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FOR IMMEDIATE RELEASE

28 April 2021

RECOMMENDED CASH ACQUISITION

of

Arrow Global Group plc

by

Sherwood Acquisitions Limited

**(a newly formed company owned by
investment funds managed by TDR Capital LLP)**

Publication of Scheme Document and Notice regarding AGM resolutions

On 31 March 2021, the boards of Arrow Global Group plc (the “**Company**” or “**Arrow**”) and Sherwood Acquisitions Limited (“**Bidco**”) announced that they had reached agreement on the terms of a recommended acquisition pursuant to which Bidco will acquire the entire issued and to be issued share capital of Arrow (the “**Acquisition**”), to be effected by means of a Court-sanctioned scheme of arrangement under Part 26 of the Companies Act (the “**Scheme**”).

Publication of the Scheme Document

Arrow and Bidco are pleased to announce that a circular in relation to the Scheme (the “**Scheme Document**”), setting out, among other things, a letter from the Chairman of Arrow, the full terms and conditions of the Scheme, a statutory explanatory statement, an expected timetable of principal events, notices of the Court Meeting and the General Meeting and details of the actions to be taken by Arrow Shareholders has been published today on Arrow’s website at https://www.arrowglobal.net/en/investors/Offer_for_the_Company/.html and on Bidco’s website at <https://www.tdrcapital.com/arrowglobal-offer>.

Hard copies of the Scheme Document (or, depending on the Arrow Shareholders’ communication preferences, a letter or email giving details of the website where the Scheme Document may be accessed) and Forms of Proxy for the Court Meeting and the General Meeting are being sent to Arrow Shareholders.

A copy of the Scheme Document will shortly be submitted to the National Storage Mechanism and will be available for inspection at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Capitalised terms used in this announcement (the “**Announcement**”) shall, unless otherwise defined, have the same meanings as set out in the Scheme Document. All references to times in this Announcement are to London, United Kingdom times unless stated otherwise.

Action required

As further detailed in the Scheme Document, in order to become effective, the Scheme will require, among other things, that the requisite majority of: (i) eligible Scheme Shareholders vote in favour of the Scheme at the Court Meeting; and (ii) eligible Arrow Shareholders vote in favour of the Special Resolution at the

General Meeting. The Scheme must also be sanctioned by the Court. The Scheme is also subject to the satisfaction or (if capable of waiver) waiver of the other Conditions and further terms, as described more fully in the Scheme Document.

Notices convening the Court Meeting and the General Meeting to be held at 2nd Floor, 6 Duke Street, St James's, London, SW1Y 6BN, United Kingdom at 11:00 a.m. and 11:15 a.m. (or immediately after the conclusion or adjournment of the Court Meeting) on 21 May 2021 respectively, are set out in the Scheme Document.

In light of the measures currently implemented by the UK Government in order to address the ongoing COVID-19 pandemic (which, at the time of this Announcement, include a prohibition on public gatherings save in certain limited circumstances), Scheme Shareholders and Arrow Shareholders are regrettably asked not to attend the Court Meeting and/or the General Meeting in person. Scheme Shareholders and Arrow Shareholders can remotely attend, submit written questions and vote at the Court Meeting and/or the General Meeting via the Virtual Meeting Platform, further details of which are set out in the Scheme Document. Arrow Shareholders may also submit written questions in advance of the Meetings by email to ir@arrowglobal.net. Emails must be received no less than 48 hours before the start of the Meetings.

Scheme Shareholders and Arrow Shareholders are strongly encouraged to lodge proxy appointments and instructions for the Court Meeting and the General Meeting as soon as possible, using any of the methods (by post, online, by email or electronically through CREST) set out in the Scheme Document. Scheme Shareholders and Arrow Shareholders are also strongly encouraged to appoint "the Chair of the meeting" as their proxy. If any other person is appointed as proxy, he or she may not be permitted to attend the relevant Meeting in person, but will be able to attend, submit written questions and/or any objections and vote at the relevant Meeting remotely via the Virtual Meeting Platform, as described in the opening pages of the Scheme Document and the Virtual Meeting Guide.

