Daily Official List and Daily Official List, respectively.
- (xvi) Unless otherwise stated, the financial information relating to Marlowe is extracted from the unaudited Marlowe FY25 Trading Update.
- (xvii) Unless otherwise stated, the financial information relating to Mitie is extracted from the Mitie FY25 Results.
- (xviii) Certain figures included in this Announcement have been subject to rounding adjustments.

## APPENDIX III

### STATEMENT ON QUANTIFIED FINANCIAL BENEFITS

#### PART A – QUANTIFIED FINANCIAL BENEFITS STATEMENT

Mitie has made the following quantified financial benefits statement in paragraph 4 of the announcement (the “**Quantified Financial Benefits Statement**”):

“The Mitie Directors, having reviewed and analysed the potential cost synergies of the Acquisition, based on their knowledge of Marlowe’s business and the UK TIC market, and taking into account the factors they can influence, believe that the Enlarged Group can deliver £30 million of pre-tax recurring operating cost synergies in the second full financial year following Completion (being FY28).

Mitie intends to approach integration of the two businesses with the aim of retaining and motivating talent from across the Enlarged Group and combining the strengths of both teams to create a best-in-class organisation. The integration of the businesses will involve combining the Marlowe business and group functions into the Mitie Business Services division.

The quantified operating cost synergies are expected to be realised primarily from:

- (i) *Support Functions*: approximately 55 per cent. of the total annual recurring pre-tax cost synergies are expected to arise primarily from the removal of duplicative corporate, head office, administrative, support and other central management functions;
- (ii) *Procurement*: approximately 20 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through leveraging enhanced economies of scale and spend across key materials, consumables and other third-party costs;
- (iii) *Operational effectiveness*: approximately 15 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through the adoption of Mitie’s operating model and service delivery effectiveness to Marlowe’s operations as well as improved route density within the enlarged operations; and
- (iv) *Property*: approximately 10 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through the rationalisation of property.

The Mitie Directors expect that approximately 50 per cent. of the annual pre-tax operating cost synergies will be realised in the first full financial year following Completion (being FY27). All actions required to deliver the synergies are expected to be completed at the end of FY27, such that £30m of synergies will be achieved in the second full financial year following Completion (being FY28).

The Mitie Directors estimate that the realisation of the quantified cost synergies will result in one-off costs of approximately £27 million. Aside from these one-off integration costs, no material dis-synergies are expected in connection with the Acquisition.

The identified cost synergies will accrue as a direct result of the Acquisition and would not be achieved on a standalone basis.”

Further information on the bases of belief supporting the Quantified Financial Benefits Statement, including the principal assumptions and sources of information, is set out below.

#### **Bases of calculation of the Quantified Financial Benefits Statement**

Following initial discussions regarding the Acquisition in May 2025, a synergy development team was established to evaluate and assess the potential synergies available from the Acquisition and the integration and to undertake a preliminary planning exercise.

The team, which comprises senior Mitie commercial and financial personnel, has worked to identify, challenge and quantify potential synergies as well as estimate any associated costs to achieve such synergies. The team has engaged with the relevant functional heads and other personnel within the Mitie Group to provide input into the development process and to test synergy assumptions and to agree on the nature and quantum of the identified synergy initiatives.

In preparing the Quantified Financial Benefits Statement, Marlowe has provided Mitie with certain operating and financial information to facilitate a detailed analysis in support of evaluating the potential synergies available from the Acquisition. As is typical of these exercises, confidentiality considerations have limited the extent of the sharing of data and information.

Cost saving assumptions were based on a combination of: (i) top-down consideration of operating models and key performance indicators; and (ii) a detailed, bottom-up evaluation of the benefits available from elimination of duplicate activities, the leverage of combined scale economics, increased operational efficiencies and savings arising from the consolidation of properties, procurement and other operational activities. In determining the estimate of costs savings achievable through the combination of Mitie and Marlowe, no savings relating to operations have been included where no overlap exists.

