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FOR IMMEDIATE RELEASE

19 September 2017

**RECOMMENDED CASH ACQUISITION**

of

**NOVAE GROUP PLC**

by

**AXIS SPECIALTY UK HOLDINGS LIMITED**

**(A WHOLLY-OWNED SUBSIDIARY OF AXIS CAPITAL HOLDINGS LIMITED)**

**to be effected by means of a Scheme of Arrangement under  
Part 26 of the Companies Act 2006**

**ANNOUNCEMENT OF REGULATORY APPROVALS**

Novae Group plc ("**Novae**") announces that, in connection with the recommended cash offer made by AXIS Specialty UK Holdings Limited ("**AXIS Bidco**") (a wholly-owned subsidiary of AXIS Capital Holdings Limited ("**AXIS**")) to acquire the entire issued and to be issued share capital of Novae (the "**Acquisition**") to be effected by means of a scheme of arrangement under Part 26 of the Companies Act 2006 (the "**Scheme**"):

- (i) the Prudential Regulation Authority and the Financial Conduct Authority have both given notice of their unconditional approval of the Acquisition;
- (ii) Lloyd's of London has given its consent in writing to the Acquisition; and
- (iii) the Bermuda Monetary Authority has given written notice that it has no objection to the Acquisition.

Details of the Scheme are contained in the scheme document published on 2 August 2017 in relation to the Acquisition (the "**Scheme Document**"), as modified by the increased and final offer announcement made by Novae and AXIS on 24 August 2017. Capitalised terms used but not otherwise defined in this announcement (the "**Announcement**") have the meanings given to them in the Scheme Document.

The Scheme remains subject to the satisfaction or (where applicable) waiver of the remaining Conditions set out in the Scheme Document. The Acquisition is currently being reviewed by the European Commission under the simplified procedure and Novae anticipates that the Acquisition will be unconditionally cleared in October 2017. The Scheme also requires the sanction of Court at the Court Hearing, which is expected to take place in the fourth quarter of 2017.

The expected timetable of principal events for the implementation of the Scheme following the Court Hearing remains as set out on page 10 of the Scheme Document. If any of the dates and/or times in the expected timetable change, the revised dates and/or times will be notified by announcement through a Regulatory Information Service.

**Enquiries:**

**Novae Group plc**

Matthew Fosh, Chief Executive	+44 20 7050 9000
Reeken Patel, Chief Financial Officer	+44 20 7050 9000

**Evercore Partners International LLP**

Matthew Lindsey-Clark	+44 20 7653 6000
Stuart Britton	+1 212 857 3100
Neil Bhadra	+44 20 7653 6000

**Canaccord Genuity Limited**

Bruce Garrow	+44 20 7523 8000
Chris Connors	+44 20 7523 8000

**RBC Europe Limited**

Oliver Hearsey	+44 20 7653 4000
Jonathan Hardy	+44 20 7653 4000

**AXIS Capital Holdings Limited**

Joe Henry, Chief Financial Officer	+1 212 500 7600
Linda Ventresca, Corporate Development	+1 212 500 7600
Conrad Brooks, General Counsel	+1 212 500 7600

**Credit Suisse International**

Alejandro Przygoda	+1 212 325 2000
Carlos Marque	+1 212 325 2000
Joe Hannon	+44 20 7888 8888
Hugh Man	+44 20 7888 8888

**Fenchurch Advisory Partners LLP**

Malik Karim	+44 20 7382 2222
Philippe Jacquemard	+44 20 7382 2222
Richard Locke	+44 20 7382 2222
Philip Evans	+44 20 7382 2222

### **Important notices**

Evercore Partners International LLP ("**Evercore**"), which is authorised and regulated by the Financial Conduct Authority (the "**FCA**") in the United Kingdom, is acting as financial adviser exclusively for Novae and no one else in connection with the matters referred to in this Announcement and will not regard any other person as its client in relation to the matters referred to in this Announcement and will not be responsible to anyone other than Novae for providing the protections afforded to clients of Evercore, nor for providing advice in relation to the content of this Announcement or any matter referred to herein. Neither Evercore nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Evercore in connection with this Announcement, any statement contained herein or otherwise.