It is important that, for the Court Meeting in particular, as many votes as possible are cast so that the Court may be satisfied that there is a fair representation of opinion of Scheme Shareholders. Whether or not Arrow Shareholders intend to remotely attend and/or vote at the General Meeting, Scheme Shareholders are therefore strongly urged to submit their proxy appointment for the Court Meeting as soon as possible by post, online, by email or electronically through CREST.

The Arrow Directors, who have been so advised by Goldman Sachs, J.P. Morgan Cazenove and Numis as to the financial terms of the Cash Offer, consider the terms of the Cash Offer to be fair and reasonable. In providing their advice, Goldman Sachs, J.P. Morgan Cazenove and Numis have taken into account the commercial assessments of the Arrow Directors. Numis is providing independent financial advice to the Arrow Directors for the purposes of Rule 3 of the Takeover Code.

Goldman Sachs, J.P. Morgan Cazenove and Numis are unable to advise the Arrow Directors whether or not the financial terms of the Alternative Offer are fair and reasonable. This is because of the significant and variable impact of the disadvantages and advantages of the Alternative Offer for individual Arrow Shareholders. Accordingly, the Arrow Directors cannot form an opinion as to whether or not the terms of the Alternative Offer are fair and reasonable and are not making any recommendation to Arrow Shareholders as to whether or not they should elect for the Alternative Offer.

The Arrow Directors consider that the terms of the Acquisition are in the best interests of the Arrow Shareholders as a whole. Accordingly, the Arrow Directors unanimously recommend that Scheme Shareholders vote in favour of the Scheme at the Court Meeting and that Arrow Shareholders vote in favour of the Special Resolution to be proposed at the General Meeting, as the Arrow Directors who hold Arrow Shares have irrevocably undertaken to do in respect of their own beneficial holdings of Arrow Shares which are under their control.

Arrow Shareholders should carefully read the Scheme Document in its entirety before making a decision with respect to the Scheme.

Timetable

The Scheme Document contains an expected timetable of principal events in relation to the Scheme, which is also set out in the Appendix to this Announcement. The Scheme remains conditional on the approval of the requisite majority of eligible Scheme Shareholders at the Court Meeting, the requisite majority of eligible Arrow Shareholders at the General Meeting and the satisfaction or (if capable of waiver) waiver of the other Conditions set out in the Scheme Document, including the sanction of the Court.

The Scheme is expected to become effective by the end of the third quarter of 2021, but remains conditional on the satisfaction of the Conditions. In this regard, an update to the expected timetable will be announced following receipt of: (i) the approval by the FCA, SRA and relevant other regulatory authorities of the change of control of Arrow as a result of the Acquisition; and (ii) the applicable antitrust approvals from the European Commission, if applicable. Full details of the Conditions to the Scheme are given in Part III of the Scheme Document.

If the Scheme is sanctioned as outlined above, it is expected that the last day of dealings in, and registration of transfers of, Arrow Shares on the London Stock Exchange will be the Business Day immediately after the Scheme Court Hearing, following which Arrow Shares will be suspended from the Official List and from the London Stock Exchange's main market for listed securities on the next Business Day thereafter. It is intended that, following the Scheme becoming effective, the London Stock Exchange and the FCA will be requested respectively to cancel trading in Arrow Shares on the London Stock Exchange's main market for listed securities and to remove the listing of Arrow Shares from the Official List.

Notice regarding AGM resolutions

Arrow's 2021 AGM will take place on 2 June 2021. A notice convening this meeting was published on 6 April 2021, and is available on Arrow's website at <https://www.arrowglobal.net/en/investors/shareholder-centre/agm.html> (the "AGM Notice").

Proposed Resolution 15 envisages the adoption of new Articles of Association of the Company, primarily to take account of market practice since the current Articles of Association were adopted on 25 September 2013. (The "AGM Articles Amendment".)