Where appropriate, assumptions were used to estimate the costs of implementing the new structures, systems and processes required to realise the synergies.

In general, the synergy assumptions have been risk adjusted, exercising a degree of prudence in the calculation of the estimated synergy benefits set out above.

In arriving at the estimate of synergies and their timing set out in this announcement, the Mitie Board has assumed:

- the Effective Date falling within the third quarter of 2025 and that there will be no outstanding Initial Enforcement Order issued by the CMA requiring the Mitie and the Marlowe businesses to continue to operate independently pending the conclusion of any engagement with the CMA with respect to the Acquisition;
- regarding headcount-related savings, no restrictions or delays will arise as a result of industrial relations or employment agreements that significantly impact the realisation of savings;
- that there will be no significant impact on the underlying operations of either Mitie's or Marlowe's business as a result of the Acquisition;
- there will be no material adverse changes to existing relationships with third parties such as customers, suppliers, and other key stakeholders;
- no material acquisitions or disposals will be made by either Mitie or Marlowe;
- no material changes on either Mitie or Marlowe's respective businesses as a result of legislative, regulatory or taxation matters;
- no material change to macroeconomic, political or legal conditions in the markets or regions in which Mitie and Marlowe operate that will materially impact on the implementation of the proposed cost savings; and
- no material change in accounting standards applied by either business.

The baselines used for the quantified cost synergies were:

- For Mitie: Mitie's Business Services division operating expenses for the financial year ended 31 March 2025 based on the Mitie FY25 Results; and

- For Marlowe: Marlowe's operating expenses for continuing operations for the financial year ended 31 March 2025 based on the Marlowe FY25 Trading Update.

### **Important Notes**

1. The statements of estimated cost savings and synergies relate to future actions and circumstances which, by their nature, involve risks, uncertainties and contingencies. As a result, the cost savings and synergies referred to may not be achieved, or those achieved could be materially different from those estimated. No statement in the Quantified Financial Benefits Statement, or this announcement generally, should be construed as a profit forecast or interpreted to mean that Mitie's earnings in the full first full year following the Acquisition, or in any subsequent period, would necessarily match or be greater than or be less than those of Mitie and/or Marlowe for the relevant preceding financial period or any other period.
2. Due to the scale of the Enlarged Group, there may be additional changes to the Enlarged Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost savings may be materially greater or less than those estimated.

### **Reports**

As required by Rule 28.1(a) of the Takeover Code, PwC, as reporting accountants to Mitie, has provided a report stating that, in its opinion, the Quantified Financial Benefits Statement has been properly compiled on the basis stated. In addition, Lazard as financial adviser to Mitie, has provided a report stating that, in their view, the Quantified Financial Benefits Statement has been prepared with due care and consideration.

Copies of these reports are included in this Appendix III. Each of PwC and Lazard has given and not withdrawn its consent to the publication of its report in this announcement in the form and context in which it is included pursuant to Rule 23.2 of the Takeover Code.

## PART B

### REPORT FROM PRICEWATERHOUSECOOPERS ON QUANTIFIED FINANCIAL BENEFITS STATEMENTS

The Directors (the “**Directors**”)

Mitie Group plc  
35 Duchess Road  
Rutherglen  
Glasgow  
G73 1AU

Lazard & Co. Limited (solely in its capacity as a “**Financial Adviser**”)

20 Manchester Square  
London  
England  
W1U 3PZ

5 June 2025

Dear Ladies and Gentlemen,

#### **Report on the Quantified Financial Benefits Statement by Mitie Group plc (the “Company”)**

We report on the quantified financial benefits statement (the “**Statement**”) by the Directors included in Part A of Appendix III of the announcement dated 5 June 2025 (the “**Announcement**”) to the effect that:

“The Mitie Directors, having reviewed and analysed the potential cost synergies of the Acquisition, based on their knowledge of Marlowe’s business and the UK TIC market, and taking into account the factors they can influence, believe that the Enlarged Group can deliver £30 million of pre-tax recurring operating cost synergies in the second full financial year following Completion (being FY28).