Canaccord Genuity Limited, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for Novae as corporate broker and no-one else in connection with the subject matter of this Announcement and will not be responsible to anyone other than Novae for providing the protections afforded to its clients or for providing advice in relation to the subject matter of this Announcement.

RBC Europe Limited ("**RBC**"), which is authorised by the Prudential Regulation Authority (the "**PRA**") and regulated in the United Kingdom by the FCA and the PRA, is acting exclusively for Novae as corporate broker and no one else in connection with the Acquisition and accordingly will not be responsible to anyone other than Novae in providing the protections afforded to clients of RBC nor for providing advice in relation to the Acquisition, the content of this Announcement or any matter referred to herein.

Credit Suisse International ("**Credit Suisse**"), which is authorised by the PRA and regulated by the FCA and the PRA in the United Kingdom, is acting as financial adviser exclusively for AXIS and AXIS BidCo and no one else in connection with the Acquisition and the matters set out in this Announcement. Except for the responsibilities and liabilities, if any, which may be imposed on Credit Suisse by FSMA or the regulatory regime established thereunder, Credit Suisse will not be responsible to anyone other than AXIS and AXIS BidCo for providing the protections afforded to clients of Credit Suisse, nor for providing advice in relation to the Acquisition or any matter referred to herein. Neither Credit Suisse nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Credit Suisse in connection with this Announcement, any statement contained herein or otherwise.

Fenchurch Advisory Partners LLP ("**Fenchurch**"), which is authorised and regulated by the FCA in the United Kingdom, is acting as financial adviser exclusively for AXIS and AXIS BidCo and no one else in connection with the Acquisition and, accordingly, will not be responsible to anyone other than AXIS and AXIS BidCo for providing the protections afforded to clients of Fenchurch or for providing advice in relation to the Acquisition, the content of this Announcement or any matter referred to herein. Neither Fenchurch nor any of its subsidiaries, branches or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Fenchurch in connection with this Announcement, any statement contained herein or otherwise.

### **Further information**

This Announcement is for information purposes only and is not intended to and does not constitute or form part of, any offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise nor shall there be any sale, issuance or transfer of securities of Novae in any jurisdiction in contravention of applicable law. The Acquisition will be implemented solely by means of the Scheme Document (or if the Acquisition is implemented by way of a Takeover Offer, the offer document), which, together with the increased and final offer announcement made by AXIS and Novae on 24 August 2017, contains the full terms and conditions of the Acquisition. Each Novae Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

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

### **Overseas jurisdictions**

The release, publication or distribution of this Announcement in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, any applicable legal or regulatory requirements. In particular, the ability of persons who are not resident in the United Kingdom to vote their Novae Shares with respect to the Scheme at the Court Meeting, or to appoint another person as proxy to vote at the Court Meeting on their behalf, may be affected by the laws of the relevant jurisdictions in which they are located. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person. This Announcement has been prepared for the purpose of complying with English law and the 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 of England.

Copies of this Announcement and formal documentation relating to the Acquisition will not be, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any Restricted Jurisdiction or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving such documents (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction. Doing so may render invalid any related purported vote in respect of the Acquisition. If the Acquisition is implemented by way of Takeover Offer (unless otherwise permitted by applicable law or regulation), the Takeover Offer may not be made, directly or indirectly, in or into or from within any Restricted Jurisdiction.

The Acquisition relates to the shares of an English company that is a "foreign private issuer" as defined in Rule 3b-4 under the US Securities Exchange Act of 1934, as amended, and is proposed to be effected by means of a scheme of arrangement under English law. Neither the US proxy solicitation rules nor (unless implemented by means of an offer) the tender offer rules under the US Securities Exchange Act of 1934, as amended, will apply to the Acquisition. Accordingly, the Scheme will be subject to the disclosure requirements and practices applicable to the United Kingdom and under the Code to schemes of arrangement, which differ from the disclosure requirements of the US proxy solicitation rules and tender offer rules. Neither the SEC, nor any securities commission of any state of the United States, has approved the Acquisition, passed upon the fairness of the Acquisition or passed upon the adequacy or

accuracy of this Announcement. Any representation to the contrary is a criminal offence in the United States. Financial information relating to Novae included in this Announcement and the Scheme Document has been or will have been prepared in accordance with accounting standards applicable in the United Kingdom that may not be comparable to financial information of US companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States.