Arrow Shareholders should note that if the Scheme is approved at the Court Meeting, and the Special Resolution is passed at the General Meeting on 21 May 2021, Arrow will adopt new Articles of Association in order to ensure that any Arrow Shares issued or transferred out of treasury under the Arrow Share Plans, or otherwise between the time at which the Special Resolution is passed and the Scheme Record Time, will be subject to the Scheme, such that any Arrow Shares issued or transferred out of treasury to any person other than Bidco or its nominee(s) at or after the Scheme Record Time will be automatically acquired by Bidco on the same terms as under the Scheme (other than terms as to timing and formalities). This will avoid any person (other than Bidco or its nominee(s)) being left with Arrow Shares after the Scheme becomes Effective. (The "Scheme Articles Amendment".)

The AGM Articles Amendment has been proposed to Arrow's 2021 AGM to address a scenario in which the Scheme does not proceed. In such a case, the proposed AGM Articles Amendment would be of value to the Company going forward as a public listed company. However, if the Scheme is approved at the Court Meeting and General Meeting and the Scheme Articles Amendment occurs, it is the view of the Arrow Directors that the resolution to approve the AGM Articles Amendment will cease to be relevant or appropriate. This is because:

- (a) the AGM Article Amendment would have the effect of undoing the Scheme Articles Amendment, which is necessary to ensure the proper completion and settlement of the Scheme (which would at that point have been approved by Scheme Shareholders and Arrow Shareholders at the Court Meeting and General Meeting); and

- (b) the AGM Articles Amendment is relevant only in the context of Arrow remaining a public listed company, which, if the Scheme is approved by Scheme Shareholders and Arrow Shareholders at the Court Meeting and General Meeting, and the Conditions to the Scheme are subsequently satisfied, would cease to be the case shortly following the Effective Date.

Arrow Shareholders are therefore hereby notified that, if the Scheme is approved by Scheme Shareholders and Arrow Shareholders at the Court Meeting and General Meeting, the Arrow Directors propose to withdraw Resolution 15 (concerning the AGM Articles Amendment) from the AGM.

A further update will be provided along with the outcome of the Court Meeting and General Meeting on 21 May 2021. Arrow Shareholders are asked to contact Arrow by email on ir@arrowglobal.net if they have any queries relating to this proposal.

Information for Arrow Shareholders

If you have any questions about this Announcement, the Scheme Document, the Court Meeting or the General Meeting, or are in any doubt as to how to appoint a proxy, please call Arrow's registrars, Equiniti, between 8:30 a.m. and 5:30 p.m. Monday to Friday (except UK public holidays) on 0371 384 2050 if calling from the UK, or +44 371 384 2050 if calling from outside the UK. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the UK will be charged at the applicable international rate. Please note that calls may be monitored or recorded and Equiniti cannot provide advice on the merits of the Acquisition or the Scheme or give any financial, legal or tax advice.

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**APPENDIX
EXPECTED TIMETABLE OF PRINCIPAL EVENTS**

The following indicative timetable is based on Arrow's and Bidco's current expected dates for the implementation of the Scheme and is subject to change. If any of the dates and/or times in this expected timetable change, the revised dates and/or times will be notified to Arrow Shareholders by announcement through the Regulatory Information Service of the London Stock Exchange.