Mitie intends to approach integration of the two businesses with the aim of retaining and motivating talent from across the Enlarged Group and combining the strengths of both teams to create a best-in-class organisation. The integration of the businesses will involve combining the Marlowe business and group functions into the Mitie Business Services division.

The quantified operating cost synergies are expected to be realised primarily from:

- (i) *Support Functions*: approximately 55 per cent. of the total annual recurring pre-tax cost synergies are expected to arise primarily from the removal of duplicative corporate, head office, administrative, support and other central management functions;
- (ii) *Procurement*: approximately 20 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through leveraging enhanced economies of scale and spend across key materials, consumables and other third-party costs;
- (iii) *Operational effectiveness*: approximately 15 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through the adoption of Mitie’s operating model and service delivery effectiveness to Marlowe’s operations as well as improved route density within the enlarged operations; and
- (iv) *Property*: approximately 10 per cent. of the total annual recurring pre-tax cost synergies are expected to be generated through the rationalisation of property.

The Mitie Directors expect that approximately 50 per cent. of the annual pre-tax operating cost synergies will be realised in the first full financial year following Completion (being FY27). All actions required to deliver the

synergies are expected to be completed at the end of FY27, such that £30m of synergies will be achieved in the second full financial year following Completion (being FY28).

The Mitie Directors estimate that the realisation of the quantified cost synergies will result in one-off costs of approximately £27 million. Aside from these one-off integration costs, no material dis-synergies are expected in connection with the Acquisition.

The identified cost synergies will accrue as a direct result of the Acquisition and would not be achieved on a standalone basis.”

This report is required by Rule 28.1(a)(i) of the City Code on Takeovers and Mergers (the “**Takeover Code**”) and is given for the purpose of complying with that requirement and for no other purpose.

## **Opinion**

In our opinion, the Statement has been properly compiled on the basis stated.

The Statement has been made in the context of the disclosures in Part A of Appendix III to the Announcement setting out the basis of the Directors’ belief (including the principal assumptions and sources of information) supporting the Statement and their analysis and explanation of the underlying constituent elements.

## **Responsibilities**

It is the responsibility of the Directors to prepare the Statement in accordance with the requirements of Rule 28 of the Takeover Code.

It is our responsibility to form our opinion, as required by Rule 28.1(a)(i) of the Takeover Code, as to whether the Statement has been properly compiled on the basis stated and to report that opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed or to the shareholders of the Company as a result of the inclusion of this report in the Announcement, and for any responsibility arising under Rule 28.1(a)(i) of the Takeover Code to any person as and to the extent therein provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Rule 23.2 of the Takeover Code, consenting to its inclusion in the Announcement.

## **Basis of preparation of the Statement**

The Statement has been prepared on the basis stated in Part A of Appendix III to the Announcement.

## **Basis of opinion**

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“**FRC**”) in the United Kingdom. We are independent in accordance with the Revised Ethical Standard 2024 issued by the FRC as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We have discussed the Statement, together with the underlying plans (relevant bases of belief/including sources of information and assumptions), with the Directors and the Financial Adviser. Our work did not involve any independent examination of any of the financial or other information underlying the Statement.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Statement has been properly compiled on the basis stated.

We do not express any opinion as to the achievability of the benefits identified by the Directors in the Statement.

Since the Statement and the assumptions on which it is based relate to the future and may therefore be affected by unforeseen events, we express no opinion as to whether the actual benefits achieved will correspond to those anticipated in the Statement and the differences may be material.