The receipt of cash pursuant to the Acquisition by a US beneficial owner of Novae Shares as consideration for the transfer of its Scheme Shares pursuant to the Scheme will be a taxable transaction for United States federal income tax purposes and may also be a taxable transaction under other applicable tax laws, including any applicable United States state and local, as well as non-US, tax laws. Each Novae Shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him.

If the Acquisition is implemented by way of a Takeover Offer and AXIS determines to extend such offer into the United States, the offer will be made in compliance with applicable UK and US securities laws and regulations, including the US tender offer rules.

In accordance with normal UK practice, AXIS or its nominees, or its brokers (acting as agents), may from time to time make certain purchases of, or arrangements to purchase, Novae Shares outside of the US, other than pursuant to the Acquisition, until the date on which the Acquisition and/or Scheme becomes Effective, lapses or is otherwise withdrawn. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Any information about such purchases will be disclosed as required in the UK, will be reported to a Regulatory Information Service and will be available on the London Stock Exchange website at [www.londonstockexchange.com](http://www.londonstockexchange.com).

### **Forward looking statements**

This Announcement (including information incorporated by reference in this Announcement), oral statements made regarding the Acquisition, and other information published by Novae and AXIS contain statements which are, or may be deemed to be, “forward looking statements”. Such forward looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and on numerous assumptions regarding the business strategies and the environment in which the AXIS Group or the Enlarged Group will operate in the future and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by those statements. Forward-looking statements include, without limitation, statements that typically contain words such as “can be”, “target”, “expect”, “estimate”, “aim”, “opportunity”, “create”, “represent”, “extend”, “provide”, “enable”, “achieve”, “intend”, “will”, “would”, “could”, “should”, “proposed”, “enhancing”, “synergies”, “believe” or similar expressions. By their nature, forward-looking statements involve known or unknown risks and uncertainties because they relate to events and depend on circumstances that will occur in the future. Actual results may differ materially from those expressed in the forward-looking statements depending on a number of factors, including, but not limited to, the enactment of legislation or regulation that may impose costs or restrict activities, the satisfaction of the conditions to the offer, future market conditions, the behaviour of other market participants, an adverse change in the economic climate, a fluctuation in the level of clients’ commercial activity, appropriate consultation with employee representative bodies, a loss of key personnel and the extent to which the Novae and the AXIS Group businesses are successfully integrated. Many of these risks and uncertainties relate to factors that are beyond the companies’ abilities to control or estimate precisely, such as future market conditions and the

behaviours of other market participants. The forward-looking statements contained in this Announcement are made as of the date hereof. None of Novae, any member of the Novae Group, AXIS, AXIS BidCo or any member of the AXIS Group assumes any obligation or intends publicly to update or revise these forward-looking statements, whether as a result of future events, new information or otherwise except as required pursuant to applicable law.

#### **No profit forecast or estimates**

No statement in this Announcement is intended as a profit forecast or profit estimate and no statement in this Announcement should be interpreted to mean that earnings per Novae Share or AXIS Share for the current or future financial years would necessarily match or exceed the respective historical published earnings per Novae Share or AXIS Share or to mean that the Enlarged Group's earnings in the first 12 months following the Acquisition, or in any subsequent period, would necessarily match or be greater than those of Novae or AXIS for the relevant preceding financial period or any other period.

#### **Dealing and Opening Position Disclosure Requirements of the City Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1 per cent. or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) of the 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 Code, any person who is, or becomes, interested in 1 per cent. or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of: (i) the offeree company; and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8 of the Code. A Dealing Disclosure by a person to whom Rule 8.3(b) of the 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 Code.

Opening Position Disclosures must also be made by the offeree company and by an offeror and Dealing Disclosures must also be made by the offeree company, by an offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4 of the 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](http://www.thetakeoverpanel.org.uk) including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0) 20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

**Publication on website**

A copy of this Announcement will be made available on the Novae website at [www.novae.com](http://www.novae.com) and the AXIS website at [www.axiscapital.com](http://www.axiscapital.com) by no later than 12.00 noon (London time) on the Business Day following the date of publication of this Announcement (subject to any applicable restrictions relating to persons resident in Restricted Jurisdictions). For the avoidance of doubt, save as expressly referred to in this Announcement, the contents of those websites are not incorporated into and do not form part of this Announcement.