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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION.

23 November 2017

RECOMMENDED PARTIAL CASH OFFER

by

FB Investors LLP

**for up to 67,393,960 ordinary shares, representing 70 per cent. of the issued share capital,
of**

Sutton Harbour Holdings plc

and

PROPOSED SHARE SUBSCRIPTION

Summary

- The members of the FB Investors Executive Committee and the SHH Directors are pleased to announce that they have reached agreement on the terms of a recommended partial cash offer to be made by FB Investors to acquire up to 67,393,960 SHH Shares, representing 70 per cent. of the issued ordinary shares in the capital of SHH (the “Partial Offer”) by way of a contractual offer under the Takeover Code.
- Under the terms of the Partial Offer, accepting SHH Shareholders will receive 29.5 pence in cash for each SHH Share sold by them pursuant to the Partial Offer.
- The Offer Price represents a premium of approximately:
 - 13.46 per cent. to the Closing Price per SHH Share of 26 pence on 20 April 2016 (being the last Business Day prior to the start of the Offer Period);
 - 12.38 per cent. to the Closing Price per SHH Share of 26.25 pence on 22 November 2017 (being the last Business Day prior to the date of this Announcement); and
 - 6.51 per cent. to the average Closing Price per SHH Share of approximately 27.70 pence for the period from 21 April 2016 (being the date on which the Offer Period commenced) to 22 November 2017 (being the last Business Day prior to the date of this Announcement).
- The Partial Offer values (i) the entire issued ordinary share capital of SHH at approximately £28.40 million and (ii) the SHH Shares subject to the Partial Offer at approximately £19.88 million.
- The Partial Offer will provide those SHH Shareholders who accept (or procure the acceptance of) the Partial Offer the opportunity to exit at 29.5 pence in cash in respect of 70 per cent. of their shareholding.
- The Partial Offer will also provide those SHH Shareholders who accept (or procure the acceptance of) the Partial Offer the opportunity to exit at 29.5 pence in cash in respect of more than 70 per cent. of their shareholding to the extent that other SHH Shareholders accept for less than this amount (although acceptances in respect of more than 70 per cent.

of a SHH Shareholder's SHH Shares may be subject to scaling down as set out in paragraph 2 of the full text of this Announcement). Furthermore, the Partial Offer will provide those SHH Shareholders who do not wish to accept the Partial Offer in respect of all, some or any of their SHH Shares to retain an ongoing equity interest in SHH.

- In connection with the Partial Offer, FB Investors and SHH have entered into a conditional subscription agreement pursuant to which FB Investors has agreed to subscribe for 9,322,034 new SHH Shares (the "Subscription Shares") at a price of 29.5 pence per Subscription Share, being equal to the Offer Price (the "Share Subscription"). The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms and (ii) SHH Shareholders approving at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares pursuant to the Share Subscription Agreement.
- The Share Subscription, assuming it is approved by SHH Shareholders, will provide SHH with proceeds equal to £2.75 million. Approximately £2 million of such proceeds would be applied to assist SHH in pursuing the potential development of Sugar House directly and without contracting this to a third party developer; the remaining proceeds would be used as additional working capital and assist with the payment of the costs which SHH has incurred in connection with the Formal Sale Process.
- If valid acceptances are received in respect of all of the 67,393,960 SHH Shares which are the subject of the Partial Offer and the Share Subscription completes in accordance with the terms of the Share Subscription Agreement, FB Investors would hold 76,715,994 SHH Shares, representing, in aggregate, approximately 72.65 per cent. of the enlarged issued ordinary share capital of SHH following completion of the Partial Offer and the Share Subscription.
- FB Investors will finance the Partial Offer and the Share Subscription from its existing cash resources.
- The Partial Offer is conditional upon, amongst other things:
 - FB Investors receiving valid acceptances (which have not been validly withdrawn) in respect of, and/or having otherwise acquired, or agreed to acquire, at least 55,840,710 SHH Shares, representing 58 per cent. of the SHH Shares in issue as at 22 November 2017 (being the last Business Day prior to the date of this Announcement); and
 - SHH Shareholders holding shares carrying over 50 per cent. of the voting rights of SHH approving the Partial Offer.

The acceptance condition and the approval condition are expected to be satisfied pursuant to, and in accordance with, the terms of the irrevocable undertakings.

- FB Investors intends to maintain SHH's admission to trading on AIM, and has further agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the Board not appointed by FB Investors pursuant to the Relationship Agreement.
- FB Investors is an English limited liability partnership which was incorporated on 13 November 2017. The members of FB Investors are Beinhaker Design Services and 1895 Management Holdings Company. Beinhaker Design Services is a family investment company of Philip Beinhaker's family and was incorporated on 29 May 2015. Philip Beinhaker is chairman of Beinhaker Design Services and Corey Beinhaker and Joshua Mishkin are executives of Beinhaker Design Services. The share capital of Beinhaker Design Services is

held by Corey Beinhaker. 1895 Management Holdings Company is an investment holding company wholly-owned by Albert Friedberg which was incorporated on 29 September 2016 in Nova Scotia. Albert Friedberg and Dan Scheiner are the only directors and officers of 1895 Management Holdings Company.

- SHH is an award-winning waterfront regeneration specialist, based in Plymouth on the South Coast of England. Plymouth promotes itself as “Britain’s Ocean City” and has a heritage going back more than 500 years. The area of Sutton Harbour remains one of the city’s oldest quarters and a popular place to visit. The SHH Group operates in the following four business areas: marine and fisheries, car parking, real estate and regeneration. During the financial year ended 31 March 2017, SHH employed an average of 33 people, had annual turnover of £6.7 million and made a profit before tax of £53,063. SHH has been admitted to trading on AIM since 1996.
- The SHH Directors, who have been so advised by Rothschild as to the financial terms of the Partial Offer, consider the terms of the Partial Offer to be fair and reasonable. In providing its advice to the SHH Directors, Rothschild has taken into account the commercial assessments of the SHH Directors.
- Accordingly, the SHH Directors intend to recommend unanimously that SHH Shareholders accept (or procure the acceptance of) and approve (or procure the approval of) the Partial Offer. The SHH Directors also intend to recommend unanimously that SHH Shareholders vote (or procure the vote) in favour of the Resolutions to enable the Share Subscription to proceed at the SHH General Meeting to be convened in due course.
- The SHH Directors have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest, which, in aggregate, represent approximately 0.30 per cent. of the SHH Shares in issue on 22 November 2017 (being the last Business Day prior to the date of this Announcement), in each case conditional upon (amongst other things) the Offer Document being published before midnight (London time) on 21 December 2017.
- In addition, each of Crystal Amber Fund Limited, Rotolok (Holdings) Limited and Dan McCauley have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they are interested, which, in aggregate, represent approximately 58.07 per cent. of the SHH Shares in issue on 22 November 2017 (being the last Business Day prior to the date of this Announcement), in each case conditional upon (amongst other things) the Offer Document being published before midnight (London time) on 21 December 2017.
- FB Investors has therefore received irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of a total of 56,194,768 SHH Shares, representing, in aggregate, approximately 58.37 per cent. of the issued share capital of SHH as at 22 November 2017 (being the last Business Day prior to the date of this Announcement).
- Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.

- FB Investors reserves the right to make an equivalent reduction in the Offer Price if SHH announces, declares or pays any dividend or makes any other distribution to SHH Shareholders on or after the date of this Announcement although, in such circumstances, SHH Shareholders would be entitled to retain any such dividend or other distribution paid or made.

This summary should be read in conjunction with, and is subject to, the following full text of this Announcement and the Appendices.

Commenting on the Partial Offer, Graham Miller, Chairman of SHH, said: *“SHH’s operating businesses have performed steadily over recent years and the SHH Board has continued to explore opportunities for unlocking value in our various development sites. However, the SHH Group has been constrained by its capital structure and, as we announced on 21 April 2016, we have been undertaking a strategic review, incorporating a formal sale process, to assess all options to optimise value for SHH Shareholders including a potential sale of the Company.*

“The Partial Offer proposed by FB Investors affords SHH Shareholders the opportunity to realise in cash a significant proportion of their investment in the Company at a premium to the prevailing market price of the SHH Shares, while allowing SHH Shareholders to retain a continued interest in the SHH Group which will benefit from the members of FB Investors’ longstanding track record of value creation in the property sector. FB Investors also intends to provide an immediate capital injection to underpin the future prospects for the SHH Group via the Share Subscription.”

Commenting on the Partial Offer, Jason Schofield, Chief Executive Officer of SHH, said:

“SHH is leading the regeneration of Plymouth’s waterfront, with prestigious mixed-use developments created alongside the 5 Gold Anchor Sutton Harbour Marina.

“With the assistance and investment of FB Investors, we will seek to continue to deliver the SHH Group’s vision for the area in and around Sutton Harbour, with the aim of establishing Sutton Harbour as a leading waterfront destination in the UK. We are delighted that FB Investors also supports the management team’s vision for the former airport site at Plym Vale and will support their long-term aspiration to develop it.”

Commenting on the Partial Offer, Philip Beinhaker of FB Investors, said:

“We are delighted to have received the unanimous recommendation of the board of Sutton Harbour Holdings plc to the Partial Offer and Share Subscription, and to have secured the full support of SHH’s major shareholders. FB Investors has acquired a good understanding of the local housing market in Plymouth and is enthused by the regeneration potential of SHH’s inventory and the opportunities for further enhancement of its existing operating assets, including the marinas, fisheries and surrounding real estate assets with potential for redevelopment. FB Investors believes that with its track record in property development it can enhance significantly SHH’s ability to create value from its assets and looks forward to working with SHH’s existing management team to create value for all SHH’s shareholders.”

The Partial Offer will be subject to the Conditions and certain further terms of the Partial Offer set out in Appendix I to this Announcement and the full terms and conditions to be set out in the Offer Document. Appendix II to this Announcement sets out the sources of information and bases of calculations used in this Announcement. Appendix III to this Announcement contains details of the irrevocable undertakings given by the SHH Directors and certain other SHH Shareholders. Appendix IV to this Announcement contains the definitions of certain terms used in this summary and in the full text of this Announcement.

The Offer Document, together with a Form of Acceptance, a Form of Approval and a Form of Proxy, will be posted to SHH Shareholders as soon as practicable and in any event within 28 days from the date of this Announcement, unless otherwise agreed with the Panel, other than to

certain Overseas SHH Shareholders in a Restricted Jurisdiction in the circumstances permitted under the Takeover Code or in accordance with any dispensation given by the Panel. The Offer Document, the Form of Acceptance, the Form of Approval and the Form of Proxy will be made available, subject to certain access restrictions in respect of Overseas SHH Shareholders, on SHH's website at www.suttonharbourholdings.co.uk and FB Investors' website at www.fblip.co.uk.

The full terms of, and conditions to, the Partial Offer will be set out in the Offer Document and the Form of Acceptance. In deciding whether or not to accept and/or approve the Partial Offer, SHH Shareholders should rely solely on the information contained in, and follow the procedures set out in, the Offer Document, the Form of Acceptance and the Form of Approval.

Enquiries:

FB Investors LLP Philip Beinhaker	via WH Ireland Limited
WH Ireland Limited (Financial adviser to FB Investors) Mike Coe / Ed Allsopp	0117 945 3472
Sutton Harbour Holdings plc Graham Miller, Chairman Jason Schofield, Chief Executive Officer	01752 204 186
Rothschild (Financial adviser to Sutton Harbour Holdings plc) John Byrne / Andrew Graham / Tom Palmer	0207 280 5000
Arden Partners plc (Nominated Adviser to Sutton Harbour Holdings plc) John Llewellyn-Lloyd / Benjamin Cryer	0207 614 5900
DCA (Financial PR to Sutton Harbour Holdings plc) Philip Ranger	07768 534 641

WH Ireland Limited ("WH Ireland"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to FB Investors and no-one else in connection with the Partial Offer and other matters described in this Announcement, and will not be responsible to anyone other than FB Investors for providing the protections afforded to clients of WH Ireland or for providing advice in relation to the Partial Offer, the contents of this Announcement or any other matter referred to in this Announcement. WH Ireland has given, and not withdrawn, its consent to the inclusion in the Announcement of the references to its name in the form and context in which it appears.