Yours faithfully

**PRICEWATERHOUSECOOPERS LLP**

Chartered Accountants

*PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment businesses.*

**PART C**  
**REPORT FROM LAZARD & CO. LIMITED ON QUANTIFIED FINANCIAL BENEFITS  
STATEMENT**

The Directors (the “**Directors**”)  
Mitie Group plc  
35 Duchess Road  
Rutherglen  
Glasgow  
G73 1AU

5 June 2025

To whom it may concern

**Recommended Cash and Share Offer for Marlowe by Mitie – Quantified Financial Benefits Statement made by Mitie**

We refer to the Quantified Financial Benefits Statement, the bases of belief thereof and the notes thereto (together, the “**Statement**”) made by Mitie as set out in Part A of Appendix III to this announcement, for which the Directors are solely responsible under Rule 28 of the City Code on Takeovers and Mergers (the “**Takeover Code**”).

We have discussed the Statement (including the assumptions and sources of information referred to therein) with the Directors and those officers and employees of Mitie who developed the underlying plans, as well as with PricewaterhouseCoopers LLP. The Statement is subject to uncertainty as described in this announcement and our work did not involve an independent examination of any of the financial or other information underlying the Statement.

We have relied upon the accuracy and completeness of all the financial and other information provided to us by, or on behalf of, Mitie, or otherwise discussed with or reviewed by us, and we have assumed such accuracy and completeness for the purposes of providing this letter.

We do not express any opinion as to the achievability of the quantified financial benefits identified by the Directors.

We have also reviewed the work carried out by PricewaterhouseCoopers LLP and have discussed with them the opinion set out in Part B of Appendix III to this announcement addressed to yourselves and ourselves on this matter.

This letter is provided to you solely in connection with Rule 28.1(a)(ii) of the Takeover Code and for no other purpose. We accept no responsibility to Mitie or its shareholders or any person other than the Directors in respect of the contents of this letter. We are acting as financial adviser to Mitie and no one else in connection with the transaction referred to in this announcement and it was solely for the purpose of complying with Rule 28.1(a)(ii) of the Takeover Code that Mitie requested us to prepare this report on the Statement. No person other than the Directors can rely on the contents of this letter, and to the fullest extent permitted by law, we exclude all liability (whether in contract, tort or otherwise) to any other person, in respect of this letter, its contents, or the work undertaken in connection with this letter, or any of the results or conclusions that can be derived from this letter or any written or oral information provided in connection with this letter, and any such liability is expressly disclaimed except to the extent that such liability cannot be excluded by law.

On the basis of the foregoing, we consider that the Statement, for which you as the Directors are solely responsible, has been prepared with due care and consideration.

Yours faithfully

**Lazard & Co. Limited**

## **APPENDIX IV DEFINITIONS**

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

|                                  |                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Acquisition</b>               | the recommended acquisition by Bidco, a wholly owned subsidiary of Mitie, of the entire issued and to be issued ordinary share capital of Marlowe on the terms and subject to the conditions set out in this announcement intended to be effected by means of the Scheme and, where the context admits, any subsequent revision, variation, extension or renewal thereof                |
| <b>Admission</b>                 | admission of the New Mitie Shares to the Equity Shares (Commercial Companies) category of the Official List and to trading on the Main Market                                                                                                                                                                                                                                           |
| <b>AIM</b>                       | AIM market, a market operated by the London Stock Exchange                                                                                                                                                                                                                                                                                                                              |
| <b>AIM Rules</b>                 | AIM Rules for Companies as published by the London Stock Exchange                                                                                                                                                                                                                                                                                                                       |
| <b>Authorisations</b>            | regulatory authorisations, orders, recognitions, grants, consents, clearances, confirmations, certificates, licences, permissions, determinations, exemptions or approvals                                                                                                                                                                                                              |
| <b>Bidco</b>                     | Mitie Treasury Management Limited                                                                                                                                                                                                                                                                                                                                                       |
| <b>Blocking Law</b>              | means: (i) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996 (or any law or regulation implementing such Regulation in any member state of the European Union); or (ii) any provision of Council Regulation (EC) No 2271/1996 of 22 November 1996, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 |
| <b>Bridge Facility Agreement</b> | the pound sterling bridge facility agreement dated 5 June 2025 between, among others, Bidco as company and original borrower, Mitie as guarantor, and Lloyds Bank PLC and National Westminster Bank PLC as mandated lead arrangers and original lenders, to provide, among other things, the funding for the cash consideration in respect of the Acquisition                           |
| <b>Business Day</b>              | a day (other than Saturdays, Sundays and public holidays in the UK) on which banks are open for business in London                                                                                                                                                                                                                                                                      |
| <b>Cavendish</b>                 | Cavendish Capital Markets Limited                                                                                                                                                                                                                                                                                                                                                       |
| <b>Clean Team Agreement</b>      | the clean team agreement dated 19 May 2025 between Mitie and Marlowe, as described in paragraph 14 of this announcement                                                                                                                                                                                                                                                                 |
| <b>CMA</b>                       | the UK Competition and Markets Authority                                                                                                                                                                                                                                                                                                                                                |

