

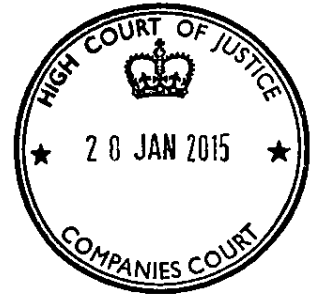
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IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT
MR JUSTICE MANN



Claim No 8568 of 2014

WEDNESDAY 28 JANUARY 2015
IN THE MATTER OF PREZZO PLC
AND IN THE MATTER OF THE COMPANIES ACT 2006



ORDER

UPON READING the adjourned Claim Form of the above-named Prezzo plc (the "**Company**"), whose registered office is at Johnston House, 8 Johnston Road, Woodford Green, Essex IG8 0XA

AND UPON HEARING Andrew Thornton for the Company

AND UPON HEARING Robert Miles QC for Papa Bidco Limited

AND UPON Papa Bidco Limited consenting to the Scheme of Arrangement (the "**Scheme**") and undertaking to be bound thereby and to execute and do or procure to be executed or done all such documents or things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme

THE COURT SANCTIONS the Scheme as set out in the Schedule to this Order

AND IT IS ORDERED that this Order be produced to the Registrar of Companies and that an office copy hereof be delivered to him

AND IT IS ORDERED that the Claim Form be adjourned to 30 January 2015

DATED the 28th day of January 2015

MONDAY



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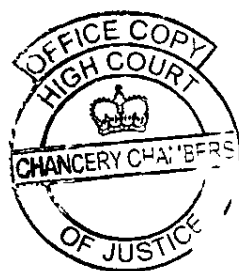
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COMPANIES HOUSE

SCHEDULE

The Scheme of Arrangement



PART 7

THE SCHEME OF ARRANGEMENT

**IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
COMPANIES COURT**

No 8568 of 2014

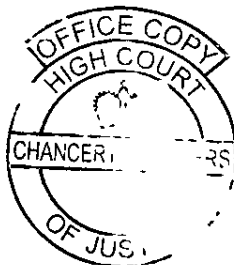
**IN THE MATTER OF PREZZO PLC
- and -
IN THE MATTER OF THE COMPANIES ACT 2006**

**SCHEME OF ARRANGEMENT
(under Part 26 of the Companies Act 2006)
BETWEEN
PREZZO PLC
AND
THE HOLDERS OF SCHEME SHARES
(as hereinafter defined)**

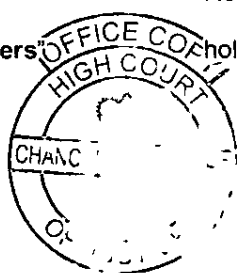
PRELIMINARY

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

"Articles"	the articles of association of Prezzo,
"Bidco"	Papa Bidco Limited, a private company limited by shares incorporated in England and Wales with registered number 9278104,
"Business Day"	a day (other than Saturdays, Sundays and public holidays) on which banks are open for business in the City of London,
"Cash Consideration"	the cash consideration due to a Scheme Shareholder under the Scheme pursuant to clause 2 of the Scheme, being 126 5 pence per Scheme Share,
"certificated" or "in certificated form"	in relation to a share, a share which is not in uncertificated form (that is, not held in CREST),
"Companies Act"	the Companies Act 2006 (as amended from time to time),
"Court"	the High Court of Justice, Chancery Division (Companies Court), in England and Wales,
"Court Meeting"	the meeting of the Scheme Shareholders to be convened by order of the Court under section 896 of the Companies Act for the purposes of considering and, if thought fit, approve the Scheme (with or without amendment) and any adjournment of it,
"Court Orders"	the Scheme Court Order and the Reduction of Capital Court Order or, where the context requires, either of them,
"CREST"	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the Operator (as defined in the CREST Regulations),
"CREST Regulations"	the Uncertificated Securities Regulations 2001 (SI 2001 No 3755) (as amended, modified, consolidated, re-enacted or replaced from time to time),