N. M. Rothschild & Sons Limited ("Rothschild"), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to SHH and no-one else in connection with the Partial Offer and other matters described in this Announcement, and will not be responsible to anyone other than SHH for providing the protections afforded to clients of Rothschild or for providing advice in relation to the Partial Offer, the contents of this Announcement or any other matter referred to herein. Rothschild has given, and not withdrawn, its consent to the inclusion in the Announcement of the references to its name and the advice it has given to SHH in the form and context in which they appear.

Arden Partners plc (“Arden Partners”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as nominated adviser to SHH and no-one else in connection with the Partial Offer and other matters described in this Announcement, and will not be responsible to anyone other than SHH for providing the protections afforded to clients of Arden Partners or for providing advice in relation to the Partial Offer, the contents of this Announcement or any other matter referred to herein. Arden Partners has given, and not withdrawn, its consent to the inclusion in the Announcement of the references to its name in the form and context in which it appears.

Further information

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO, AND DOES NOT, CONSTITUTE OR FORM ANY PART OF, AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES OR THE SOLICITATION OF ANY VOTE OR APPROVAL IN ANY JURISDICTION, NOR SHALL THERE BE ANY SALE, ISSUANCE OR TRANSFER OF THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW. THE PARTIAL OFFER WILL BE MADE SOLELY BY MEANS OF THE OFFER DOCUMENT, WHICH WILL CONTAIN THE FULL TERMS AND CONDITIONS OF THE PARTIAL OFFER, AND, IN THE CASE OF SHH SHARES HELD IN CERTIFICATED FORM, THE FORM OF ACCEPTANCE. ANY DECISION, ACCEPTANCE OR APPROVAL IN RELATION TO THE PARTIAL OFFER SHOULD BE MADE ONLY ON THE BASIS OF THE INFORMATION CONTAINED IN THE OFFER DOCUMENT AND THE FORM OF ACCEPTANCE (IF APPLICABLE). SHH SHAREHOLDERS ARE ADVISED TO READ CAREFULLY THE OFFER DOCUMENT AND THE FORM OF ACCEPTANCE (IF APPLICABLE), ONCE THEY HAVE BEEN DISPATCHED.

Forward looking statements

This Announcement contains certain statements that are, or may be deemed to be, forward looking with respect to the financial condition, results of operation(s) and business of FB Investors or SHH and certain plans and objectives of the SHH Directors and the FB Investors Executive Committee with respect thereto. These forward looking statements can be identified by the fact that they are prospective in nature and do not relate to historical or current facts. Forward looking statements often, but not always, use words such as “anticipate”, “target”, “expect”, “estimate”, “budget”, “scheduled”, “forecasts”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could” or other words of a similar meaning. These estimates are based on assumptions and assessments made by the SHH Directors and/or the FB Investors Executive Committee in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate.

The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date. 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 and the factors described in the context of such forward looking statements in this Announcement could cause actual results or developments to differ materially from those expressed or implied by such forward looking statements. Although the SHH Directors and the FB Investors Executive Committee believe that the expectations reflected in such forward looking statements are reasonable, neither FB Investors nor SHH, nor any of their respective associates or directors, executive committee members, officers or advisers, or any person acting on the behalf of FB Investors or SHH 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. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure Guidance and Transparency Rules

and MAR), none of FB Investors, SHH, any member of the FB Investors Group, any member of the SHH Group, nor any member of the FB Investors Executive Committee nor any SHH Director, nor any of their respective advisers, associates, directors, executive committee members or officers is under any obligation, and such persons expressly disclaim any intention or obligation, to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. No undue reliance should therefore be placed on these forward looking statements which speak only as at the date of this Announcement.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code 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 one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), except to the extent that these details have previously been disclosed under Rule 8 of the Takeover Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Takeover Code 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 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.

Information relating to SHH Shareholders

Please be aware that addresses, electronic addresses and certain information provided by SHH Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from SHH may be provided to FB Investors during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Takeover Code, SHH confirms that, as at the date of this Announcement, it has 96,277,086 ordinary shares of 1p each in issue and admitted to trading on AIM, a market operated by the London Stock Exchange under ISIN GB0008659202.

Publication of this Announcement and availability of hard copies

A copy of this Announcement and the display documents required to be published pursuant to Rule 26.1 and Rule 26.2 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SHH's website at www.suttonharbourholdings.co.uk and on FB Investors' website at www.fbllp.co.uk by no later than 12 noon on the Business Day following the date of this Announcement until the end of the Offer Period.

Neither the content of FB Investors' nor SHH's websites nor the content of any websites accessible from hyperlinks on such websites (or any other websites) are incorporated into, or form part of, this Announcement nor, unless previously published by means of a Regulatory Information Service, should any such content be relied upon in reaching a decision regarding the matters referred to in this Announcement.

In addition, a hard copy of this Announcement and any information incorporated by reference in this Announcement may be requested free of charge by contacting the Receiving Agent, Neville Registrars Limited on +44 (0)121 585 1131.

SHH Shareholders may also request that all future documents, announcements and information to be sent to them in relation to the Partial Offer should be in hard copy form.

The Partial Offer is subject to the provisions of the Takeover Code.

Profit forecasts or estimates

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

SHH Shareholders outside the United Kingdom

The availability of the Partial Offer and the release, publication and distribution of this Announcement in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons who are not resident in the United Kingdom into whose possession this Announcement comes should inform themselves about and observe any such restrictions.

Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Partial Offer disclaim any responsibility or liability for the violation of such restrictions by any person. Accordingly, copies of this Announcement, the Offer Document, the Form of Acceptance, the Form of Approval, the Form of Proxy and/or any other related document will not be, and must not be, directly or indirectly, mailed or otherwise distributed or sent in or into any Restricted Jurisdiction and persons in such Restricted Jurisdictions receiving such documents (including custodians, nominees and trustees) must not distribute or send them in,

into or from such jurisdictions as doing so may violate the laws of such jurisdictions and may make invalid any purported acceptance or approval of the Partial Offer by persons in any such Restricted Jurisdiction.

The receipt of cash pursuant to the Partial Offer by SHH Shareholders may be a taxable transaction under applicable national, state or local, as well as foreign and other, tax laws. Each SHH Shareholder is urged to consult its independent professional adviser regarding the tax consequences of accepting the Partial Offer.

This Announcement has been prepared for the purpose of complying with English law, the rules of the London Stock Exchange, the AIM Rules 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 of jurisdictions outside England and Wales.

The Partial Offer will not be made, directly or indirectly, in or into, or by use of the mails, or by any means or instrumentality (including, without limitation, by means of telephone, facsimile, telex, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a securities exchange of the United States, Canada, Australia, New Zealand, Japan, the Republic of South Africa or any other Restricted Jurisdiction and the Partial Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction. Accordingly, copies of this Announcement and any other related document will not be, and must not be, directly or indirectly, mailed or otherwise distributed or sent in or into the United States, Canada, Australia, New Zealand, Japan, South Africa or any other Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from such jurisdictions as doing so may violate the laws of such jurisdictions and may make invalid any purported acceptance of the Partial Offer by persons in any such jurisdiction.

No representations

No person has been authorised to make any representations on behalf of FB Investors or SHH concerning the Partial Offer or SHH General Meeting which are inconsistent with the statements contained in this Announcement and any such representations, if made, may not be relied upon as having been so authorised. No person should construe the contents of this Announcement as legal, financial or tax advice and recipients of this Announcement should consult their own advisers in connection with the matters contained herein.

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.

Inside information and Market Abuse Regulation (“MAR”)

Certain SHH Shareholders were, with the consent of the Panel, formally brought inside in order to discuss entering into irrevocable undertakings. That inside information is set out in this Announcement and has been disclosed as soon as possible in accordance with paragraph 7 of article 17 of MAR. Therefore, those persons that received inside information are no longer in possession of inside information relating to SHH and its securities.

The person responsible for arranging release of this Announcement on behalf of FB Investors is Philip Beinhaker. The persons responsible for arranging release of this Announcement on behalf of SHH are Jason Schofield and Natasha Gadsdon.

Status of Announcement

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

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PROPOSED SHARE SUBSCRIPTION

1. Introduction

The members of the FB Investors Executive Committee and the SHH Directors are pleased to announce that they have reached agreement on the terms of a recommended partial cash offer to be made by FB Investors to acquire up to 67,393,960 SHH Shares, representing 70 per cent. of the issued ordinary share capital of SHH (the "Partial Offer").

In addition, the FB Investors Executive Committee and SHH Directors have agreed the terms on which FB Investors will make a conditional subscription for 9,322,034 new SHH Shares (the "Subscription Shares"), representing 8.83 per cent. of the enlarged issued ordinary share capital of SHH following completion of the Share Subscription and the Partial Offer, at a price of 29.5 pence per Subscription Share, being the Offer Price (the "Share Subscription").

The Offer Document, the Form of Acceptance and the Form of Approval in connection with the Partial Offer, and the Form of Proxy for use at the SHH General Meeting to be convened in connection with the passing of the Resolutions required in connection with the Share Subscription, will be posted to SHH Shareholders as soon as reasonably practicable and, in any event, within 28 days after the date of this Announcement, other than to Overseas SHH Shareholders in the circumstances permitted under the Takeover Code or in accordance with any dispensation given by the Panel.

2. The Partial Offer

It is intended that the Partial Offer be implemented by means of a contractual offer under the Takeover Code.

The Partial Offer, which will be subject to the terms and conditions set out in Appendix I to this Announcement and to the full terms and conditions to be set out in the Offer Document and the Form of Acceptance (if applicable), will be made on the following basis:

29.5 pence in cash

for each SHH Share to be sold pursuant to the Partial Offer

The Partial Offer values (i) the entire issued share capital of SHH at approximately £28.40 million and (ii) the SHH Shares subject to the Partial Offer at approximately £19.88 million.

The Offer Price represents a premium of approximately:

- 13.46 per cent. to the Closing Price per SHH Share of 26 pence on 20 April 2016 (being the last Business Day prior to the start of the Offer Period);
- 12.38 per cent. to the Closing Price per SHH Share of 26.25 pence on 22 November 2017 (being the last Business Day prior to the date of this Announcement); and
- 6.51 per cent. to the average Closing Price per SHH Share of approximately 27.70 pence for the period from 21 April 2016 (being the date on which the Offer Period commenced) to 22 November 2017 (being the last Business Day prior to the date of this Announcement).

SHH Shareholders may accept (or procure the acceptance of) the Partial Offer in respect of any number of the SHH Shares held by them on the Record Date or none at all. Subject to the Partial Offer becoming, or being declared, unconditional in all respects:

- i)* if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of 70 per cent. or less of their registered holdings, then their acceptances will be met in full;
- ii)* if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of 67,393,960 or fewer SHH Shares, then their acceptances will be met in full; and
- iii)* if SHH Shareholders accept (or procure the acceptance of) the Partial Offer in respect of more than 70 per cent. of their registered holdings and the total acceptances received from all SHH Shareholders are in respect of more than 67,393,960 SHH Shares, each such SHH Shareholder would have their acceptances in excess of 70 per cent. scaled down in the same proportion to the total number of SHH Shares tendered to the extent necessary to enable FB Investors to acquire 67,393,960 SHH Shares.

In the event that scaling down, as described above, is required in respect of any accepting SHH Shareholders, FB Investors will make an announcement stating the basis of such scaling down by 9.00 a.m. on the second Business Day following the closing of the Partial Offer.

In the event that the Partial Offer becomes, or is declared, unconditional in all respects, FB Investors will hold SHH Shares carrying more than 50 per cent. of the voting rights of SHH and FB Investors will be free (subject to Rule 36.3 of the Takeover Code as described immediately below) to acquire further SHH Shares without incurring any obligation under Rule 9 of the Takeover Code to make a general offer.

Following a successful partial offer, Rule 36.3 of the Takeover Code prevents the Offeror and any person acting in concert with it from acquiring any interest in the shares of SHH during a period of 12 months after the end of the Offer Period without the consent of the Panel.

The Partial Offer will extend to all SHH Shares unconditionally allotted or issued and fully paid on the date of the Partial Offer and any additional SHH Shares which are unconditionally allotted or issued and fully paid whilst the Partial Offer remains open for acceptance or by such earlier date as FB Investors may decide, subject to the Takeover Code.