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Companies Act</b>                               | the Companies Act 2006, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Conditions</b>                                  | the conditions to the implementation of the Acquisition, as set out in Appendix I to this announcement and to be set out in the Scheme Document                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Confidentiality Agreement</b>                   | the confidentiality agreement dated 8 May 2025 between Mitie and Marlowe, as described in paragraph 14 of this announcement                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Confidentiality and Joint Defense Agreement</b> | the confidentiality and joint defense agreement dated 20 May 2025 between Mitie, Marlowe and their respective legal advisers, as described in paragraph 14 of this announcement                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Co-operation Agreement</b>                      | the agreement dated 5 June 2025 between Mitie, Bidco and Marlowe relating to, among other things, the implementation of the Acquisition, as described in paragraph 14 of this announcement                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Court</b>                                       | the High Court of Justice in England and Wales                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Court Hearing</b>                               | the hearing by the Court of the application to sanction the Scheme under Part 26 of the Companies Act                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Court Meeting</b>                               | the meeting of Marlowe Shareholders to be convened pursuant to an order of the Court under the Companies Act for the purpose of considering and, if thought fit, approving the Scheme (with or without amendment approved or imposed by the Court and to be agreed between Mitie, Bidco and Marlowe), including any adjournment, postponement or reconvening of any such meeting, notice of which is to be contained in the Scheme Document                                                                                                                                                             |
| <b>Court Order</b>                                 | the order of the Court sanctioning the Scheme                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>CREST</b>                                       | the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Daily Official List</b>                         | the Daily Official List published by the London Stock Exchange                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Dealing Arrangement</b>                         | an arrangement of the kind referred to in Note 11(a) on the definition of acting in concert in the Takeover Code                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Dealing Disclosure</b>                          | has the same meaning as in Rule 8 of the Takeover Code                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Disclosed</b>                                   | the information disclosed by, or on behalf of Marlowe: (i) in the annual or half-year report and accounts of the Marlowe Group for the relevant financial period or periods referred to in the relevant Condition and published prior to the date of this announcement; (ii) the interim results of the Marlowe Group for the period or periods referred to in the relevant Condition and published prior to the date of this announcement; (iii) in this announcement; (iv) in any other announcement to a Regulatory Information Service by, or on behalf of Marlowe prior to the publication of this |