Event	Time and/or date⁽¹⁾
Publication of this Document	28 April 2021
Latest time for lodging proxies for the:	
Court Meeting	11:00 a.m. on 19 May 2021 ⁽²⁾
General Meeting	11:15 a.m. on 19 May 2021 ⁽³⁾
Voting Record Time	6:30 p.m. on 19 May 2021 ⁽⁴⁾
Court Meeting	11:00 a.m. on 21 May 2021
General Meeting	11:15 a.m. on 21 May 2021 ⁽⁵⁾
<p><i>The following dates and times associated with the Scheme are subject to change and will depend on, among other things, the date on which the Conditions to the Scheme are satisfied or, if capable of waiver, waived, and the date on which the Court sanctions the Scheme. Arrow will give adequate notice of all of these dates and times, when known, by issuing an announcement through a Regulatory Information Service, with such announcement being made available on Arrow's website at www.arrowglobal.net/en/investors/Offer for the Company. Further updates and changes to these times will be notified in the same way. See also note (1).</i></p>	
Sanction Hearing	a date expected to be in the third quarter of 2021 (and, in any event, prior to the Long Stop Date), subject to the satisfaction (or where applicable and capable of waiver, the waiver) of the Conditions ("D") 6:00 p.m. on D ¹
Election Return Time	
Latest time for withdrawal of an election in respect of the Alternative Offer	1:00 p.m. on D
Last day for dealings in, and for the registration of transfer of, Arrow Shares	D+1 Business Day
Scheme Record Time	6:00 p.m. on D+1 Business Day
Disablement of CREST in respect of Arrow Shares	6:00 p.m. on D+1 Business Day
Suspension of dealings in Arrow Shares	by 7:30 a.m. on D+2 Business Days

¹ The Election Return Time being the latest time for the receipt of Forms of Election or TTE Instructions in respect of the Alternative Offer will be notified to Arrow Shareholders by an announcement through a Regulatory Information Service no less than five Business Days before the date fixed for the Election Return Time.

Effective Date of the Scheme	D+2 Business Days
Cancellation of listing of Arrow Shares	by 7:30 a.m. on D+3 Business Days
Latest date for despatch of cheques and crediting of CREST accounts for cash consideration due under the Scheme	within 14 days of the Effective Date
Long Stop Date ⁽⁶⁾	31 December 2021
<p>(1) The dates and times given are indicative only and are based on current expectations and are subject to change (including as a result of changes to the regulatory timetable). References to times are to London, UK time unless otherwise stated. If any of the times and/or dates above change, the revised times and/or dates will be notified to Arrow Shareholders by announcement through a Regulatory Information Service. Participants in the Arrow Share Plans will be contacted separately on or around 4 May 2021 regarding the effect of the Scheme on their rights under the Arrow Share Plans, including details of any appropriate proposals being made and dates and times relevant to them.</p> <p>(2) It is requested that that the blue Form of Proxy for the Court Meeting be lodged not later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) prior to the time appointed for the Court Meeting or, if the Court Meeting is adjourned, the time fixed for any adjourned Court Meeting. If the blue Form of Proxy for the Court Meeting is not lodged by this time, it may be emailed to proxyvotes@equiniti.com at any time prior to the commencement of the Court Meeting (or any adjournment thereof).</p> <p>(3) In order to be valid, the yellow Form of Proxy for the General Meeting must be received by no later than 48 hours (excluding any part of such 48 hour period falling on a non-working day) prior to the time appointed for the General Meeting or, if the General Meeting is adjourned, the time fixed for any adjourned General Meeting.</p> <p>(4) If either the Court Meeting or the General Meeting is adjourned, the Voting Record Time for the relevant adjourned meeting will be 6:30 p.m. on the day which is two Business Days before the date of the adjourned meeting.</p> <p>(5) To commence at 11:15 a.m. or as soon thereafter as the Court Meeting concludes or is adjourned.</p> <p>(6) This is the latest date by which the Scheme may become effective. However, the Long Stop Date may be extended to such later date as may be agreed by Bidco and Arrow (with the Panel's consent and as the Court may approve (if such consent and/or approval are required)).</p>	

Important notice

This Announcement is not intended to, and does not, constitute, represent or form part of any offer, invitation or solicitation of any 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, whether pursuant to this Announcement or otherwise.

The Acquisition shall be made solely by means of the Scheme Document, published on 28 April 2021, which, together with the Forms of Proxy and the Form of Election, shall contain the full terms and Conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any acceptance or other response to the Acquisition should be made only on the basis of the information in the Scheme Document.