The SHH Shares will be acquired pursuant to the Partial Offer fully paid and free from all liens, charges, equitable interests, encumbrances, rights of pre-emption and any other interests of any nature whatsoever and together with all rights attaching to them.

FB Investors reserves the right to make an equivalent reduction in the Offer Price if SHH announces, declares or pays any dividend or makes any other distribution to SHH Shareholders

on or after the date of this Announcement although, in such circumstances, SHH Shareholders would be entitled to retain any such dividend or other distribution made or paid.

The Partial Offer is conditional upon, amongst other things:

- FB Investors receiving valid acceptances (which have not been validly withdrawn) in respect of, and/or having otherwise acquired, or agreed to acquire, at least 55,840,710 SHH Shares (representing 58 per cent. of the SHH Shares in issue as at 22 November 2017 (being the last Business Day prior to the date of this Announcement)); and
- SHH Shareholders holding shares carrying over 50 per cent. of the voting rights of SHH approving the Partial Offer.

The acceptance condition and the approval condition are both expected to be satisfied pursuant to, and in accordance with, the terms of the irrevocable undertakings, as described in paragraph 7 below.

Under Rule 36.5 of the Takeover Code, approval of the Partial Offer by SHH Shareholders is required and the Partial Offer will therefore be conditional upon such approval being obtained. For this condition to be satisfied, SHH Shareholders, who are independent of FB Investors and persons acting in concert with FB Investors, and represent more than 50 per cent. of the voting rights in SHH must give their approval (via the Form of Approval) to the Partial Offer. If such approval is not obtained, the Partial Offer will lapse. All SHH Shareholders who **approve** the Partial Offer (whether or not they wish to **accept** the Partial Offer and whether they hold their SHH Shares in certificated or uncertificated form) should therefore complete and return the Form of Approval (once received by them) in accordance with the procedures set out in the Offer Document and paragraph 16 below.

3. The Share Subscription

In connection with the Partial Offer, FB Investors and SHH have entered into a conditional subscription agreement pursuant to which FB Investors has agreed to subscribe for 9,322,034 new SHH Shares (the "Subscription Shares") at a price of 29.5 pence per Subscription Share, being the Offer Price. If valid acceptances are received in respect of all of the 67,393,960 SHH Shares which are the subject of the Partial Offer and the Share Subscription completes in accordance with the terms of the Share Subscription Agreement, FB Investors would hold 76,715,994 SHH Shares, representing, in aggregate, approximately 72.65 per cent. of the enlarged issued ordinary share capital of SHH following completion of the Share Subscription and the Partial Offer.

The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms and (ii) SHH Shareholders approving at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares.

The Share Subscription will provide SHH with proceeds equal to £2.75 million. Please see paragraph 4 below for further details regarding the Share Subscription, including how the subscription proceeds would be used by the Company.

In the event that the Share Subscription is not approved, the Partial Offer will be unaffected. In such circumstances, however, the SHH Board would need to consider whether and how SHH could undertake the potential development of Sugar House itself.

4. Background to and reasons for the Partial Offer and the Share Subscription

Partial Offer

FB Investors is very attracted by SHH's existing real estate asset portfolio and inventory with potential for re-development. FB Investors has acquired a good understanding of the local housing market in Plymouth and is enthused by the regeneration potential of SHH's inventory and the opportunity for further enhancement of the existing operating assets, including the marinas, fisheries and surrounding real estate assets. In particular, FB Investors sees significant value potential in the redevelopment of Sugar House and shares SHH's vision in relation to redeveloping the former site of Plymouth City Airport into non-airport, mixed use redevelopment for the commercial benefit of SHH and its shareholders (subject to planning approval), with the added benefit to the local community. FB Investors believes that its members' proven track-record of delivering high-quality redevelopment projects, coupled with SHH's talented management team, would deliver compelling benefits to all of SHH's stakeholders and the wider Plymouth area.

As highly experienced international property developers, FB Investors' members recognise that SHH's ability to fulfil its vision of delivering an ambitious, mixed-use development plan will require the support of the local community and other policy makers.

FB Investors' offer has been structured as a partial offer under the Takeover Code to enable SHH Shareholders to:

- maintain a meaningful stake in SHH of 30 per cent. of their current shareholding and potentially more than this should they wish to do so (subject, amongst other things, to sufficient acceptances being received in aggregate to satisfy the acceptance condition set out in paragraph (a) of Part A of Appendix I below) and in either scenario, therefore, share in any future value creation for SHH under the new majority ownership of FB Investors; and
- to exit SHH for cash via the Partial Offer (for at least 70 per cent. of their shareholdings) and/or, subject to market liquidity at the relevant time, to continue to be able to do so through subsequent sales of any retained interests in SHH Shares following completion of the Partial Offer, as FB Investors has agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the Board not appointed by FB Investors.

Share Subscription

A key part of FB Investors' strategy for fulfilling the development potential of SHH's core inventory assets will be for SHH itself to manage the development of Sugar House directly, rather than pursue SHH's current strategy of engaging a third party developer to carry out the development opportunity and construction of the site, which would involve the relevant developer sharing in the profit arising from the development. Undertaking the development of Sugar House directly itself would allow SHH to retain the full amount of additional value created from the development without sharing the profit with a third party developer, which FB Investors and the SHH Directors believe will be to the benefit of all SHH Shareholders.

As part of its assessment of the development potential of Sugar House, FB Investors has prepared detailed estimates of the construction values, soft costs and assumed building programme and revenues which it has discussed and shared with SHH. The soft costs involved in progressing the development of Sugar House are estimated to total approximately £2 million. In order to provide SHH with funding for these costs, FB Investors has agreed to subscribe for additional ordinary share capital pursuant to the Share Subscription.

FB Investors has also agreed to invest an additional £750,000 in SHH to be used as additional working capital and assist with the payment of the costs which SHH has incurred in connection with the Formal Sale Process. Again this funding is proposed to be provided by FB Investors to SHH by way of additional ordinary share capital pursuant to the Share Subscription.

Therefore, pursuant to the Share Subscription, FB Investors is proposing to invest £2,750,000 in aggregate in SHH in consideration for the issue of the Subscription Shares at a subscription price of 29.5 pence per Subscription Share, equal to the Offer Price.

The Company does not currently have sufficient shareholder authorities in place to enable the Share Subscription to be implemented. Therefore, in order to implement the Share Subscription, the Company intends to convene the SHH General Meeting to obtain the requisite authorities. The Notice of SHH General Meeting will be included in the Offer Document, which will be accompanied by a Form of Proxy and posted to SHH Shareholders within 28 days of this Announcement.

The Share Subscription is conditional upon (i) the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms and (ii) SHH Shareholders approving at the SHH General Meeting the Resolutions necessary to grant the SHH Directors sufficient authorities to issue the Subscription Shares.

On the assumption that FB Investors acquires 70 per cent. of SHH's existing issued share capital pursuant to the Partial Offer, following completion of the Share Subscription, FB Investors will hold approximately 72.65 per cent. of the enlarged issued share capital of SHH.

In the event that the Share Subscription is not approved, the Partial Offer will be unaffected. In such circumstances, however, the SHH Board would need to consider whether and how SHH could undertake the potential development of Sugar House itself.

5. Background to and reasons for the recommendation of the SHH Directors

SHH has a vision to create a major waterfront destination where people can live, work and play, centred around the historic asset of Sutton Harbour. It is also ideally placed to benefit from the upcoming festivities in 2020 that will commemorate the 400th anniversary of the Mayflower setting sail from Plymouth.

The business has made significant operational improvements over recent years, including capital investments in the operational businesses to improve financial performance within the current capital structure of SHH. The SHH Board believes in the long term vision for Sutton Harbour and the long term value of the various other development sites such as Sugar House and the former airport site ("Plym Vale").

However, given the uncertainty surrounding the ability of the development sites to deliver an economic return over the longer term and the existing capital structure constraining investment and dividends, the SHH Board announced a strategic review and formal sale process on 21 April 2016 to assess all options to generate value for SHH Shareholders including a potential sale of the Company.

The Formal Sale Process has been ongoing for more than 18 months, during which time the SHH Board has considered a number of strategic options. The outcome of this strategic review has resulted in the SHH Board's announcement today of SHH Directors' intention to recommend unanimously that SHH Shareholders accept and approve the Partial Offer and vote in favour of the Resolutions to enable the Share Subscription to proceed, the details of which are set out in this Announcement.

The SHH Board believes that FB Investors brings significant experience in generating value through development projects across the globe and the Share Subscription will also provide capital to invest in new and existing development opportunities.

The SHH Directors have carefully considered the Partial Offer, taking into account the interests of SHH, its shareholders, employees, customers and other stakeholders. The SHH Directors have considered, amongst other things, SHH's future prospects, the commercial benefits of the Partial Offer and the terms of the Partial Offer as well as the fact that FB Investors has agreed under the Relationship Agreement not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the Board not appointed by FB Investors.

The SHH Directors believe that the Partial Offer, which values each SHH Share at 29.5 pence, represents an opportunity for SHH Shareholders to realise in cash a significant proportion of their investment in SHH at an attractive premium, while at the same time maintaining a substantial economic interest through their residual shareholding in SHH whose position, the SHH Directors believe, should be strengthened by the Partial Offer and the Share Subscription.

6. Recommendation of the Partial Offer and the Share Subscription by SHH Directors

The SHH Directors, who have been so advised by Rothschild as to the financial terms of the Partial Offer, consider the terms of the Partial Offer to be fair and reasonable.

In providing advice to the SHH Directors, Rothschild has taken into account the commercial assessments of the SHH Directors.

Accordingly, the SHH Directors unanimously intend to recommend that SHH Shareholders:

- approve (or procure the approval of) the Partial Offer in respect of their entire holding;
- accept (or procure the acceptance of) the Partial Offer; and
- vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting,

which each SHH Director has irrevocably undertaken to do (or procure to be done) in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest amounting, in aggregate, to 288,620 SHH Shares, representing approximately 0.30 per cent. of the issued ordinary share capital of SHH.

7. Irrevocable undertakings

The SHH Directors have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they, or members of their immediate families, related trusts and any other persons whose interests in securities the SHH Directors are deemed to be interested in pursuant to Part 22 of the Companies Act 2006, have a beneficial interest, which, in aggregate, represent approximately 0.30 per cent. of the SHH Shares in issue on 22 November 2017 (being the last Business Day prior to the date of this Announcement), conditional (amongst other things) upon the Offer Document being published before midnight (London time) on 21 December 2017.

In addition, each of Crystal Amber Fund Limited, Rotolok (Holdings) Limited and Dan McCauley have entered into irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial

Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting, in each case in respect of all of the SHH Shares in which they are interested, which, in aggregate, represent approximately 58.07 per cent. of the SHH Shares in issue on 22 November 2017 (being the last Business Day prior to the date of this Announcement), in each case conditional (amongst other things) upon the Offer Document being published before midnight (London time) on 21 December 2017.

FB Investors has therefore received irrevocable undertakings to (i) accept (or procure the acceptance of) the Partial Offer at the Offer Price, (ii) approve (or procure the approval of) the Partial Offer and (iii) vote (or procure the vote) in favour of the Resolutions at the SHH General Meeting in respect of a total of 56,194,768 SHH Shares, representing, in aggregate, approximately 58.37 per cent. of the issued share capital of SHH as at 22 November 2017 (being the last Business Day prior to the date of this Announcement).

Further details of these irrevocable undertakings are set out in Appendix III to this Announcement.

8. Information on FB Investors

FB Investors is an English limited liability partnership and was incorporated on 13 November 2017.

The members of FB Investors are Beinhaker Design Services and 1895 Management Holdings Company. The FB Investors Executive Committee comprises Philip Beinhaker and Albert Friedberg.

Beinhaker Design Services

Beinhaker Design Services is an investment company of Philip Beinhaker's family and was incorporated on 29 May 2015. Philip Beinhaker is chairman of Beinhaker Design Services and Corey Beinhaker and Joshua Mishkin are executives of Beinhaker Design Services. The share capital of Beinhaker Design Services is held by Corey Beinhaker. The directors of Beinhaker Design Services are Philip Beinhaker, Corey Beinhaker and Constance Beinhaker. Beinhaker Design Services accounts as at 31 May 2016 reported net assets of £19,224. These accounts are available on www.fblip.co.uk.