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|                                           | announcement; or (v) as otherwise fairly disclosed to Mitie (or its respective officers, employees, agents or advisers) prior to the date of this announcement (including without limitation via the virtual data room operated by or on behalf of Marlowe in connection with the Acquisition, in due diligence sessions with Marlowe Directors or employees of the Wider Marlowe Group and any written replies and correspondence in connection therewith) |
| <b>Effective</b>                          | the Scheme having become effective pursuant to its terms;                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Effective Date or Completion</b>       | the date on which the Scheme becomes effective in accordance with its terms                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Enlarged Group</b>                     | the Mitie Group as enlarged by the Marlowe Group following completion of the Acquisition                                                                                                                                                                                                                                                                                                                                                                    |
| <b>EPS</b>                                | earnings per share                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Euroclear</b>                          | Euroclear UK & Ireland International Limited                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>FCA or Financial Conduct Authority</b> | the Financial Conduct Authority acting in its capacity as the competent authority for the purposes of Part VI of FSMA                                                                                                                                                                                                                                                                                                                                       |
| <b>FM</b>                                 | facilities management                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Fire Division LTIP</b>                 | the contractual arrangements comprising the Fire Division LTIP Awards                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Fire Division LTIP Awards</b>          | the right to a cash bonus granted under the Fire Division LTIP                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Forms of Election</b>                  | the form or forms of election for use in connection with the Mix and Match Facility                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Forms of Proxy</b>                     | the forms of proxy in connection with each of the Court Meeting and the General Meeting, which will accompany the Scheme Document                                                                                                                                                                                                                                                                                                                           |
| <b>FSMA</b>                               | the Financial Services and Markets Act 2000 (as amended from time to time)                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>FY25</b>                               | Mitie's financial year ending 31 March 2025                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>FY26</b>                               | Mitie's financial year ending 31 March 2026                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>FY27</b>                               | Mitie's financial year ending 31 March 2027                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>FY28</b>                               | Mitie's financial year ending 31 March 2028                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>General Meeting</b>                    | the general meeting of Marlowe Shareholders (including any adjournment thereof) to be convened in connection with the Scheme                                                                                                                                                                                                                                                                                                                                |
| <b>GRC</b>                                | governance, risk and compliance                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>IFRS</b>                               | International Financial Reporting Standards as adopted by the UK                                                                                                                                                                                                                                                                                                                                                                                            |

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| <b>Irish Foreign Direct Investment Condition</b> | has the meaning given in Condition 3(c)                                                                                                                                                                                                         |
| <b>London Stock Exchange</b>                     | London Stock Exchange plc                                                                                                                                                                                                                       |
| <b>Long-stop Date</b>                            | 31 December 2025, or such later date as may be agreed in writing by Mitie, Bidco and Marlowe (with the Panel's consent and as the Court may approve (if such approval(s) are required))                                                         |
| <b>Main Market</b>                               | the Main Market of the London Stock Exchange                                                                                                                                                                                                    |
| <b>Marlowe</b>                                   | Marlowe plc                                                                                                                                                                                                                                     |
| <b>Marlowe Directors</b>                         | the directors of Marlowe at the time of this announcement or, where the context so requires, the directors of Marlowe from time to time                                                                                                         |
| <b>Marlowe FY25 Trading Update</b>               | has the meaning given in paragraph 10.2                                                                                                                                                                                                         |
| <b>Marlowe Group</b>                             | Marlowe and its subsidiary undertakings and, where the context permits, each of them                                                                                                                                                            |
| <b>Marlowe Incentive Plan</b>                    | the Marlowe incentive plan adopted on 17 October 2024 under which RSP awards, bonus awards or deferred bonus awards can be made to certain eligible employees                                                                                   |
| <b>Marlowe Incentive Plans</b>                   | the Marlowe Share Plans, the Fire Division LTIP and the Phantom Award Scheme                                                                                                                                                                    |
| <b>Marlowe Shareholders</b>                      | the holders of Marlowe Shares                                                                                                                                                                                                                   |
| <b>Marlowe Shares</b>                            | the existing unconditionally allotted or issued and fully paid ordinary shares of 50 pence each in the capital of Marlowe and any further such ordinary shares which are unconditionally allotted or issued before the Scheme becomes Effective |
| <b>Marlowe Share Plans</b>                       | the Marlowe Incentive Plan and the Save As You Earn Plan                                                                                                                                                                                        |
| <b>Minister</b>                                  | the Minister for Enterprise, Trade and Employment (including any successor in relation to its trade responsibilities)                                                                                                                           |
| <b>Mitie</b>                                     | Mitie Group plc                                                                                                                                                                                                                                 |
| <b>Mitie Directors</b>                           | the directors of Mitie at the time of this announcement or, where the context so requires, the directors of Mitie from time to time                                                                                                             |
| <b>Mitie Dividend Policy</b>                     | the dividend policy set out in Mitie's annual reports and accounts for the year ended 31 March 2024                                                                                                                                             |
| <b>Mitie's Financial Adviser</b>                 | Lazard & Co. Limited                                                                                                                                                                                                                            |
| <b>Mitie FY25 Results</b>                        | has the meaning given in paragraph 10.1                                                                                                                                                                                                         |
| <b>Mitie FY26 Interim Dividend</b>               | the interim dividend to be paid by Mitie in respect of its financial half-year ending 30 September 2025                                                                                                                                         |
| <b>Mitie FY27 Profit Forecast</b>                | has the meaning given in paragraph 10.1                                                                                                                                                                                                         |