Arrow and Bidco urge Arrow Shareholders to read the Scheme Document because it contains important information relating to the Acquisition.

This Announcement does not constitute a prospectus or prospectus exempted document.

Further information

Goldman Sachs International, which is authorised by the PRA and regulated by the PRA and the FCA in the United Kingdom, is acting exclusively for Arrow and for no one else in connection with the possible offer and will not be responsible to anyone other than Arrow for providing the protections afforded to its clients or for providing advice in relation to the possible offer, the contents of this announcement or any other matters referred to in this announcement.

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the PRA and the FCA. J.P. Morgan Cazenove is acting as financial adviser exclusively for Arrow and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Arrow for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to any matter referred to herein.

Numis Securities Limited ("Numis"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Arrow and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Arrow for providing the protections afforded to clients of Numis, nor for providing advice in relation to any matter referred to herein.

Panmure Gordon (UK) Limited ("Panmure Gordon"), which is authorised and regulated by the FCA in the United Kingdom is acting exclusively as Corporate Broker to Arrow and no one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than Arrow for providing the protections afforded to clients of Panmure Gordon or for providing advice in connection with the subject matter referred of this Announcement.

Citigroup Global Markets Limited ("Citi"), which is authorised by the Prudential Regulation Authority ("PRA") and regulated in the UK by the Financial Conduct Authority ("FCA") and the PRA, is acting as financial adviser for Bidco and for no one else in connection with the Acquisition and will not be responsible to anyone other than Bidco for providing the protections afforded to clients of Citi nor for providing advice in connection with the Acquisition, or any other matters referred to in this announcement. Neither Citi nor any of its affiliates, directors or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, consequential, whether in contract, in tort, in delict, under statute or otherwise) to any person who is not a client of Citi in connection with this announcement, any statement contained herein, the Acquisition or otherwise.

Ashcombe Advisers LLP ("Ashcombe"), which is regulated in the UK by the FCA, is acting as financial adviser exclusively for Bidco and no one else in connection with the matters set out in this announcement and will not regard any other person as its client in relation to the matters in this announcement and will not be responsible to anyone other than Bidco for providing the protections afforded to clients of Ashcombe nor for providing advice in relation to any matter referred to herein.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the PRA and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for Bidco and no one else in connection with the matters described in this Announcement and will not be responsible to anyone other than Bidco for providing the protections afforded to clients of Barclays nor for providing advice in relation to the subject matter of this announcement or any other matter referred to in this Announcement. In accordance with the Code, normal United Kingdom market practice and Rule 14e-5(b) of the Exchange Act, Barclays and its affiliates will continue to act as exempt principal trader in Arrow securities on the London Stock Exchange. These purchases and activities by exempt principal traders which are required to be made public in the United Kingdom pursuant to the Code will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

This announcement is for information purposes only and is not intended to, and does not, constitute or form part of any offer or inducement to sell or an invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of an offer to buy any securities, any vote or approval in any jurisdiction pursuant to the Acquisition or otherwise. The Acquisition will be made solely pursuant to the terms of the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document), which will contain the full terms and conditions of the Acquisition, including details of how to vote in respect of the Acquisition. Any decision in respect of, or other response to, the Acquisition should be made only on the basis of the information in the Scheme Document (or, if the Acquisition is implemented by way of an Offer, the Offer Document).

This announcement is an advertisement and does not constitute a prospectus or prospectus equivalent document.

Overseas Shareholders

This announcement has been prepared in accordance with and for the purpose of complying with the laws of England and Wales, the Takeover Code, the Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and 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 of jurisdictions outside England.

The release, publication or distribution of this announcement in or into certain jurisdictions other than the United Kingdom may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the United Kingdom should inform themselves of, and observe, any applicable requirements of their jurisdictions.

The availability of the Acquisition to Arrow Shareholders who are not resident in and citizens of the UK may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the UK should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. In particular, the ability of persons who are not resident in the United Kingdom to vote their Arrow Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability

for the violation of such restrictions by any person. Further details in relation to Overseas Shareholders will be contained in the Scheme Document.