Philip Beinhaker served as co-founding partner and CEO of IBI Group, a world-leading firm in architecture, engineering and project management from its formation in 1974 until 2004. In 2004, Philip Beinhaker led the company's flotation on the Toronto Stock Exchange and became the sole CEO and Chairman Director. Thereafter, Philip Beinhaker had a leading role in the growth of the practice both functionally and geographically from its initial base in Toronto of some 30 people to over 2,500 active professional staff worldwide today. In 2013, Philip Beinhaker retired from the position of CEO and currently continues to serve as a senior director of the IBI Group Management Partnership.

Philip Beinhaker, through the Beinhaker group of companies has led numerous real estate developments as development manager, developer and principal throughout Canada, the United States, Israel, Germany and other locations. Philip Beinhaker has taken up residence in the United Kingdom where he has founded Beinhaker Design Services which serves as a base for his activities in Europe.

Major urban real estate development projects led by Philip Beinhaker include:

- King Business Center, Toronto: - approximately 1,500 housing units and employment space; from 1985 to 1990.

- Liberty Village, Toronto: - 5 million sq. ft. including over 5,000 residential uses; office employment space and retail; all in the context of a new network of streets and parks and urban infrastructure. This development transformed an industrial under-utilized brown land area (within 2 km from the Toronto City Center) into a mixed use residential, retail, and workplace as a new community within the city. The land assembly was completed by 2000; the approvals by 2003; the principal infrastructure and decontamination of soil by 2005. As of today, 4,000 units of residential accommodation, the retail space and work space have been completed and the last stages of the project are underway.
- City Place, Toronto: - over 8,000 housing units; the Sky Dome baseball Stadium and other uses; the realisation of the first phase of land development and of building development that included the SkyDome baseball stadium, commencing in 1981 the project extended in subsequent phases through to 2015. This development transformed the unutilised railway yards of some 200 acres into a mixed use residential, office, hotel and entertainment area and provided linkages between the City Center to the north and the amenity of the waterfront of Lake Ontario to the south, thereby enhancing the entire urban environment.
- Montreal Canadiens Hockey Arena and Entertainment Centre: - included the programming and Design and construction of the facility for the hockey team franchise. The project also included a material real estate component for housing and office on the site which are now being completed and the redevelopment of the historic rail terminal of the Windsor Station.
- Project Marienhain, Berlin, Germany: - in 2011, Beinhaker/Friedberg acquired undeveloped land of some 15.5 hectare within the Berlin municipal district of Treptow-Koepenick. A vision was created, approvals obtained (in 2015), and the business arrangements recently concluded for implementation of a residential community of some 1,100 housing units along with a waterfront recreation area, restaurant, retail and community facilities, along with the required permits for infrastructure (road design, rainwater drainage, drinking water and sewers).

Corey Beinhaker worked for IBIB Group Consultants (Israel) Limited from 2000 to 2017, latterly as its Chief Executive Officer where he, amongst other things, was the contract manager for a number of significant projects including the Tel Aviv Red 10 Line Underground Station Design, and the design and technical specification for the traffic management system for the inter-urban highway network in Israel. Since April 2017, Corey Beinhaker has been engaged in project management and real estate development services for companies within the Beinhaker group of companies.

Joshua Mishkin has served in a managerial capacity for major estate developments and business ventures over the last 12 years, including several led by the Beinhaker and Friedberg families. In addition, Mr Mishkin has advised on real estate planning and feasibility on projects in Europe, the United States and Israel during his employment in the IBI Group, a leading firm in architecture, engineering and project management. He also served in the mergers and acquisitions department of the IBI Group. He now works full-time as an executive in the Beinhaker group of companies and is focussed on large scale urban development projects.

1895 Management Holdings Company

1895 Management Holdings Company is an investment holding company wholly-owned by Albert Friedberg which was incorporated on 29 September 2016 in Nova Scotia. Albert Friedberg and Dan Scheiner are the only directors and officers of 1895 Management Holdings Company. As at the date of this Announcement, 1895 Management Holdings Company holds one investment and is yet to file accounts.

Albert Friedberg has over 40 years' experience in the investment industry. He is president of FCMI Parent Co. ("FCMI"), a family holding company which was incorporated on 29 September 1998 as a Nova Scotia unlimited liability corporation. FCMI holds investments in bonds as well as

shares, debentures and warrants of publicly traded entities as well as other private companies and limited partnerships. FCMI has direct subsidiaries located in Canada with a significant focus being liquid marketable securities. FCMI also has numerous indirect subsidiaries in Barbados, Canada, Cayman Islands, Chile, New Zealand and the United States. FCMI's most recent financial statements show total assets of over US\$100,000,000.

Mr Friedberg is also chief executive officer of Friedberg Mercantile Group Limited ("FMG"), a Toronto-based commodities and investment management firm that is a member of IIROC, CIPF and all Canadian exchanges. FMG provides a wide range of financial and investment services to retail and institutional clients. FMG was founded in 1971 by Mr Friedberg and it is owned by FCMI.

Mr Friedberg served as Chairman of the Toronto Futures Exchange from March 1985 to June 1988. He is also Chairman of the Board at Vaccinex, Inc., a role he has held since April 2001.

9. Information on SHH

SHH is an award-winning waterfront regeneration specialist, based in Plymouth on the South Coast of England. Plymouth promotes itself as "Britain's Ocean City" and has a heritage going back more than 500 years with the area of Sutton Harbour remaining one of the city's oldest quarters and a popular place to visit.

During the financial year ended 31 March 2017, SHH employed an average of 33 people, had annual turnover of £6.7 million and made a profit before tax of £53,063. The Company has been admitted to trading on AIM since 1996.

SHH expects to announce its interim results for the six months ended 30 September 2017 on or around 5 December 2017. These accounts will include an asset valuation in respect of SHH's real estate and operating assets which will be included in the Offer Document in compliance with Rule 29 of the Takeover Code.

The SHH Group operates in the following four business areas:

Marine

SHH's marine businesses comprise two well-located marinas and Plymouth Fisheries. The marina at Sutton Harbour is a well-established and fully serviced, 5 Gold Anchor award-winning facility with berthing for 523 vessels, subject to berthing configuration, located in the heart of the historical city. King Point Marina, built in 2013, situated at the heart of a major regeneration project in the Millbay area of Plymouth, operates with berthing capacity for up to 171 vessels, subject to configuration. Plymouth Fisheries is the second largest fresh fish market in England.

Car parking

The SHH Group owns two major city car parks: Lambhay Hill and Harbour Car Park. Both are in close proximity to Sutton Harbour with a total of 391 public car parking spaces and both are well-located to benefit from visitors to the numerous local attractions, as well as servicing the users of the marinas and fisheries complex.

Real estate

SHH oversees a high-profile portfolio of property investments based principally around Sutton Harbour and also at the new coastal quarter by King Point Marina. The estate has a strong mix of national, regional and independent tenants, as well as strong occupancy levels, generating strong and stable revenue streams.

Regeneration

SHH's management has a collective vision to create a major waterfront destination where people can live, work and play, centred around the historic asset of Sutton Harbour. They have already delivered various sites and have identified numerous assets for potential development to achieve

this vision. These regeneration opportunities include Sugar House, Eastern Gateway, Harbour Arch Quay and the proposed Boardwalk at Vauxhall Quay.

In addition to its regeneration sites around Sutton Harbour, SHH controls and manages the major brownfield regeneration site known as Plym Vale, which was formerly the Plymouth City Airport site. This site totals approximately 113 acres and plans have been drawn up for a major housing-led, garden suburb-style development with the capacity for more than 1,600 new homes upon planning permission being received. Plymouth City Council currently seeks to safeguard this site for general aviation operations; however, the current approach to the former airport site may be affected by the outcome of the ongoing examination into the soundness of the Plymouth and South West Devon Joint Local Plan, for which an independent government inspectorate has been appointed.

Further information on SHH can be found on its website at www.suttonharbourholdings.co.uk.

10. Financing of the Partial Offer and Share Subscription

The cash consideration payable by FB Investors under the terms of the Partial Offer and the Share Subscription will be financed from its existing cash resources.

In accordance with Rule 2.7(d) of the Takeover Code, WH Ireland, as financial adviser to FB Investors, is satisfied that sufficient resources are available to FB Investors to satisfy in full the cash consideration payable to SHH Shareholders pursuant to the terms of the Partial Offer and the cash consideration payable to SHH pursuant to the Share Subscription.

11. Ongoing business and operation

Save as described below, FB Investors does not intend to make any changes to the locations of the SHH Group's places of business or the manner in which its assets are deployed, and SHH will continue to be operated, managed and headquartered from Plymouth. In particular, FB Investors does not intend to change the nature of SHH's current business activities in relation to Plymouth Fisheries, the marinas at Sutton Harbour and King Point, the businesses engaged in waterfront property investment and/or the various car parking facilities.

FB Investors does, however, intend to make available to SHH the property development expertise of Philip Beinhaker and of Beinhaker Design Services Limited (in particular, two of its executives, Corey Beinhaker and Joshua Mishkin) and the financial expertise of Albert Friedberg and his associated companies, to enable the SHH Group to undertake more direct development work in relation to its existing property interests and without contracting this out to a third party developer. FB Investors believes this approach will enable SHH to secure more of the potential profits arising from these assets for the benefit of SHH Shareholders.

In particular, in relation to Sugar House, FB Investors intends to review with the Company the current plans for the site and revise them such that the Company can take on the development of the site and thus retain more of the profits of the development for its own account, to the benefit of all SHH Shareholders who retain an interest in SHH Shares at the relevant time. A key purpose of the extension of the Company's current loan facilities, details of which are set out in paragraph 14 below, and the Share Subscription is to ensure that the Company has the time and financial resources to plan and execute this strategy properly. This effort will be led by Philip Beinhaker with the assistance of Corey Beinhaker, Joshua Mishkin and the Company's existing management team.

FB Investors also intends to lend its considerable experience of planning large scale real estate projects to assist and support SHH's current strategy and objectives in relation to SHH's other principal development asset, being the former site of Plymouth City Airport.

12. SHH's management and employees

FB Investors attaches great importance to the skills, expertise and knowledge of the existing management and employees of the SHH Group and believes that they will be a key factor in maximising opportunities.

(i) Staff terms and conditions

FB Investors confirms that it has no intention to make changes to the continued employment of SHH Group employees or to make material changes to the conditions of employment of any of the SHH Group employees. Further, FB Investors confirms that the existing contractual and employment rights of employees of the SHH Group, including accrued pension rights under applicable law, will be safeguarded following completion of the Partial Offer.

(ii) Current SHH Directors

FB Investors will have the right under the Relationship Agreement, amongst other things, to appoint up to two directors to the SHH Board (one of whom may be Chairman of the SHH Board) for so long as it holds, directly or indirectly, 50 per cent. or more of the issued voting share capital of SHH. However, FB Investors has confirmed that its initial intention is that it will only appoint Philip Beinhaker to the SHH Board and that Philip Beinhaker will be appointed Chairman of the SHH Board (replacing Graham Miller). Further information regarding Philip Beinhaker is set out in paragraph 8 above.

FB Investors wishes to retain the services of the current executive directors, Jason Schofield and Natasha Gadsdon, and two of the three current non-executive directors, being Graham Miller and Sean Swales, following completion of the Partial Offer. Robert De Barr has confirmed that he will resign from the SHH Board, subject to and with effect from the Partial Offer becoming, or being declared, wholly unconditional. However, to enable the SHH Group to continue to benefit from Robert De Barr's considerable property experience, it is envisaged that he will perform consultancy services in relation to the development of Sugar House and certain other major real estate projects following completion of the Partial Offer. FB Investors has noted that the current executive directors of SHH do not have any share incentive arrangements to align their interests with the interests of the SHH Shareholders. FB Investors therefore intends to discuss with SHH the implementation of appropriate incentive arrangements following completion of the Partial Offer. As at date of this document, no discussions have taken place as to any terms of any such future incentive arrangements.

Accordingly, following completion of the Partial Offer, the SHH Board will comprise:

- Philip Beinhaker (Chairman);
- Jason Schofield (Chief Executive Officer);
- Natasha Gadsdon (Chief Financial Officer);
- Graham Miller (Non-Executive Director); and
- Sean Swales (Non-Executive Director).