"Effective Date"	the date on which the Scheme becomes effective in accordance with clause 5,
"Euroclear"	Euroclear UK & Ireland Limited, the operator of CREST,
"holder"	a registered holder of Ordinary Shares and includes any person entitled by transmission,
"members"	members of the Company on the register of members at any relevant date,
"New Ordinary Shares"	the new Ordinary Shares to be allotted and issued pursuant to clause 13 of the Scheme,
"Optionholder Letters"	the letters (and their enclosures) to be sent to the participants in the Prezzo Share Plans in connection with the Scheme,
"Ordinary Shares" or "Prezzo Shares"	ordinary shares of 5 pence each in the capital of Prezzo,
"Prezzo" or the "Company"	Prezzo plc, a public company limited by shares incorporated in England and Wales with registered number 03919682,
"Prezzo Group"	Prezzo and its subsidiary undertakings from time to time and, where the context permits, each of them and "member of the Prezzo Group" shall be construed accordingly,
"Prezzo Options"	the options over Ordinary Shares granted under or pursuant to the Prezzo Share Plans which have not lapsed, or been exercised, in accordance with their terms at the date of this document,
"Prezzo Share Plans"	the Prezzo plc Enterprise Management Incentive Scheme, the Prezzo plc Company Share Option Plan 2007, the Prezzo plc Unapproved Share Option Plan 2007 and the Prezzo plc 2002 Unapproved Share Option Scheme,
"Reduction of Capital"	the proposed Court-approved reduction of the share capital of the Company under section 645 to 649 of the Companies Act for the purposes of giving effect to the Scheme,
"Reduction of Capital Court Hearing"	the hearing by the Court to confirm the Reduction of Capital,
"Reduction of Capital Court Order"	the order of the Court confirming the Reduction of Capital,
"Registrar of Companies"	the Registrar of Companies in England and Wales,
"Scheme"	this scheme of arrangement in its present form or with or subject to any modification, addition or condition approved or imposed by the Court,
"Scheme Court Hearing"	the hearing of the Court to sanction the Scheme under section 899 of the Companies Act,
"Scheme Court Order"	the order of the Court sanctioning the Scheme under Part 26 of the Companies Act,
"Scheme Record Date"	6 00 p.m. on the Business Day immediately prior to the Reduction of Capital Court Hearing,
"Scheme Shareholders"	holders of Scheme Shares,



"Scheme Shares"

all Prezzo Shares which are

- a) in issue at the date of this document,
- b) (if any) issued after this document, but before the Voting Record Time, and
- c) (if any) issued on or after the Voting Record Time but prior to the Scheme Record Date, on terms that the holder shall be bound by the Scheme, or in respect of which the original or any subsequent holder agrees in writing to be bound by the Scheme,

in each case other than any Prezzo Shares held by or on behalf of Bidco,

"uncertificated" or "in uncertificated form"

in relation to a share or other security, a share title to which is recorded on the relevant register as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST, and

"Voting Record Time"

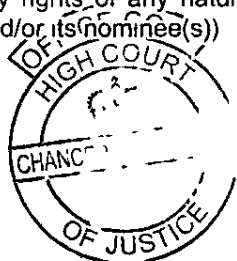
6 00 p m on the day which is two days before the date of the Court Meeting or, if the Court Meeting is adjourned, 6 00 p m on the second day before the date of such adjourned meeting

References to clauses are to clauses of this Scheme, and references to time are to London time

- (B) The Company was incorporated in England and Wales under the Companies Act 1985 on 4 February 2000
- (C) The share capital of the Company as at the close of business on 3 December 2014 was £11,744,229 10 divided into 234,884,582 Ordinary Shares
- (D) Options which have an exercise price lower than the Offer Price to acquire up to 5,202,147 Ordinary Shares pursuant to the Prezzo Share Plans are outstanding at the date of this document These Prezzo Options will become exercisable (to the extent already not so) if the Court sanctions the Scheme
- (E) Bidco was incorporated in England and Wales on 23 October 2014 under the Companies Act under the name of "Papa Bidco Limited" as a private company limited by shares
- (F) Bidco has agreed to appear by Counsel at the Scheme Court Hearing and to submit to be bound by and to undertake to the Court to be bound by this Scheme and to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by them for the purpose of giving effect to this Scheme

THE SCHEME

- 1 Re-registration as a private company limited by shares and cancellation of the Scheme Shares**
 - 1 1 The share capital of the Company shall be reduced by cancelling and extinguishing the Scheme Shares
 - 1 2 The Company shall be re-registered as a private company limited by shares pursuant to section 651 of the Companies Act
 - 1 3 Subject to and forthwith upon the re-registration referred to in clause 1 2 taking effect and notwithstanding anything to the contrary contained in the Articles, the reserve arising in the books of account of the Company as a result of the Reduction of Capital shall be capitalised and applied in paying up in full at par such number of New Ordinary Shares as is equal to the number of Scheme Shares and which shall be allotted and issued credited as fully paid (free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other third party rights of any nature whatsoever and together with all rights attaching thereto) to Bidco (and/or its nominee(s))



2 Consideration for the cancellation of the Scheme Shares

In consideration for the cancellation of the Scheme Shares and the allotment and issue of the New Ordinary Shares as provided in clause 1, Bidco shall pay to or for the account of the holders of Scheme Shares (as appearing in the register of members of the Company at the Scheme Record Date) the following

for every Scheme Share held, 126 5 pence in cash.

