

Proposed reduction of the nominal value of OSB Group Shares from three-hundred and four (304) pence each to one (1) penny each (the "Capital Reduction") and publication of Circular and Notice of General Meeting

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THE FOLLOWING ANNOUNCEMENT IS NOT A PROSPECTUS OR A PROSPECTUS EQUIVALENT DOCUMENT AND INVESTORS SHOULD NOT MAKE ANY INVESTMENT DECISION IN RELATION TO OSB GROUP SHARES EXCEPT ON THE BASIS OF THE INFORMATION IN THE CIRCULAR WHICH IS BEING PUBLISHED TODAY.

CAPITALISED TERMS DEFINED IN THE CIRCULAR HAVE THE SAME MEANING WHEN USED IN THIS ANNOUNCEMENT, UNLESS OTHERWISE DEFINED IN THIS ANNOUNCEMENT.

FOR IMMEDIATE RELEASE

11 January 2021

Proposed reduction of the nominal value of OSB Group Shares from three-hundred and four (304) pence each to one (1) penny each (the "Capital Reduction") and publication of Circular and Notice of General Meeting

Today, OSB GROUP PLC ("**OSB Group**" or the "**Company**") published a circular (the "**Circular**") relating to the Capital Reduction.

Pursuant to the implementation of a scheme of arrangement approved by Shareholders and the Court, OSB Group became the new holding company of the Group on 27 November 2020. The Company currently has no distributable reserves and is therefore unable to make distributions to its Shareholders, including any payment of dividends, until such time as distributable reserves have been created or arise in the Company.

In the absence of a Capital Reduction, the Company is reliant upon the receipt of dividends and other distributions from its operating subsidiary and companies in which it has an investment in order to give rise to the distributable reserves needed to make dividend payments. Although the Company is confident in its ability to rely on such upstreamed distributions, there are a number of advantages to implementing the Capital Reduction as a means of creating distributable reserves to support future dividend payments to Shareholders.

Accordingly, the Capital Reduction, which is subject to the approval of Shareholders, as well as certain other conditions as set out in the Circular, is being undertaken to create the required distributable reserves to enable the Company to pay dividends and other distributions to Shareholders in the future. There will be no change to the total number of shares or the total amount of capital in the Company or to the Group's capital ratios as a result of the Capital Reduction.

The Circular is now available at www.osb.co.uk/investors and includes full details of the Capital Reduction, together with a notice convening a general meeting (the "**General Meeting**") at which Shareholder approval of the Capital Reduction is to be sought, to be held virtually at 1.00 p.m. on 28 January 2021. The Circular also contains the expected timetable for the Capital Reduction and specifies the necessary actions to be taken by Shareholders.

In accordance with Listing Rule 9.6.1, a copy of the Circular will shortly be submitted to the National Storage Mechanism and will be available for viewing at <https://data.fca.org.uk/#/nsm/nationalstoragemechanism>.

Action to be taken by Shareholders

OSB Group urges Shareholders to read the Circular carefully because it contains important information in relation to the Capital Reduction.

The Circular is conditional upon a number of matters which are set out in full in the letter from the Chairman contained in Part III of the Circular, including approval by Shareholders of the Resolution at the General Meeting and the confirmation of the Capital Reduction by the Court.

Given the constantly evolving situation relating to the COVID-19 pandemic regarding lockdowns and continued or further Government restrictions on social contact, public gatherings and non-essential travel, the General Meeting will be held virtually. Shareholders cannot attend the General Meeting in person. In order to vote, Shareholders are required to appoint the Chairman of the General Meeting as proxy by the relevant time. Detailed voting instructions and other arrangements which have been made with respect to the General Meeting are set out in the Circular.

Directors' Recommendation

The Board unanimously believes the Capital Reduction to be in the best interests of the Company and its Shareholders as a whole.

Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolution to be proposed at the General Meeting, as the Directors intend to do in respect of their own beneficial shareholdings totalling 942,015 OSB Group Shares (representing approximately 0.21% of the issued share capital of the Company as at 7 January 2021 (being the latest practicable date before the publication of the Circular).

Expected timetable

The expected timetable of principal events for the implementation of the Capital Reduction is set out below. All references to time in this Announcement are to London time.

PRINCIPAL EVENTS	TIME AND DATE
Publication of the Circular	11 January 2021
Latest time and date for receipt of Forms of Proxy or CREST Proxy Instruction for the General Meeting	1.00 p.m. on 26 January 2021
General Meeting	1.00 p.m. on 28 January 2021
Expected date for the directions hearing for the Court to consider the Capital Reduction application	10 February 2021
Expected date for the Court Hearing to confirm the Capital Reduction	23 February 2021
Expected date that the Capital Reduction becomes effective	2 March 2021

Notes

The times and dates set out in this timetable that fall after the date of publication of this Announcement are based on the Company's current expectations and are subject to change. The times and dates are indicative only and will depend, among other things, on the date upon which the Court confirms the Capital Reduction. The provisional final hearing date is subject to change and dependent on the Court's timetable.

Enquiries

For further information, please contact the following.

OSB GROUP PLC

Alastair Pate, Group Head of Investor Relations Tel: +44 (0) 16 3483 8973

Cautionary Note Regarding Forward-Looking Statements

Certain statements in this Announcement relate to the future. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'intend', 'aim', 'project', 'anticipate', 'estimate', 'plan', 'believe', 'expect', 'may', 'should', 'will', 'continue' or other similar words. These statements discuss future expectations concerning the Group's results of operations or financial condition, or provide other forward-looking statements.

Other than as required by law, none of OSB Group, its officers, advisers or any other person gives 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, in part or in whole.

Additionally, statements of the intentions of the Board and/or Directors reflect the present intentions of the Board and/or Directors, respectively, as at the date of this Announcement and may be subject to change as the composition of the Board alters, or as circumstances require. Except as required by law, OSB Group disclaims any obligation or undertaking to update or revise any forward-looking statement in this Announcement.

The forward-looking statements speak only as at the date of this Announcement. To the extent required by applicable law or regulation (including as may be required by the Companies Act, Listing Rules, MAR, Disclosure Guidance and Transparency Rules and FSMA), OSB Group will update or revise the information in this Announcement. Otherwise, OSB Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained in this Announcement to reflect any change in expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

No forecasts or estimates

Nothing 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 or dividend per share for OSB Group for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share or dividend per share for OSB Group.

Further information

This Announcement is for information purposes only and is not intended to and does not constitute or form part of any offer to sell or subscribe for or any invitation to purchase or subscribe for or otherwise acquire or dispose of any securities or the solicitation of any vote or approval in any jurisdiction, nor will there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. The Capital Reduction will be implemented solely pursuant to the terms of the Circular setting out the particulars of the proposed Capital Reduction and with or subject to any modification, addition or condition approved or imposed by the Court and agreed by OSB Group, which, together with the Forms of Proxy that will accompany the Circular, contain the full terms and conditions of the Capital Reduction, including details of how to vote in respect of the Capital Reduction. Any vote in respect of the Resolution to be proposed at the General Meeting to approve the Capital Reduction should be made only on the basis of the information contained in the Circular.

OSB Group has prepared the Circular to be distributed to Shareholders. OSB Group urges Shareholders to read the Circular carefully because it contains important information in relation to the Capital Reduction.

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