13. Retention of SHH's admission to trading on AIM and the Relationship Agreement

Following the Partial Offer becoming, or being declared, wholly unconditional, SHH will remain an independently managed public company quoted on AIM.

FB Investors and SHH have entered into the Relationship Agreement, which is conditional upon the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms, in order to regulate their relationship on an ongoing basis following completion of the Partial Offer. The principal purpose of the Relationship Agreement is to provide that the relationship between FB Investors and the SHH Group will be conducted independently and on an arm's length basis.

The Relationship Agreement addresses, amongst other things, the composition of the SHH Board (providing FB Investors with the ability to appoint up to two directors to the SHH Board (one of whom may be the Chairman) for so long as it holds, directly or indirectly, 50 per cent. or more of the issued voting share capital of SHH) and contains certain restrictions in relation to directors appointed by FB Investors voting at meetings of the SHH Board on matters in which FB Investors is interested. Under the Relationship Agreement, FB Investors has agreed not to vote in relation to any resolution put to SHH Shareholders to cancel its admission to trading on AIM pursuant to Rule 41 of the AIM Rules for a minimum period of two years following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its terms unless such resolution is recommended by those members of the Board not appointed by FB Investors.

14. Overview of RBS Amended and Restatement Facility Agreement

In connection with the Partial Offer, SHH (and its subsidiaries) entered into a conditional amendment and restatement agreement with RBS on 22 November 2017 (the “RBS Conditional Amendment and Restatement Agreement”), in relation to the existing facilities agreement dated 3 March 2016 between RBS (as agent for National Westminster Bank plc) and, among others, SHH and Sutton Harbour Company, as borrowers (the “Existing RBS Facilities Agreement”), pursuant to which, amongst other things, the term of the Existing RBS Facilities Agreement will be extended from 3 March 2019 to 31 March 2021 and a waiver will be granted in respect of the change of control provision under the Existing RBS Facilities Agreement which would have otherwise become effective as a result of the Partial Offer.

The RBS Conditional Amendment and Restatement Agreement will only become effective in the event that the Partial Offer becomes, or is declared, wholly unconditional in accordance with its terms.

Further details of the RBS Conditional Amendment and Restatement Agreement will be provided in the Offer Document to be published in due course and the RBS Conditional Amendment and Restatement Agreement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SHH’s website at www.suttonharbourholdings.co.uk and FB Investors’ website at www.fblp.co.uk in due course.

15. Other offer related documents

In addition to the Share Subscription Agreement described in paragraph 3 and the Relationship Agreement described in paragraph 13, the following other documents have been entered into pursuant to the Partial Offer:

Confidentiality Agreement

On 9 August 2017, Philip Beinhaker and Albert Friedberg entered into a confidentiality agreement with the Company (the “Confidentiality Agreement”) pursuant to which they and their related parties have undertaken to keep confidential information relating to the Company and not to disclose it to third parties (other than those to which disclosure is permitted in accordance with the terms of the Confidentiality Agreement) unless required by law or regulation. These confidentiality obligations will remain in force until 9 August 2019 (or, if earlier, such date that the confidential information ceases to be of a confidential nature).

Costs side letter

On 22 November 2017, SHH and FB Investors entered into a side letter (the “Side Letter”) to confirm, amongst other things, that SHH will (a) subject to the Partial Offer becoming, or being declared, unconditional in accordance with its terms, reimburse FB Investors £20,250 in respect of the amount which FB Investors has previously paid to RBS in partial satisfaction of the

arrangement fee to be paid by SHH to RBS in connection with the RBS Conditional Amendment and Restatement Agreement and (b) subject to the Partial Offer becoming, or being declared, unconditional in accordance with its terms and Burges Salmon LLP engaging SHH as its client on substantially the same terms and conditions as it has engaged FB Investors as its client so that SHH may rely fully on the legal advice that it has provided in relation to the RBS Conditional Amendment and Restatement Agreement and SHH's strategy in relation to the Plymouth and South West Joint Local Plan, pay an amount up to £21,490 (exclusive of VAT and any disbursements) in respect of such advice.

16. Offer Document, Form of Approval, Form of Acceptance and Form of Proxy

The Partial Offer will be subject to the Conditions and the further terms set out or referred to in Appendix I to this Announcement and in the Offer Document together with, for SHH Shares held in certificated form, the Form of Acceptance, when issued.

It is expected that the Offer Document, the Form of Acceptance, the Form of Approval and the Form of Proxy will be posted as soon as practicable and, in any event, (except with the consent of the Panel) within 28 days from the date of this Announcement. The Offer Document, the Form of Acceptance, the Form of Approval and the Form of Proxy will be made available to all SHH Shareholders, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, at no charge to them on SHH's website at www.suttonharbourholdings.co.uk and FB Investors' website at www.fblp.co.uk.

The Offer Document will contain important information on the Partial Offer and on how SHH Shareholders may accept and approve it and, accordingly, all SHH Shareholders are urged to read the Offer Document and the Form of Approval and (in the case of SHH Shareholders holding SHH Shares in certificated form) the accompanying Form of Acceptance when published and/or received. The Offer Document will also contain notice of the SHH General Meeting to be convened in due course to propose the Resolutions required to be passed to effect the Share Subscription, as well as information as to how SHH Shareholders may attend and vote, in person or by proxy, at the SHH General Meeting.

17. SHH Shareholders outside the United Kingdom

The availability of the Partial Offer to persons not resident in, and not citizens of, the United Kingdom 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, or not citizens of, the United Kingdom should inform themselves about, and observe, any applicable legal or regulatory requirements of their jurisdictions. Overseas SHH Shareholders who are in any doubt regarding such matters should consult an appropriate independent professional adviser in the relevant jurisdiction without delay.

Further details in relation to Overseas SHH Shareholders will be contained in the Offer Document.

18. Disclosures of interests

FB Investors does not hold any SHH Shares. FB Investors confirms that no other holding of SHH Shares is required to be disclosed by it under Rule 8.1(a) of the Takeover Code, other than pursuant to the irrevocable undertakings referred to in paragraph 7 above.

As at the close of business on 22 November 2017, being the last practicable date prior to the publication of this Announcement, except for the irrevocable undertakings mentioned in

paragraph 7 above, neither FB Investors nor any of its officers nor, so far as the FB Investors Executive Committee is aware, any person acting, or deemed to be acting, in concert with FB Investors:

- had an interest in, or right to subscribe for, relevant securities of SHH;
- had any short position in (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 of, relevant securities of SHH;
- had procured an irrevocable commitment or letter of intent to accept the Partial Offer in respect of relevant securities of SHH; or
- had borrowed or lent any SHH Shares.

Save for the Subscription Agreement and as disclosed above, no arrangement exists with FB Investors or any person acting in concert with FB Investors in relation to SHH Shares. For these purposes, an "arrangement" includes any indemnity or option arrangement, any agreement or any understanding, formal or informal, of whatever nature, relating to SHH Shares which may be an inducement to deal or refrain from dealing in such securities.

19. Deferred Shares

SHH has in issue 62,943,752 fully paid deferred shares of 24 pence each. The Deferred Shares are not listed on any exchange and effectively have no rights. In particular, they do not confer on their holders any right to any dividend or other distribution nor the right to receive notice of, attend, speak or vote at general meetings of SHH.

The Deferred Shares will not form part of, and will be unaffected by, the Partial Offer as the Panel has confirmed that the Offeror does not need to make a comparable offer for the Deferred Shares under Rule 14 of the Takeover Code.

20. Documents published on a website

The following documents will promptly and, in any event, by no later than 12 noon on the Business Day following the date of this Announcement, be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SHH's website at www.suttonharbourholdings.co.uk and FB Investors' website at www.fblip.co.uk until the end of the Offer Period:

- this Announcement;
- the irrevocable undertakings referred to in paragraph 7 above and described in Appendix III to this Announcement;
- the Share Subscription Agreement in connection with the Share Subscription referred to in paragraph 1 above;
- the Relationship Agreement referred to in paragraph 13 above;
- the Confidentiality Agreement referred to in paragraph 15 above; and
- the Side Letter referred to in paragraph 15 above.

Enquiries:

FB Investors LLP Philip Beinhaker	via WH Ireland Limited
WH Ireland Limited (Financial adviser to FB Investors) Mike Coe / Ed Allsopp	0117 945 3472
Sutton Harbour Holdings plc Graham Miller, Chairman Jason Schofield, Chief Executive Officer	01752 204 186
Rothschild (Financial adviser to Sutton Harbour Holdings plc) John Byrne / Andrew Graham / Tom Palmer	0207 280 5000
Arden Partners plc (Nominated Adviser to Sutton Harbour Holdings plc) John Llewellyn-Lloyd / Benjamin Cryer	0207 614 5900
DCA (Financial PR to Sutton Harbour Holdings plc) Philip Ranger	07768 534 641

WH Ireland Limited (“WH Ireland”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to FB Investors and no-one else in connection with the Partial Offer and other matters described in this Announcement, and will not be responsible to anyone other than FB Investors for providing the protections afforded to clients of WH Ireland or for providing advice in relation to the Partial Offer, the contents of this Announcement or any other matter referred to in this Announcement. WH Ireland has given, and not withdrawn, its consent to the inclusion in the Announcement of the references to its name in the form and context in which it appears.

N. M. Rothschild & Sons Limited (“Rothschild”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as financial adviser to SHH and no-one else in connection with the Partial Offer and other matters described in this Announcement, and will not be responsible to anyone other than SHH for providing the protections afforded to clients of Rothschild or for providing advice in relation to the Partial Offer, the contents of this Announcement or any other matter referred to herein. Rothschild has given, and not withdrawn, its consent to the inclusion in the Announcement of the references to its name and the advice it has given to SHH in the form and context in which they appear.

Arden Partners plc (“Arden Partners”), which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively as nominated adviser to SHH and no-one else in connection with the Partial Offer and other matters described in this Announcement, and will not be responsible to anyone other than SHH for providing the protections afforded to clients of Arden Partners or for providing advice in relation to the Partial Offer, the contents of this Announcement or any other matter referred to herein. Arden Partners has given, and not withdrawn, its consent to the inclusion in the Announcement of the references to its name in the form and context in which it appears.

Further information

THIS ANNOUNCEMENT IS FOR INFORMATION PURPOSES ONLY AND IS NOT INTENDED TO, AND DOES NOT, CONSTITUTE OR FORM ANY PART OF, AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE ANY SECURITIES OR THE SOLICITATION OF ANY VOTE OR APPROVAL IN ANY JURISDICTION, NOR SHALL THERE BE ANY SALE, ISSUANCE OR TRANSFER OF THE SECURITIES REFERRED TO IN THIS ANNOUNCEMENT IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW. THE PARTIAL OFFER WILL BE MADE SOLELY BY MEANS OF THE OFFER DOCUMENT, WHICH WILL CONTAIN THE FULL TERMS AND CONDITIONS OF THE PARTIAL OFFER, AND, IN THE CASE OF SHH SHARES HELD IN CERTIFICATED FORM, THE FORM OF ACCEPTANCE. ANY DECISION, ACCEPTANCE OR APPROVAL IN RELATION TO THE PARTIAL OFFER SHOULD BE MADE ONLY ON THE BASIS OF THE INFORMATION CONTAINED IN THE OFFER DOCUMENT AND THE FORM OF ACCEPTANCE (IF APPLICABLE). SHH SHAREHOLDERS ARE ADVISED TO READ CAREFULLY THE OFFER DOCUMENT AND THE FORM OF ACCEPTANCE (IF APPLICABLE), ONCE THEY HAVE BEEN DISPATCHED.

Forward looking statements

This Announcement contains certain statements that are, or may be deemed to be, forward looking with respect to the financial condition, results of operation(s) and business of SHH and certain plans and objectives of the SHH Directors and FB Investors Executive Committee with respect thereto. These forward looking statements can be identified by the fact that they are prospective in nature and do not relate to historical or current facts. Forward looking statements often, but not always, use words such as “anticipate”, “target”, “expect”, “estimate”, “budget”, “scheduled”, “forecasts”, “intend”, “plan”, “goal”, “believe”, “will”, “may”, “should”, “would”, “could” or other words of a similar meaning. These estimates are based on assumptions and assessments made by the SHH Directors and/or the FB Investors Executive Committee in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe appropriate.