3 Settlement of Consideration

3 1 Bidco shall

3 1 1 no later than 14 days after the Effective Date, in the case of Scheme Shares which at the Scheme Record Date are in certificated form, procure the despatch to the persons entitled thereto in accordance with the provisions of clause 3 2 of cheques for the sums payable to them respectively in accordance with clause 2 in pounds Sterling, and

3 1 2 no later than 14 days after the Effective Date, in the case of Scheme Shares which at the Scheme Record Date are in uncertificated form, procure the creation of an assured payment obligation in favour of the payment bank of the persons entitled thereto in accordance with the CREST assured payment arrangements for the sums payable to them respectively in accordance with clause 2 (in pounds Sterling), provided that Bidco reserves the right to make payment of the said sums by cheque as set out in clause 3 1 1 if, for any reason, it wishes to do so. The creation of a CREST assured payment obligation shall be a complete discharge of Bidco's obligations under this Scheme with reference to payments through CREST

3 2 All deliveries of cheques pursuant to this Scheme shall be effected by sending the same by first class post in prepaid envelopes addressed to the persons entitled thereto at their respective addresses as appearing in the register of members of the Company or, in the case of joint holders, at the address of that one of the joint holders whose name stands first in such register in respect of such joint holding at the Scheme Record Date, and none of Bidco, the Company or their respective agents shall be responsible for any loss or delay in the transmission or delivery of any cheques sent in accordance with this clause 3 2 which shall be sent at the risk of the persons entitled thereto

3 3 All cheques shall be made payable to the persons respectively entitled to the moneys represented thereby (except that, in the case of joint holders, Bidco reserve the right to make such cheques payable to that one of the joint holders whose name stands first in the register of members of the Company in respect of such joint holding), and the encashment of any such cheque or the creation of any such assured payment obligation as is referred to in clause 3 1 2 shall be a complete discharge to Bidco for the moneys represented thereby

3 4 In the case of Scheme Shares which have been acquired by Prezzo Directors or employees of the Prezzo Group pursuant to the exercise of Prezzo Options, settlement of the cash consideration will be made either by cheque or through payroll (net of any income tax and employee national insurance contributions and certain other amounts) in accordance with the Optionholder Letters

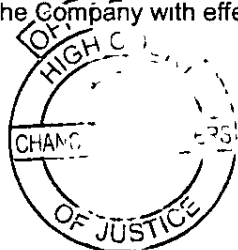
3 5 The provisions of this clause 3 shall be subject to any condition or prohibition imposed by law

4 Share certificates and cancellation of entitlements

With effect from and including the Effective Date

4 1 all certificates representing Scheme Shares shall cease to have effect as documents of title to the Scheme Shares comprised therein and every holder of Scheme Shares shall be bound at the request of the Company to deliver up their share certificate(s) to the Company or to destroy the same,

4 2 Euroclear shall be instructed to cancel the entitlements to Scheme Shares of holders of Scheme Shares in uncertificated form and appropriate entries shall be made in the register of members of the Company with effect from the Effective Date to reflect their cancellation, and



- 4 3 as regards the Scheme Shares, appropriate entries shall be made in the Company's register of members to reflect the cancellation of the Scheme Shares

5 Effective Date

- 5 1 This Scheme (including the Reduction of Capital) shall become effective as soon as office copies of the Court Orders and the related statement of capital approved by the Court shall have been delivered to the Registrar of Companies and, if the Court so orders, the Reduction of Capital Court Order and the related statement of capital shall have been registered by the Registrar of Companies

- 5 2 Unless this Scheme shall have become effective on or before 6 May 2015, or such later date, if any, as the Company and Bidco may agree and the Court may allow, this Scheme shall never become effective

6 Modification

The Company and Bidco may jointly consent on behalf of all concerned to any modification of, or addition to, this Scheme or to any condition which the Court may approve or impose

7 Governing Law

This Scheme is governed by the laws of England and Wales and is subject to the exclusive jurisdiction of the English courts

Dated 4 December 2014