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

The Acquisition shall be subject to the applicable requirements of the Takeover Code, the Panel, the London Stock Exchange and the FCA.

Notice to US investors in Arrow

The Acquisition relates to the shares of an English company and is being made by means of a scheme of arrangement provided for under the laws of England and Wales. A transaction effected by means of a scheme of arrangement is not subject to the tender offer or proxy solicitation rules under the US Securities Exchange Act of 1934 (the "US Exchange Act"). Accordingly, the Acquisition is subject to the disclosure and procedural requirements and practices applicable in the United Kingdom to schemes of arrangement which differ from the disclosure requirements of the US tender offer and proxy solicitation rules.

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

If, in the future, Bidco exercises its right to implement the Acquisition by means of an Offer which is to be made into the United States, such an Offer would be made in compliance with all applicable US laws and regulations, including any applicable exemptions under the US Exchange Act. Such an Offer would be made in the United States by Bidco and no one else.

In the event that the Acquisition is implemented by way of an Offer, in accordance with normal United Kingdom practice, Bidco or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, shares or other securities of Arrow outside of the US, other than pursuant to such an Offer, during the period in which such an Offer would remain open for acceptances. 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 shall be disclosed as required in the United Kingdom, shall be reported to a Regulatory Information Service and shall be available on the London Stock Exchange website at www.londonstockexchange.com.

The receipt of consideration by a US holder for the transfer of its Arrow Shares pursuant to the Scheme may have tax consequences in the US and such consequences, if any, are not described herein. Each Arrow 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.

Arrow and Bidco are both incorporated under the laws of England and Wales. Some or all of the officers and directors of Bidco and Arrow, respectively, are residents of countries other than the United States. In addition, some of the assets of Bidco and Arrow are located outside the United States. As a result, it may be difficult for US holders of Arrow Shares to enforce their rights and any claim arising out of the US federal laws or to enforce against them a judgment of a US court predicated upon the securities laws of the United Kingdom. US holders of Arrow Shares may not be able to sue a non-US company or its officers or directors in a non-US court for violations of the US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

The Alternative Offer will not be registered and it is proposed that the Alternative Offer will be made pursuant to an applicable exemption.

The Rollover Securities are expected to be issued in the United States in reliance upon the exemption from the registration requirements of the US Securities Act provided by section 3(a)(10) thereof.

For the purposes of qualifying for the exemptions from the registration requirements of the US Securities Act afforded by Section 3(a)(10), Arrow will advise the Court through counsel that the Court's sanction of the Scheme will be relied upon by Bidco as an approval of the Scheme following a hearing on the fairness of the terms and conditions of the Scheme to Arrow Shareholders at which hearing all such Arrow Shareholders are entitled to appear in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Arrow Shareholders.

Arrow Shareholders who are, or will be, affiliates of Bidco after the Effective Date will be subject to certain US transfer restrictions relating to the Rollover Securities received pursuant to the Scheme. Otherwise, the Rollover Securities generally should not be treated as "restricted securities" within the meaning of Rule 144(a)(3) under the US Securities Act and persons who receive securities under the Scheme (other than certain affiliates of Bidco) may resell them without restriction under the US Securities Act.

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

Forward-Looking Statements

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

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Bidco and Arrow (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "prepares", "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "synergy", "strategy", "scheduled", "goal", "estimates", "forecasts", "intends", "cost-saving", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. 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 Bidco's, Arrow's, any member of the Bidco Group's or any member of Arrow Group's operations and potential synergies resulting from the Acquisition; and (iii) the effects of global economic conditions and governmental regulation on Bidco's, Arrow's, any member of the Bidco Group's or any member of the Arrow Group's business.