The statements contained in this Announcement are made as at the date of this Announcement, unless some other time is specified in relation to them, and publication of this Announcement shall not give rise to any implication that there has been no change in the facts set forth in this Announcement since such date. 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 and the factors described in the context of such forward looking statements in this Announcement could cause actual results or developments to differ materially from those expressed or implied by such forward looking statements. Although the SHH Directors and the FB Investors Executive Committee believe that the expectations reflected in such forward looking statements are reasonable, neither FB Investors nor SHH, nor any of their respective associates or directors, executive committee members, officers or advisers, or any person acting on the behalf of FB Investors or SHH 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. Other than in accordance with their legal or regulatory obligations (including under the AIM Rules, the Disclosure Guidance and Transparency Rules and MAR), none of FB Investors, SHH, any member of the FB Investors Group, any member of the SHH Group, nor any officer of FB Investors or SHH, nor any of their respective advisers, associates, directors, executive committee members or officers is under any obligation, and such persons expressly disclaim any intention or obligation, to update or revise any forward looking statements, whether as a result of new information, future events or otherwise. No undue reliance should therefore be placed on these forward looking statements which speak only as at the date of this Announcement.

Disclosure requirements of the Takeover Code

Under Rule 8.3(a) of the Takeover Code, any person who is interested in one per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified.

An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the Takeover Code 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 one per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), except to the extent that these details have previously been disclosed under Rule 8 of the Takeover Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the Takeover Code 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 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.

Information relating to SHH Shareholders

Please be aware that addresses, electronic addresses and certain information provided by SHH Shareholders, persons with information rights and other relevant persons in connection with the receipt of communications from SHH may be provided to FB Investors during the Offer Period as required under Section 4 of Appendix 4 of the Takeover Code.

Rule 2.9 Disclosure

In accordance with Rule 2.9 of the Takeover Code, SHH confirms that, as at the date of this Announcement, it has 96,277,086 ordinary shares of 1p each in issue and admitted to trading on AIM, a market operated by the London Stock Exchange under ISIN GB0008659202.

Publication of this Announcement and availability of hard copies

A copy of this Announcement and the display documents required to be published pursuant to Rule 26.1 and Rule 26.2 of the Takeover Code will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on SHH's website at www.suttonharbourholdings.co.uk and on FB Investors' website at www.fbllp.co.uk by no later than 12 noon on the Business Day following the date of this Announcement until the end of the Offer Period.

Neither the content of FB Investors' nor SHH's websites nor the content of any websites accessible from hyperlinks on such websites (or any other websites) are incorporated into, or form part of, this Announcement nor, unless previously published by means of a Regulatory Information Service, should any such content be relied upon in reaching a decision regarding the matters referred to in this Announcement.

In addition, a hard copy of this Announcement and any information incorporated by reference in this Announcement may be requested free of charge by contacting the Receiving Agent, Neville Registrars Limited. On +44 (0)121 585 1131 or by writing to them at Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA.

SHH Shareholders may also request that all future documents, announcements and information to be sent to them in relation to the Partial Offer should be in hard copy form.

The Partial Offer is subject to the provisions of the Takeover Code.

Profit forecasts or estimates

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

SHH Shareholders outside the United Kingdom

The availability of the Partial Offer and the release, publication and distribution of this Announcement in jurisdictions other than the United Kingdom may be restricted by the laws of those jurisdictions and therefore persons who are not resident in the United Kingdom into whose possession this Announcement comes should inform themselves about and observe any such restrictions.

Failure to comply with any such restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Partial Offer disclaim any responsibility or liability for the violation of such restrictions by any person. Accordingly, copies of this Announcement, the Offer Document, the Form of Acceptance, the Form of Approval, the Form of Proxy and/or any other related document will not be, and must not be, directly or indirectly, mailed or otherwise distributed or sent in or into any Restricted Jurisdiction and persons in such Restricted Jurisdictions receiving such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from such jurisdictions as doing so may violate the laws of such jurisdictions and may make invalid any purported acceptance or approval of the Partial Offer by persons in any such Restricted Jurisdiction.

The receipt of cash pursuant to the Partial Offer by SHH Shareholders may be a taxable transaction under applicable national, state or local, as well as foreign and other, tax laws. Each

SHH Shareholder is urged to consult its independent professional adviser regarding the tax consequences of accepting the Partial Offer.

This Announcement has been prepared for the purpose of complying with English law, the rules of the London Stock Exchange, the AIM Rules 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 of jurisdictions outside England and Wales.

The Partial Offer will not be made, directly or indirectly, in or into, or by use of the mails, or by any means or instrumentality (including, without limitation, by means of telephone, facsimile, telex, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facilities of a securities exchange of the United States, Canada, Australia, New Zealand, Japan, the Republic of South Africa or any other Restricted Jurisdiction and the Partial Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction. Accordingly, copies of this Announcement and any other related document will not be, and must not be, directly or indirectly, mailed or otherwise distributed or sent in or into the United States, Canada, Australia, New Zealand, Japan, South Africa or any other Restricted Jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from such jurisdictions as doing so may violate the laws of such jurisdictions and may make invalid any purported acceptance of the Partial Offer by persons in any such jurisdiction.

No representations

No person has been authorised to make any representations on behalf of FB Investors or SHH concerning the Partial Offer or SHH General Meeting which are inconsistent with the statements contained in this Announcement and any such representations, if made, may not be relied upon as having been so authorised. No person should construe the contents of this Announcement as legal, financial or tax advice and recipients of this Announcement should consult their own advisers in connection with the matters contained herein.

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.

Inside information and Market Abuse Regulation (“MAR”)

Certain SHH Shareholders were, with the consent of the Panel, formally brought inside in order to discuss entering into irrevocable undertakings. That inside information is set out in this Announcement and has been disclosed as soon as possible in accordance with paragraph 7 of article 17 of MAR. Therefore, those persons that received inside information are no longer in possession of inside information relating to SHH and its securities.

The person responsible for arranging release of this Announcement on behalf of FB Investors is Philip Beinhaker. The persons responsible for arranging release of this Announcement on behalf of SHH are Jason Schofield and Natasha Gadsdon.

Status of Announcement

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

APPENDIX I

CONDITIONS AND CERTAIN FURTHER TERMS OF THE PARTIAL OFFER

The Partial Offer will be made on the terms and conditions set out in this Appendix and to be set out in the Offer Document and the Form of Acceptance.

PART A: Conditions of the Partial Offer

The Partial Offer will be subject to the following Conditions:

Acceptance condition and approval condition

- (a) valid acceptances of the Partial Offer being received (and not, where permitted, withdrawn) by no later than 1.00 p.m. (London time) on the First Closing Date of the Partial Offer (or such later time(s) and/or date(s) as FB Investors may, subject to the rules of the Takeover Code or with the consent of the Panel, decide) in respect of not less than 55,840,710 SHH Shares; and
- (b) SHH Shareholders holding SHH Shares carrying over 50 per cent. of the voting rights of SHH not held by FB Investors (and any persons acting in concert with it) approving the Partial Offer.

SHH has agreed that, except as stated below and subject to the requirements of the Panel, the Partial Offer will also be subject to the following conditions:

Third party clearances and authorisations

- (c) no central bank, government or governmental, quasi-governmental, supranational, statutory, regulatory, environmental or investigative body, court, trade agency, professional association, institution, employee representative body, or any other such body or person whatsoever in any jurisdiction (each a "Third Party" and all collectively "Third Parties") having decided or given notice of a decision to take, institute or threaten any action, proceeding, suit, investigation, enquiry or reference, or having required any action to be taken, or otherwise having done anything, or having enacted, made or proposed and there not continuing to be outstanding any statute, regulation, decision or order which would or might reasonably be expected to:
 - (i) make the Partial Offer or its implementation or the acquisition or proposed acquisition by FB Investors of all or any SHH Shares, or the acquisition or proposed acquisition of control of SHH, by FB Investors, void, illegal or unenforceable under the laws of any relevant jurisdiction, or otherwise, directly or indirectly, restrain, restrict, prohibit, challenge, delay, hinder or otherwise interfere with the same, or impose additional materially adverse conditions or obligations with respect thereto, or otherwise challenge or require amendment to the terms of the Partial Offer or any such acquisition to an extent in any such case which is material in the context of the Partial Offer;
 - (ii) require, prevent or delay the divestiture, or materially alter the terms envisaged for any proposed divestiture, by any member of the Wider SHH Group of all or any portion of their respective businesses, assets or properties or impose any limitation on the ability of any of them to conduct their respective businesses (or any part of them) or to own or manage their respective assets or properties or any part of them to an extent in any such case which is material in the context of the Wider SHH Group, taken as a whole, or the Partial Offer;
 - (iii) impose any limitation on, or result in a delay in, the ability of FB Investors, directly or indirectly, to acquire or to hold or to exercise effectively all or any rights of ownership in respect of shares, loans or other securities (or the equivalent) in any member of

- the Wider SHH Group or to exercise management control over any such member to an extent which is material in the context of the Wider SHH Group, taken as a whole;
- (iv) otherwise adversely affect any or all of the businesses, assets, liabilities, profits or prospects of any member of the FB Investors Group or the Wider SHH Group to an extent which is material in the context of the FB Investors Group or the Wider SHH Group, taken as a whole;
 - (v) except pursuant to the Partial Offer, require FB Investors or the Wider SHH Group to acquire, or offer to acquire, any shares or other securities (or the equivalent) in, or any asset owned by, any member of the Wider SHH Group;
 - (vi) result in a delay in the ability of FB Investors, or render it unable, to acquire some or all of the SHH Shares to which the Partial Offer relates;
 - (vii) require a divestiture by FB Investors of any shares or other securities (or the equivalent) in SHH to any extent; or
 - (viii) result in any member of the Wider SHH Group or the FB Investors Group ceasing to be able to carry on business under any name which it presently does so to an extent which is material in the context of the Wider SHH Group, taken as a whole, or the FB Investors Group,

and all applicable waiting and other time periods during which any such Third Party could decide to take, institute, implement or threaten any such action, proceeding, suit, investigation, enquiry or reference under the laws of any relevant jurisdiction having expired, lapsed or been terminated;

No transactions, claims or changes in the conduct of the business of SHH

- (d) except as Disclosed, there being no provision of any agreement, authorisation, arrangement, lease, licence, permit or other instrument to which any member of the Wider SHH Group is a party or by or to which any such member or any of its assets may be bound, entitled or subject, which, in consequence of the Partial Offer or the proposed acquisition by FB Investors of any shares or other securities in SHH or because of a change in the control or management of SHH or any member of the Wider SHH Group, would or might reasonably be expected to result in:
 - (i) any monies borrowed by or any other indebtedness (actual or contingent) of, or grant available to, any member of the Wider SHH Group, being or becoming repayable or being capable of being declared repayable immediately or prior to their or its stated maturity date or repayment date or the ability of any such member to borrow monies or incur any indebtedness being withdrawn, prohibited or inhibited or becoming capable of being withdrawn, prohibited or inhibited;
 - (ii) any such agreement, authorisation, arrangement, licence, permit or other instrument or the rights, liabilities, obligations or interests of any member of the Wider SHH Group thereunder being terminated or adversely modified or affected or any obligation or liability arising or any adverse action being taken or arising thereunder;
 - (iii) any assets or interests of any member of the Wider SHH Group being or falling to be disposed of or charged or ceasing to be available to any such member or any right arising under which any such asset or interest could be required to be disposed of or charged otherwise than, in any such case, in the ordinary course of business;
 - (iv) the creation or enforcement of any mortgage, charge or other security interest over the whole or any material part of the business, property or assets of any member of the Wider SHH Group, or any such mortgage, charge or other security interest (whenever arising or having arisen) becoming enforceable or being enforced;