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| <b>Mitie Group</b>                             | Mitie and its subsidiary undertakings and, where the context permits, each of them                                                                                                                                                                                                             |
| <b>Mitie Shareholders</b>                      | the holders of Mitie Shares                                                                                                                                                                                                                                                                    |
| <b>Mitie Shares</b>                            | the allotted and issued ordinary shares of 2.5 pence each in the capital of Mitie                                                                                                                                                                                                              |
| <b>Mitie Three-Year Plan</b>                   | Mitie's financial outlook for FY25 to FY27 first published by Mitie on 12 October 2023                                                                                                                                                                                                         |
| <b>Mix and Match Facility</b>                  | the facility under which Marlowe Shareholders are entitled to elect to vary the proportions in which they receive New Mitie Shares and in which they receive cash in respect of their holdings of Marlowe Shares to the extent that other such Marlowe Shareholders make off-setting elections |
| <b>New Mitie Shares</b>                        | the new Mitie Shares proposed to be issued to Marlowe Shareholders in connection with the Acquisition                                                                                                                                                                                          |
| <b>NSI Act</b>                                 | the National Security and Investment Act 2021                                                                                                                                                                                                                                                  |
| <b>Offer Consideration</b>                     | 290 pence in cash and 1.1 New Mitie Share for each Marlowe Share                                                                                                                                                                                                                               |
| <b>Offer Period</b>                            | the offer period (as defined by the Takeover Code) relating to Marlowe, which commenced on the date of this announcement                                                                                                                                                                       |
| <b>Official List</b>                           | the Official List maintained by the FCA pursuant to Part 6 of FSMA                                                                                                                                                                                                                             |
| <b>Opening Position Disclosure</b>             | has the same meaning as in Rule 8 of the Takeover Code                                                                                                                                                                                                                                         |
| <b>Overseas Shareholders</b>                   | Marlowe Shareholders (or nominees of, or custodians or trustees for Marlowe Shareholders) not resident in, or nationals or citizens of the United Kingdom                                                                                                                                      |
| <b>Panel</b>                                   | the Panel on Takeovers and Mergers                                                                                                                                                                                                                                                             |
| <b>Phantom Awards</b>                          | cash awards over notional Marlowe Shares under the Phantom Award Scheme                                                                                                                                                                                                                        |
| <b>Phantom Award Scheme</b>                    | the contractual arrangements comprising the Phantom Awards                                                                                                                                                                                                                                     |
| <b>PwC</b>                                     | PricewaterhouseCoopers LLP                                                                                                                                                                                                                                                                     |
| <b>Quantified Financial Benefits Statement</b> | the statement of estimated cost savings and synergies arising out of the Acquisition set out in Appendix III to this announcement                                                                                                                                                              |
| <b>Registrar of Companies</b>                  | the Registrar of Companies in England and Wales                                                                                                                                                                                                                                                |
| <b>Regulatory Information Service</b>          | an information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements                                                                                                                                                                       |
| <b>Restricted Jurisdiction</b>                 | any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if                                                                                                                                                                 |