Although Bidco and Arrow believe that the expectations reflected in such forward-looking statements are reasonable, Bidco and Arrow can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

These factors include, but are not limited to: the ability to complete the Acquisition; the ability to obtain requisite regulatory and shareholder approvals and the satisfaction of other Conditions on the proposed terms and schedule; changes in the global political, economic, business and competitive environments and in market and regulatory forces; changes in future exchange and interest rates; changes in tax rates; future business combinations or disposals; changes in general economic and business conditions; changes in the behaviour of other market participants; changes in the anticipated benefits from the proposed transaction not being realised as a result of changes in general economic and market conditions in the countries in which Bidco and Arrow operate; weak, volatile or illiquid capital and/or credit markets; changes in the degree of competition in the geographic and business areas in which Bidco and Arrow operate; and changes in laws or in supervisory expectations or requirements. Other unknown or unpredictable factors could cause actual results to differ materially from those expected, estimated or projected in the forward-looking statements. If any one or more of these risks or uncertainties materialises or if any one or more of the assumptions proves 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 Bidco nor Arrow, 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 are cautioned not to place any reliance on these forward-looking statements.

Specifically, statements of estimated cost savings and synergies related 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 Arrow Group, there may be additional changes to the Arrow Group's operations. As a result, and given the fact that the changes relate to the future, the resulting cost synergies may be materially greater or less than those estimated.

Other than in accordance with their legal or regulatory obligations, neither Bidco nor Arrow is under any obligation, and Bidco and Arrow expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Dealing and Opening Position Disclosure Requirements

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

later than 3.30 pm on the 10th Business Day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

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

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

Publication on a website

In accordance with Rule 26.1 of the Takeover Code, a copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Arrow's web site at https://www.arrowglobal.net/en/investors/Offer_for_the_Company/.html by no later than 12 noon (London time) on the first Business Day following the date of this announcement. For the avoidance of doubt, neither the contents of these websites nor any website accessible from hyperlinks is incorporated into or forms part of this announcement.

No profit forecasts, estimates or quantified benefits statements

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

Requesting hard copy documents

In accordance with Rule 30.3 of the Takeover Code, Arrow Shareholders, persons with information rights and participants in Arrow Share Plans may request a hard copy of this announcement by contacting Arrow's registrars, Equiniti, between 9.00 a.m. to 5:30 p.m. (London time) Monday to Friday (except UK public holidays) on 0371 384 2030 if calling from the United Kingdom, or +44 121 415 7047 if calling from outside the United Kingdom or by submitting a request in writing to Equiniti, Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DA, United Kingdom. Calls are charged at the standard geographical rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Please note that Equiniti cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes. For persons who receive a copy of this announcement in

electronic form or via a website notification, a hard copy of this announcement will not be sent unless so requested. Such persons may also request that all future documents, announcements and information to be sent to them in relation to the Acquisition should be in hard copy form.

Electronic Communications

Please be aware that addresses, electronic addresses and certain other information provided by Arrow Shareholders, persons with information rights and other relevant persons for the receipt of communications from Arrow may be provided to Bidco during the offer period as required under Section 4 of Appendix 4 of the Takeover Code to comply with Rule 2.11(c).

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 figures that precede them.

General

If the Acquisition is effected by way of an Offer, and such an Offer becomes or is declared unconditional in all respects and sufficient acceptances are received, Bidco intends to exercise its rights to apply the provisions of Chapter 3 of Part 28 of the 2006 Act so as to acquire compulsorily the remaining Arrow Shares in respect of which the Offer has not been accepted.

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

If you are in any doubt about the contents of this announcement or the action you should take, you are recommended to seek your own independent financial advice immediately from your stockbroker, bank manager, solicitor or independent financial adviser duly authorised under FSMA if you are resident in the United Kingdom or, if not, from another appropriate authorised independent financial adviser.

Rule 2.9 of the Takeover Code

For the purposes of Rule 2.9 of the Takeover Code, Arrow confirms that, as at 27 April 2021, it had in issue 177,386,677 ordinary shares of 1 pence each (excluding shares held in treasury). The ISIN for the ordinary shares is GB00BDGTXM47.