- (v) the rights, liabilities, obligations or interests of any member of the Wider SHH Group in, or the business of any such member with, any person, company, firm or body (or any agreements relating to any such interest or business) being terminated, or adversely modified or adversely affected;
- (vi) the value of any member of the Wider SHH Group or its financial or trading position or profits or prospects being prejudiced or adversely affected; or
- (vii) the creation or assumption of any material liability, actual or contingent, by any member of the Wider SHH Group,

in each case which is material in the context of the Wider SHH Group, taken as a whole, and no event having occurred which, under any provision of any agreement, authorisation, arrangement, lease, licence, permit or other instrument to which any member of the Wider SHH Group is a party or by or to which any such member or any of its assets are bound, entitled or subject, would be reasonably likely to result in any of the events referred to in subparagraphs (i) to (vii) of this paragraph (d);

No changes in share capital

- (e) except as Disclosed, no member of the SHH Group having, since 31 March 2017:
 - (i) except as between SHH and wholly-owned subsidiaries of SHH, or in connection with the Share Subscription, 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 convertible into or exchangeable for shares of any class or rights, warrants or options to subscribe for, or acquire, any such shares or convertible securities;
 - (ii) sold or transferred or agreed to sell or transfer any SHH Shares held in treasury;
 - (iii) recommended, declared, paid or made or proposed to recommend, declare, pay or make any bonus issue, 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 wholly-owned subsidiary of SHH to SHH or any of its wholly-owned subsidiaries;
 - (iv) other than pursuant to the Partial Offer or as agreed by FB Investors (and except for transactions between SHH and its wholly-owned subsidiaries or in the ordinary course of business) implemented, effected, authorised or proposed or announced its intention to implement, effect, authorise or propose any merger, partnership, joint venture, asset or profit sharing arrangement, partnership 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 in any such case;
 - (v) (except for transactions between SHH and its wholly-owned subsidiaries or in the ordinary course of business) disposed of, or transferred, mortgaged or created any security interest over any asset or any right, title or interest in any asset or authorised, proposed or announced any intention to do so;
 - (vi) (except as between SHH and its wholly-owned subsidiaries) made or authorised or proposed or announced an intention to propose any change in its loan capital;
 - (vii) (except as between SHH and its wholly-owned subsidiaries) 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 debenture or become subject to any contingent liability or incurred or increased any indebtedness other than in the ordinary course of business;

- (viii) (except as between SHH and its wholly-owned subsidiaries) purchased, redeemed or repaid, or announced any proposal to purchase, redeem or repay, any of its own shares or other securities or reduced or made any other change to or proposed the reduction or other change to any part of its share capital;
- (ix) entered into or varied or terminated 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) which is not in the ordinary course of business or is of a long term, onerous or unusual nature or magnitude or which involves or which might be reasonably expected to involve an obligation of such a nature or magnitude or which is restrictive on the business of any member of the Wider SHH Group;
- (x) entered into or materially varied the terms of, or made any offer (which remains open for acceptance) to enter into or materially vary the terms of, any contract, service agreement or arrangement with any director or senior executive of any member of the Wider SHH Group;
- (xi) been unable, or admitted in writing that it is unable, to pay its debts or having stopped or suspended (or threatened to stop or suspend) payment of its debts generally or ceased or threatened to cease to carry on all or a substantial part of its business;
- (xii) (other than in respect of a member of the Wider SHH Group which is dormant and was solvent at the relevant time) taken or proposed any corporate action, or had any legal proceedings threatened or instituted against it for its winding-up (voluntarily or otherwise), dissolution or reorganisation or for the appointment of a liquidator, provisional liquidator, receiver, administrative receiver, administrator, trustee or similar officer of all or any part of its assets or revenues or any analogous or equivalent steps or proceedings in any relevant jurisdiction having been taken or had any such person appointed;
- (xiii) waived, compromised, settled, abandoned or admitted any dispute, claim or counterclaim whether made or potential and whether by or against any member of the SHH Group (in each case otherwise than in the ordinary course of business);
- (xiv) made any material alteration to its memorandum or articles of association or other constitutional documents;
- (xv) entered into any contract, agreement, commitment or arrangement or passed any resolution or made any offer (which remains open for acceptance) with respect to or announced any intention to, or to propose to, effect any of the transactions, matters or events referred to in this Condition (e),

in each case, to the extent material in the context of the Wider SHH Group, taken as a whole;

No adverse change, litigation, contingent liabilities or cessation of licences

- (f) except as Disclosed, since 31 March 2017:
 - (i) no change having occurred, and no circumstances having arisen which would or might reasonably be expected to result in any material adverse change in the business, assets, financial or trading position or profits or prospects of any member of the Wider SHH Group, including the termination of any material customer contract or notice of termination from any material customer;
 - (ii) no litigation, arbitration proceedings, prosecution or other legal proceedings or investigations having been threatened in writing, announced, instituted or remaining

outstanding by, against or in respect of any member of the Wider SHH Group or to which any member of the Wider SHH Group is or may become a party (whether as a claimant, defendant or otherwise) and no enquiry or investigation by any Third Party against or in respect of any member of the Wider SHH Group having been commenced, announced or threatened in writing by or against or remaining outstanding in respect of any member of the Wider SHH Group, which, in any such case, has had, or might reasonably be expected to have, a material adverse effect on the Wider SHH Group, taken as a whole;

- (iii) no contingent or other liability having arisen or become apparent to FB Investors outside the ordinary course of business which would or might reasonably be expected to adversely affect any member of the Wider SHH Group to an extent which is material in the context of the Wider SHH Group, taken as a whole; or
- (iv) no steps having been taken and no omissions having been made which are likely to result in the withdrawal, cancellation, termination or modification of any material licence held by any member of the Wider SHH Group which is necessary for the proper carrying on of its business;

No discovery of certain matters

- (g) except as Disclosed, FB Investors not having discovered:
 - (i) that any financial, business or other information concerning the Wider SHH Group publicly announced or disclosed at any time by or on behalf of any member of the Wider SHH Group to FB Investors, is misleading, contains a misrepresentation of any fact or omits to state a fact necessary to make that information not misleading and which was not subsequently corrected before the date of this Announcement by disclosure by, or on behalf of, the Wider SHH Group through the publication of an announcement via a Regulatory Information Service, in each case to an extent which is material in the context of the Wider SHH Group, taken as a whole;
 - (ii) that any member of the Wider SHH Group or any partnership, company or other entity in which any member of the Wider SHH Group has a significant economic interest and which is not a subsidiary undertaking of SHH, is subject to any material liability, contingent or otherwise; or
 - (iii) that there is or is likely to be any material liability (whether actual or contingent) on the part of any member of the Wider SHH Group to make good, repair, reinstate or clean up any property of any description or other asset now or previously owned, occupied or made use of by any past or present member of the Wider SHH Group, under any environmental legislation, regulation, notice, circular or order of any Third Party.

Anti-corruption and sanctions

- (h) except as Disclosed, FB Investors not having discovered that:
 - (i) any past or present member of the Wider SHH Group or any person that performs or has performed services for or on behalf of any such company is or has at any time engaged in any activity, practice or conduct (or omitted to take any action) in contravention of the UK Bribery Act 2010, the US Foreign Corrupt Practices Act of 1977, as amended or any other applicable anti-corruption or bribery legislation; or
 - (ii) any past or present member of the Wider SHH Group has engaged in any activity or business with, or made any investments in, or made any payments to any government, entity or individual covered by any of the economic sanctions administered by the United Nations or the European Union (or any of their respective

member states) or the United States Office of Foreign Assets Control or any other governmental or supranational body or authority in any jurisdiction; and

- (i) except as Disclosed, FB Investors not having discovered that any asset of any member of the SHH 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: Further terms of the Partial Offer

- a) If the Partial Offer lapses, it will cease to be capable of further acceptance. SHH Shareholders who have already accepted the Partial Offer shall then cease to be bound by acceptances delivered on or before the date on which the Partial Offer lapses.
- b) The Partial Offer will be governed by English law and be subject to the exclusive jurisdiction of the English courts, to the Conditions set out above and the further terms set out in this Announcement and to be set out in the Offer Document and the Form of Acceptance. The Partial Offer will be subject to applicable requirements of the Financial Conduct Authority, the Takeover Code, the Panel and the London Stock Exchange (including, without limitation, the AIM Rules).
- c) The Conditions are inserted for the benefit of FB Investors and no SHH Shareholder shall be entitled to waive any of the Conditions without the prior written consent of FB Investors.
- d) SHH Shares that are subject to the Partial Offer will be acquired by FB Investors pursuant to the Partial Offer fully paid and free from all liens, charges, encumbrances, equitable interests, pre-emption rights and other interests and rights of whatsoever nature and together with all rights now or hereafter attaching thereto, including the right to receive and retain in full all dividends and other distributions (if any) declared, paid or made after the date of this Announcement.
- e) FB Investors reserves the right to make an equivalent reduction in the Offer Price if SHH announces, declares or pays any dividend or makes any other distribution to SHH Shareholders on or after the date of this Announcement although, in such circumstances, SHH Shareholders would be entitled to retain any such dividend or other distribution made or paid.
- f) Subject to the requirements of the Panel, FB Investors reserves the right to waive, in whole or in part, all or any of Conditions (c) to (i) (inclusive) of Part A above. Each of Conditions (c) to (i) of Part A shall be regarded as a separate condition and shall not be limited by reference to any other condition.
- g) Except with the consent of the Panel, the Partial Offer will lapse unless all of the Conditions are fulfilled or (if capable of waiver) waived or, where appropriate, have been determined by FB Investors to be or to remain satisfied no later than midnight on the twenty first day after the later of the First Closing Date of the Partial Offer and the date on which the Partial Offer becomes, or is declared, unconditional as to acceptances, or such later date as the Panel may agree.
- h) FB Investors shall be under no obligation to waive (if capable of waiver) or treat as fulfilled any of Conditions (c) to (i) (inclusive) of Part A by a date earlier than the latest date specified above for the fulfilment thereof, notwithstanding that the other Conditions of the Partial Offer may at such earlier date have been fulfilled and that there are, at such earlier date, no circumstances indicating that any of such Conditions may be incapable of fulfilment.

- i) If FB Investors is required by the Panel to make an offer for SHH Shares under the provisions of Rule 9 of the Takeover Code, FB Investors may make such alterations to the above Conditions of the Partial Offer as are necessary to comply with the provisions of that Rule.
- j) Under Rule 13.5 of the Takeover Code, except with the Panel's consent, FB Investors may not invoke any of the above Conditions so as to cause the Partial Offer not to proceed, to lapse or to be withdrawn unless the circumstances which give rise to the right to invoke the relevant condition are of material significance to FB Investors in the context of the Partial Offer. Conditions (a) and (b) of Part A are not subject to this provision of the Takeover Code.
- k) If:
 - i) in so far as the Partial Offer or any matter arising from or relating to the Partial Offer constitutes a concentration with a Community dimension within the scope of the Regulation, the European Commission either initiates proceedings under Article 6(1) of the Regulation or makes a referral to a competent authority of the United Kingdom under Article 9(1) of the Regulation and there is then a CMA Phase 2 Reference; or
 - ii) in so far as the Partial Offer or any matter arising from or relating to the Partial Offer does not constitute a concentration with a Community dimension within the scope of the Regulation, the Partial Offer or any matter arising from or relating to it becomes subject to a CMA Phase 2 Reference,

in each case, before the later of midnight on the First Closing Date and the date on which the Partial Offer becomes, or is declared, unconditional as to acceptances, the Partial Offer will lapse. If the Partial Offer does so lapse, not only will the Partial Offer cease to be capable of further acceptance but also SHH Shareholders and FB Investors will thereafter cease to be bound by prior acceptances.
- l) The availability of the Partial Offer to persons not resident in the United Kingdom may be affected by the laws of the jurisdictions in which such persons are resident. Persons who are not resident in the United Kingdom should inform themselves about and observe any applicable requirements.
- m) The Partial Offer will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality (including, without limitation, facsimile transmission, telex, telephone, internet or email) of interstate or foreign commerce of, or of any facility of a national securities exchange of, any Restricted Jurisdiction and the Partial Offer will not be capable of acceptance by any such use, means, instrumentality or facility or from within any Restricted Jurisdiction.