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|                                       | information concerning the Acquisition is sent or made available to Marlowe Shareholders                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Restricted Overseas Person</b>     | Marlowe Shareholders resident in, or nationals or citizens of, Restricted Jurisdictions or who are nominees or custodians, trustees or guardians for, citizens, residents or nationals of such Restricted Jurisdictions                                                                                                                                                                                                                                                                                         |
| <b>ROIC</b>                           | return on invested capital                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Save As You Earn Plan</b>          | the Marlowe Save as You Earn Plan 2022 adopted on 2 August 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Scheme or Scheme Arrangement</b>   | the proposed scheme of arrangement under Part 26 of the Companies Act between Marlowe and the Marlowe Shareholders in connection with the Acquisition, with or subject to any modification, addition or condition approved or imposed by the Court and agreed by Marlowe, Mitie and Bidco                                                                                                                                                                                                                       |
| <b>Scheme Document</b>                | the document to be sent to Marlowe Shareholders containing, amongst other things, the Scheme and the notices convening the Court Meeting and the General Meeting                                                                                                                                                                                                                                                                                                                                                |
| <b>Screening Act</b>                  | the Screening of Third Country Transactions Act 2023                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>SEC</b>                            | the US Securities and Exchange Commission                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Significant Interest</b>           | in relation to an undertaking, a direct or indirect interest of 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) of such undertaking                                                                                                                                                                                                                                                                                      |
| <b>SMEs</b>                           | small and medium-sized enterprises                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Takeover Code</b>                  | the City Code on Takeovers and Mergers                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Takeover Offer</b>                 | if (subject to the consent of Marlowe and the Panel), Bidco elects to effect the Acquisition by way of a takeover offer (as defined in Chapter 3 of Part 28 of the Companies Act), the offer to be made by or on behalf of Bidco to acquire the entire issued and to be issued ordinary share capital of Marlowe on the terms and subject to the conditions to be set out in the related offer document (and, where the context admits, any subsequent revision, variation, extension or renewal of such offer) |
| <b>TIC</b>                            | testing, inspection and certification                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>United Kingdom or UK</b>           | the United Kingdom of Great Britain and Northern Ireland                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>UK National Security Condition</b> | has the meaning given in Condition 3(b)                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>United States or US</b>            | the United States of America, its territories and possessions, any state of the United States of America, the District of Columbia and all other areas subject to its jurisdiction and any political sub-division thereof                                                                                                                                                                                                                                                                                       |

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| <b>US Exchange Act</b>                         | the United States Securities Exchange Act 1934, as amended                                                                                                                                              |
| <b>Wider Mitie Group</b>                       | Mitie and associated undertakings and any other body corporate, partnership, joint venture or person in which Mitie and all such undertakings (aggregating their interests) have a Significant Interest |
| <b>Wider Marlowe Group</b>                     | Marlowe and associated undertakings and any other body corporate, partnership, joint venture or person in which Marlowe and such undertakings (aggregating their interests) have a Significant Interest |
| <b>Quantified Financial Benefits Statement</b> | has the meaning given in Part A of Appendix III to this Announcement                                                                                                                                    |

For the purposes of this announcement:

1. The terms “**subsidiary**”, “**subsidiary undertaking**”, “**undertaking**” and “**associated undertaking**” have the respective meanings given thereto by the Companies Act.
2. All references to “**pounds**”, “**pounds Sterling**”, “**Sterling**”, “**£**”, “**pence**”, “**penny**” and “**p**” are to the lawful currency of the United Kingdom.
3. All the times referred to in this announcement are London times unless otherwise stated.
4. References to the singular include the plural and vice versa.