APPENDIX II
SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement, unless otherwise stated, or the context otherwise requires, the following bases and sources have been used:

- (a) the financial information relating to SHH has been extracted or derived, without material adjustment, from SHH's audited consolidated financial statements for the financial year ended 31 March 2017;
- (b) the financial information relating to Beinhaker Design Services has been extracted or derived, without material adjustment, from its accounts for the financial year ended 31 May 2016;
- (c) the value attributed to the existing issued share capital of SHH is based upon the Offer Price of 29.5 pence for each SHH Share and 96,277,086 SHH Shares being in issue on 22 November 2017 (being the last Business Day prior to the date of this Announcement);
- (d) the value attributed to the Partial Offer is based upon the Offer Price of 29.5 pence for each SHH Share and 67,393,960 SHH Shares (being the number of SHH Shares subject to the Partial Offer); and
- (e) prices quoted for SHH Shares are closing middle market prices on the relevant date, derived from the Daily Official List of the London Stock Exchange.

APPENDIX III
DETAILS OF IRREVOCABLE UNDERTAKINGS

Part A: SHH Directors

The following SHH Directors have entered into irrevocable undertakings in respect of their beneficial holdings of SHH Shares:

Name	Number of SHH Shares	Percentage of issued share capital
Graham Miller	147,000	0.15%
Jason Schofield	14,194	0.01%
Natasha Gadsdon	104,026	0.11%
Robert De Barr	10,000	0.01%
Sean Swales	13,400	0.01%
Total	288,620	0.30%

These irrevocable undertakings include undertakings to:

- (a) to accept, or procure the acceptance of, the Partial Offer;
- (b) to approve, or procure the approval of, the Partial Offer; and
- (c) to vote, or procure the vote, in favour (or to submit, or procure the submission of, Forms of Proxy, voting in favour) of the Resolutions at the SHH General Meeting.

The irrevocable undertakings given by each of the SHH Directors provide that they will cease to be binding if:

- (a) the Offer Document is not published before midnight (London time) on 21 December 2017; or
- (b) the Partial Offer lapses or is withdrawn.

Part B: Other SHH Shareholders

The following SHH Shareholders have entered into irrevocable undertakings:

Name	Number of SHH Shares	Percentage of issued share capital
Crystal Amber Fund Limited	28,184,178	29.27%
Rotolok (Holdings) Limited	27,549,571	28.61%
Dan McCauley	172,399	0.18%
Total	55,906,148	58.07%

These irrevocable undertakings include undertakings to:

- (a) to accept, or procure the acceptance of, the Partial Offer;
- (b) to approve, or procure the approval of, the Partial Offer; and
- (c) to vote, or procure the vote, in favour (or to submit, or procure the submission of, Forms of Proxy, voting in favour) of the Resolutions at the SHH General Meeting.

The irrevocable undertaking given by such SHH Shareholders provides that it will cease to be binding if:

- (a) the Offer Document is not published before midnight (London time) on 21 December 2017; or
- (b) the Partial Offer lapses or is withdrawn.

APPENDIX IV DEFINITIONS

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

“AIM”	a market established by the London Stock Exchange plc;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange, as amended from time to time;
“Announcement”	this announcement of the Partial Offer made in accordance with Rule 2.7 of the Takeover Code;
“Articles”	the articles of association of SHH currently adopted and filed with Companies House;
“Australia”	the Commonwealth of Australia, its states, possessions and territories and all areas subject to its jurisdiction or any political subdivision thereof;
“Beinhaker Design Services”	Beinhaker Design Services Limited (company no. 09613864) whose registered office is at 6 th Floor Cardinal House, 20 St Mary’s Parsonage, Manchester, Lancashire M3 2LG;
“Business Day”	any day (other than a Saturday, Sunday or public holiday) during which banks in London are open for normal business;
“Canada”	Canada, its possessions and territories and all areas subject to its jurisdiction and any political subdivision thereof;
“Chairman”	the chairman of the SHH Board from time to time;
“Closing Price”	the middle market price of a SHH Share at the close of business on the day to which such price relates, as derived from the Daily Official List of the London Stock Exchange;
“Companies Act 2006”	the Companies Act 2006 (as amended from time to time);
“Conditions”	the conditions to the Partial Offer which will be set out in the Offer Document, and which are also set out in Part A of Appendix I to this

	Announcement;
“Daily Official List”	the AIM appendix to the Daily Official List of the London Stock Exchange;
“Dealing Disclosure”	has the same meaning as in Rule 8 of the Takeover Code;
“Deferred Shares”	deferred shares of 24 pence each in the capital of SHH;
“Disclosed”	the information which has been fairly disclosed by SHH: (i) in its published annual report and accounts for the year ended 31 March 2017; (ii) in any public announcement on or before 5 p.m. on the Business Day prior to the date of this Announcement; (iii) otherwise in writing to FB Investors prior to the date of this Announcement; or (iv) in this Announcement;
“Disclosure Guidance and Transparency Rules”	the disclosure guidance and transparency rules published by the Financial Conduct Authority;
“FB Investors”	FB Investors LLP, a limited liability partnership incorporated in England and Wales with partnership number OC419889 and whose registered office is at Lopian Gross Barnett & Co., 6 th Floor, Cardinal House, 20 St. Mary’s Parsonage, Manchester, Lancashire, M3 2LG;
“FB Investors Executive Committee”	the members of the executive committee of FB Investors, being Philip Beinhaker and Albert Friedberg;
“FB Investors Group”	FB Investors and its direct and indirect subsidiaries or subsidiary undertakings from time to time;
“FCMI”	has the meaning given to it in paragraph 8 of this Announcement;
“Financial Conduct Authority” or “FCA”	the Financial Conduct Authority in its capacity as the competent authority for the purposes of Part VI of FSMA, including its successor(s) from time to time;
“First Closing Date”	the date which falls 28 days after the posting of the Offer Document;
“Form of Acceptance”	the form of acceptance and authority relating to the Partial Offer which (in the case of SHH Shareholders who hold their SHH Shares in

	certificated form) will accompany the Offer Document;
“Form of Approval”	the form of approval relating to the Partial Offer which will accompany the Offer Document;
“Form of Proxy”	the form of proxy for use in connection with the SHH General Meeting which will accompany the Offer Document;
“Formal Sale Process”	the formal sale process announced by SHH on 21 April 2016;
“FSMA”	the Financial Services and Markets Act 2000 (as amended from time to time);
“IBI Group”	IBI Group Inc., a public corporation established under the federal laws of Canada, and its subsidiary undertakings from time to time;
“Japan”	Japan, its cities, prefectures, territories and possessions and all areas subject to its jurisdiction or any political subdivision thereof;
“London Stock Exchange”	London Stock Exchange plc together with any successors thereto;
“MAR”	the European Union Market Abuse Regulation (<i>Regulation 596/2014</i>);
“New Zealand”	the Commonwealth of New Zealand, its states, possessions and territories and all areas subject to its jurisdiction or any political subdivision thereof;
“Offer Document”	the formal document setting out the full terms and conditions of the Partial Offer to be posted to SHH Shareholders (other than certain Overseas SHH Shareholders);
“Offer Period”	the offer period (as defined in the Takeover Code) relating to SHH which commenced on 21 April 2016 and shall end on the earlier of the date on which the Partial Offer becomes, or is declared, unconditional as to acceptances and/or the date on which the Partial Offer lapses or is withdrawn (or such other date as the Panel may decide);
“Offer Price”	the consideration for the Partial Offer, being 29.5 pence in cash for each SHH Share to be

	sold pursuant to the Partial Offer;
“Offeror”	FB Investors;
“Opening Position Disclosure”	has the same meaning as in Rule 8 of the Takeover Code;
“Overseas SHH Shareholders”	SHH Shareholders who are resident in, or nationals or citizens of, jurisdictions outside the UK or who are nominees of, or custodians, or trustees for, SHH Shareholders who are citizens, residents or nationals of countries other than the UK;
“Panel”	the Panel on Takeovers and Mergers;
“Partial Offer”	the recommended partial cash offer being made by FB Investors at the Offer Price to acquire up to 67,393,960 SHH Shares on the terms, and subject to the Conditions, set out in this Announcement and which will be set out in the Offer Document and (where applicable) the Form of Acceptance and including, where the context so requires, any subsequent revision, variation, extension or renewal of, or election available under, such offer;
“Plymouth and South West Devon Joint Local Plan”	the joint plan between Plymouth City Council, South Hams District Council and West Devon Borough Council that was submitted to the Planning Inspectorate for examination on 31 July 2017;
“RBS”	The Royal Bank of Scotland plc, bankers to SHH;
“Record Date”	the date to be set out in the Offer Document, which is expected to be the close of business on the Business Day immediately preceding the date on which the Partial Offer becomes, or is declared, wholly unconditional or such other date as FB Investors may, with the consent of the Panel, decide;
“Regulatory Information Service”	any information service authorised from time to time by the FCA for the purpose of disseminating regulatory announcements;
“Relationship Agreement”	the relationship agreement entered into on or about the date hereof between FB Investors and SHH to govern their relationship following the Partial Offer becoming, or being declared, wholly unconditional in accordance with its

	terms;
“Resolutions”	the ordinary resolution and the special resolution to be proposed at the SHH General Meeting in connection with the Partial Offer and the Share Subscription for the purposes of enabling the SHH Directors to allot the Subscription Shares to FB Investors at a subscription price of 29.5 pence per Subscription Share on a non pre-emptive basis;
“Restricted Jurisdiction”	any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Partial Offer is sent or made available in that jurisdiction, including the United States, Canada, Australia, New Zealand, Japan, or the Republic of South Africa;
“Rothschild”	N. M. Rothschild & Sons Limited, the financial adviser to SHH;
“Share Subscription”	the proposed subscription by FB Investors for the Subscription Shares at a price of 29.5 pence per Subscription Share in accordance with the terms of the Share Subscription Agreement;
“Share Subscription Agreement”	the share subscription agreement entered into between FB Investors and SHH on or about the date hereof in respect of the Share Subscription;
“SHH” or the “Company”	Sutton Harbour Holdings plc, a public company incorporated in England and Wales with registered number 02425189 and whose registered office is at Tin Quay House, Sutton Harbour, Plymouth, Devon, PL4 0RA;
“SHH Directors” or “SHH Board”	the board of directors of SHH;
“SHH General Meeting”	the general meeting to be convened by SHH (including any adjournment thereof) in connection with the Share Subscription for the purposes of passing the Resolutions;
“SHH Group”	SHH and its subsidiary undertakings from time to time, and “member of the SHH Group” shall be construed accordingly;
“SHH Shareholders”	registered holders of SHH Shares from time to

	time;
“SHH Shares”	ordinary shares of 1p each in the capital of SHH;
“South Africa”	the Republic of South Africa and its respective territories or possessions;
“Subscription Shares”	the 9,322,034 new SHH Shares to be allotted and issued to FB Investors pursuant to the terms of the Share Subscription Agreement;
“Substantial Interest”	a direct or indirect interest in 20 per cent. or more of the voting equity capital of an undertaking;
“Sugar House”	the property of SHH at Sutton Harbour, Plymouth PL4 0RA;
“Sutton Harbour Company”	Sutton Harbour Company Limited (company no. ZC000187) whose registered office is at Tin Quay House, Sutton Harbour, Plymouth, Devon, PL4 0RA;
“Takeover Code”	the City Code on Takeovers and Mergers;
“United Kingdom” or “UK”	the United Kingdom of Great Britain and Northern Ireland;
“United States”, “USA” or “US”	the United States of America, the territories and possessions, any state of the United States of America, the District of Columbia and all areas subject to its jurisdiction or any political subdivision thereof;
“WH Ireland”	WH Ireland Limited, the financial adviser to FB Investors; and
“Wider SHH Group”	SHH and its subsidiaries, subsidiary undertakings, any joint venture, partnership, firm or company in which any member of the SHH Group has a significant interest or any undertaking in which SHH and such member or undertakings (aggregating their interests) have a Substantial Interest.

In this Announcement:

- “subsidiary”, “subsidiary undertaking” and “undertaking” have the meanings given to them by the Companies Act 2006 and “associated undertaking” has the meaning given to it by paragraph 19 of Schedule 6 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, other than paragraph 1(b) thereof which shall be excluded for this purpose;

- all references to “GBP”, “pounds”, “£”, “penny” “pence” or “p” are to the lawful currency of the United Kingdom;
- the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender;
- all references to legislation are to English legislation unless the contrary is indicated, and any reference to any provision of any legislation includes any amendment, modification, re-enactment or extension thereof; and
- all times referred to are London time unless otherwise stated.